

SUPPLY MANAGEMENT



August 14, 2020

BY EMAIL AND CERTIFIED MAIL

Andrew J. Becker, esq.  
Merbaum & Becker, P.C.  
5755 North Point Parkway, Suite 284  
Alpharetta, GA 30022

Re: Supplier Disagreement Resolution Case No. SDR-20-FA-008  
Solicitation No. 482263-20-A-0041, Richmond, VA HVAC System Upgrade Project

Dear Mr. Becker:

Schadsons Holding Group LLC ("Supplier") lodged a Disagreement with the Supplier Disagreement Resolution Official on August 6, 2020 ("Disagreement"), with respect to the United States Postal Service's award pursuant to Solicitation No. 482263-20-A-0041 for a project to upgrade the HVAC system at the Richmond, Virginia Main Post Office. Supplier was not awarded a contract based on Supplier's not meeting the Supplier Capability – State License requirement of the solicitation. Supplier lodged an initial disagreement regarding this award with the contracting officer ("CO") on July 24, 2020. The CO denied the initial disagreement on July 30, 2020 ("Initial Disagreement Resolution").

**I. The Disagreement**

Supplier's Disagreement is based on the license eligibility requirement of the solicitation ("License Requirement," as copied below in its entirety):

**LICENSE(S)**

*Attach a copy of license(s) or certification(s) for this type of work, as required by the State named in this solicitation, or copy of application to obtain such license(s). If a license (or certification) for this type of work is not required in the State named in this solicitation, the contractor is to provide a statement indicating that this is not applicable.*

Supplier now asserts the following:

- The License Requirement was ambiguous and Supplier reasonably interpreted the phrase "type of work" to mean "mechanical work performed at a federal facility."
- Therefore, because the Commonwealth of Virginia does not require a license for mechanical work on Postal Service construction projects, Supplier was not required under the License Requirement to provide any license and should not have been denied a contract for failing to provide such a license.

## **II. Discussion**

### **A. Ambiguity of License Eligibility Requirement**

Supplier's claim of ambiguity fails according to basic principles of contract interpretation – predominantly, the principle that terms should not be interpreted so as to render any other term superfluous or meaningless. The solicitation is replete with the term "the work," yet uses the phrase "this type of work" in one provision only – the License Requirement. If the term "this type of work" were to mean the specific mechanical work being performed at a postal facility, as Supplier claims, there would be no need for the solicitation to include *this type of*. The solicitation could simply have used the term "the work," as it does in multiple other locations when discussing the specific mechanical work being solicited. Thus, clearly, the addition of the modifier "this type of" to "work" was intended to broaden the meaning of "work" to encompass the general category of work to be performed – mechanical, electrical, plumbing, etc.

Furthermore, Supplier's actions indicate that it always understood the correct meaning of the term "this type of work." If Supplier had genuinely interpreted the phrase in the way described in the Disagreement, it would have acted to satisfy the second part of the License Requirement: "If a license (or certification) for *this type of work* is not required in the State named in this solicitation, the contractor *is to provide a statement* indicating that this is not applicable" (emphasis supplied).

However, Supplier did not provide such a statement in its proposal. Indeed, Supplier provided a Virginia license for another company, [REDACTED] "because [REDACTED] reached an agreement with [REDACTED] to submit their ( [REDACTED] ) VA Contractor license on this project with the understanding they ( [REDACTED] ) would provide all structural steel fabrication and installation scope of work on the project" (Initial Disagreement Resolution, p. 1). In short, if Supplier had actually interpreted the License Requirement in the manner claimed in the Disagreement, it would have submitted the required statement of inapplicability rather than another company's Virginia mechanical license.

I therefore find that the License Requirement is not ambiguous and, by failing to provide a Virginia license for the type of work specified in the Solicitation, Supplier did not satisfy the eligibility requirement.

## **III. Decision**

I find the CO's decision that Supplier did not meet the License Requirement to be correct. Therefore, this Disagreement is denied. In accordance with 39 C.F.R. § 601.108(g), this is my final and binding resolution of this matter.

Sincerely,

E-SIGNED by ROBERT D'ORSO  
on 2020-08-14 15:03:22 CDT

Robert D'Orso  
Supplier Disagreement Resolution Official  
Manager, Policy, Compliance & Audit  
Supply Management Infrastructure

cc: Jaime Ayala, Contracting Officer – Southern Facilities Construction CMT