

November 7, 2005

Mr. Jeffrey K. Hartmann  
Post Office Box 111978  
Tacoma, WA 98411-1978

RE: Supplier Disagreement Resolution Case No. OM06MT-01; Solicitation No. 980-281-05:  
Award of HCR No. 982L6

Dear Mr. Hartmann:

Your letter of October 20 presented a disagreement as defined in 39 Code of Federal Regulations (CFR) Part 601 with respect to the award of Highway Contract Route (HCR) No. 982L6. You are requesting that I overturn the contracting officer's contract award decision and allow you to modify the number of fuel gallons stated on your Highway Transportation Postal Service (PS) Form 7468A cost worksheet and be allowed to reduce your offered rate.

I have examined the disagreement lodged with me as well as the information you provided. I have also examined the contracting officer's administrative file. Based on the correspondence I have examined, your disagreement is denied. The disagreement is denied for the reasons set forth by the contracting officer in his letter to you dated October 18.

As justification for your request, you contend that your proposal included an inflated number of fuel gallons and you did not understand that the proposed number of gallons and the average quarterly Department of Energy (DOE) Regional Fuel Index cost per gallon would be part of the proposal evaluation process. In your disagreement to me dated October 20 you made the following assertion, "I tried to explain that I did not know that the gallons had a monetary value with the New Voyager Program, and their value with the bottom line. This making my bid higher as if I were still purchasing the fuel..." You further stated that, "I can't understand why while Randy was reviewing these gallons to determine as to whom was the best value to the USPS, knowing of their excessiveness failed to call or contact/question me? He knowing that all Straight Trucks pretty much consume the same amount of gallons." You concluded the disagreement by admitting, "I on the other hand made an error with my gallons, and respectfully ask knowing that I am the best value, be considered."

The contracting officer denied your request to modify your cost worksheet and proposal offered rate based on the following information:

- (1) Your modified offer was presented to the contracting officer only after you were notified of the successful vendor and price.
- (2) The solicitation packet received by you on September 8 included detailed information about the evaluation process, including specific language that the DOE Regional Fuel Index cost per gallon would be used to evaluate proposals.
- (3) Information regarding Solicitation No. 980-281-05 and the specific proposal evaluation process were provided to offerors who attended a meeting at the Western Area DNO, Seattle Branch on September 8. You were present at this meeting and were provided this information.
- (4) The solicitation packet also included an Incumbency Agreement, signed by you on September 16, in which you acknowledged that only one offer would be allowed, any offer

provided would be the lowest cost for which you would be willing to operate the route, and that your offer would be considered a Best and Final Offer (BAFO).

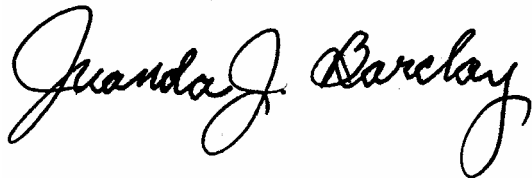
- (5) USPS records indicate you have successfully participated in solicitations with similar proposal requirements and evaluation instructions.

You offer that you did not know that your fuel gallons had a monetary value because you thought that you would be purchasing fuel thereby overstating the gallons; you also contend that you misunderstood the fuel management program; and if given the opportunity to correct your alleged bid error you believe your offer would be the best value to the Postal Service. However, I disagree. According to documents submitted by the contracting officer, to be considered for the contract, suppliers were instructed to complete and return Form HC 143, Incumbency Agreement, and PS Form 7468A, Cost Worksheet. According to the Incumbency Agreement, suppliers were only allowed to submit one offer. That offer was considered their BAFO for the proposed service. Language in the Incumbency Agreement specifically states "I realize that I will only be allowed to submit one (1) offer and that the rate provided is to be considered my Best and Final Offer (BAFO)." A copy of the Incumbency Agreement with your signature agreeing to the terms of the agreement was submitted by the contracting officer. In addition, you also provided this office with a signed copy of the cost worksheet outlining the basis for determining your proposed costs. My review of the cost worksheet does not reveal or suggest a mistake in your offer of which the contracting officer should have been aware. Furthermore, according to the contracting officer, you were awarded contract no. HCR 98013, which used the same bidding process. This would suggest that you have an understanding of the Fuel Management (Voyager) Program.

Based on the aforementioned facts, documentation signed by you attesting that the amount submitted was your BAFO; and admissions by you in your disagreement dated October 20 that you made a mistake in your calculations because you did not understand the Voyager Program, I agree with the contracting officer's assessment. It is incumbent upon you to gain the necessary knowledge and understanding of the new Voyager Program prior to submitting your cost worksheet and signing the Incumbency Agreement. The contracting officer correctly stated that to allow you to modify your offer would compromise the fairness and integrity of the purchasing process. Accordingly, I conclude that the award of HCR No. 982L6 was properly made by the contracting officer and it represented the best value to the Postal Service. Therefore your disagreement is denied and the award of HCR No. 982L6 stands.

This is the Postal Service's final decision on this disagreement regarding Solicitation No. 980-281-05 under 39 CFR 601.108(h).

Sincerely,

A handwritten signature in black ink that reads "Juanda J. Barclay". The signature is written in a cursive, flowing style.

Juanda J. Barclay, C.P.M., A.P.P.  
USPS Supplier Ombudsman

cc: Kristen E. Stoneback, David Lindlief, Raymond Luke, Russell Skyes