



April 23, 2020

BY E-MAIL AND CERTIFIED MAIL

Glen L. Smith
Wheeler Upham, PC



Re: Supplier Disagreement Resolution No. SDR-20-RE-004

Dear Mr. Smith:

This letter responds to the submission that you made on behalf of Postal Realty Trust, Inc. ("PRT") with the Supplier Disagreement Resolution ("SDR") Official. Your submission was dated March 18, 2020, and received on the same date.

Background

You challenge the contracting officer's March 18, 2020 determination that PRT's objections related to the selection of a new leased postal facility in East Liverpool, OH are not business disagreements under 39 C.F.R. §§ 601.107-108. You further assert that PRT was wrongfully excluded from consideration and not provided a solicitation packet with regard to the selection of the facility, violating PRT's due process rights.

I have reviewed the matter and provide the following response.

Basis for SDRO Response

The Postal Service's SDR process addresses supplier disagreements arising from the purchasing process to ensure that the Postal Service purchases products and services that represent the best value. The regulations implementing the business disagreement process and establishing the SDRO role provide that "[t]he regulations contained in this part apply to all Postal Service acquisition of property (except real property) and services." 39 C.F.R. § 601.103. The disagreement process is further limited to exclude disputes (a) covered by the Contract Disputes Act, (b) concerning debarment, suspension, or ineligibility, and (c) arising out of nonrenewal of transportation projects. 39 C.F.R. § 601.107(a)(2).

As was stated in the contracting officer's March 18, 2020 determination, the acquisition of real property has been defined to include acquisition of property by lease. See Handbook RE-1, Section 33. Furthermore, in February 2016, the Postmaster General delegated to the Vice President, Facilities, the authority to develop policies and procedures unique to real estate, and defined "real estate" to include the "acquisition of real property (including

improvements in real property), and any interests in real property by easement, license, purchase, lease, or exchange.”

Postal regulations with respect to establishing and relocating post offices, as well as the process to provide input or otherwise challenge decisions related to such, can be found in 39 C.F.R. Part 241. That Part, however, neither gives disappointed property owners the right to file disagreements under Part 601, nor does it give the SDRO jurisdiction to review matters related to the establishment or relocation of post offices.

SDRO Decision

I conclude that the Postal Service’s actions taken in acquiring real property by lease are not covered by the disagreement process set forth in 39 C.F.R. §§ 601.107-108, and as a result, I am without authority or jurisdiction to entertain disagreements with postal leasing decisions.

My decision is to deny your disagreement. 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 2020-04-23 10:05:18 CDT

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

cc: Joseph D. Lowe