



February 14, 2018

BY EMAIL AND EXPRESS MAIL

Mr. Randy Weber  
Weber Trucking LLC  
P.O. Box 151525  
Ely, NV 89315-1206

Re: Supplier Disagreement Resolution No. SDR-18-TR-02

Dear Mr. Weber:

This letter responds to the business disagreement that you filed with the Supplier Disagreement Resolution ("SDR") Official on January 12, 2018, in reference to Solicitation No. 800-125-18 for HCR 890C9.

### Background

A review of documentation in this matter provide that Solicitation No. 800-125-18 for Highway Contract Route 890C9, for mail delivery service between Westridge Station and Quarterhorse Lane in Nevada beginning January 17, 2018 (the "Solicitation"), was issued on December 11, 2017. Proposals were initially due by December 22, 2017, but the deadline was extended by the Contracting Officer to December 27, 2017 in order to allow time to review the schedule requirements pursuant to your firm's submission of an initial business disagreement. You timely filed your initial disagreement with the Contracting Officer on December 18, 2017, and you sent another letter to the Contracting Officer disagreeing with the results of the route survey on December 22, 2017. The Contracting Officer issued his initial response on December 28, 2017, and confirmation records indicate that it was received by your office on January 2, 2018. You timely filed your business disagreement with the SDRO on January 12, 2018.

Your company's business disagreement centers on your disagreement with the Statement of Work attached to the above noted Solicitation. Your company was the incumbent contractor who had provided service and held the same routes for one and a half years. On November 17, 2017, you exercised your right to terminate your contract on 60 days' notice and accordingly the Postal Service provided for re-competition of the routes to re-establish contract delivery service. You have communicated that you believe the Solicitation contained inaccurate estimates of the time needed to sort and deliver mail under each of the four routes included in the Solicitation. You disagree that route surveys conducted in early December 2017 accurately estimate the time it takes to perform each route. Finally, you claim that if the route surveys had been done when you requested, in or around September 2017, the results would have been more accurate than the route surveys done during peak season.

Several sections of the Solicitation's SOW inform the review of your disagreement.

The Statement of Work at page B-8 provides, in relevant part:

\*\*2. Estimated annual schedule hours: 7,173.0

...

\*\* The estimated annual hours are approximately the number of hours needed to operate the trips as they are shown in the schedule. Also included in the total estimated annual hours are the number of hours needed for casing,

loading/unloading and mail mark-up. Prior to submitting a proposal, the supplier must determine the actual hours.

The Statement of Work at page B-9 provides, in relevant part.

**SPECIAL NOTE:** Any additional hours or miles which may result from the supplier's unique operations should be included in the proposal price. The miles and hours shown in this section are the estimated minimum miles and hours necessary to operate the trips as shown and do not include wash-up time, vehicle inspection, etc.

It is not disputed that the SOW was prepared by the Postal Service based on its operational requirements and information. The requirements were reviewed by local postal Operations personnel prior to the Solicitation being issued. In particular, between December 5, 2017, and December 8, 2017, a station supervisor familiar with the routes and the applicable service standards conducted route surveys for each route that was to be included in the Solicitation. The Area Contract Delivery Service ("CDS") Coordinator forwarded those requirements to the Supply Management Contracting Officer, who in turn included the estimates in the Statement of Work.

Later, the Area CDS Coordinator confirmed the estimates in response from an inquiry from the Contracting Officer, who was prompted to ask for reassurance after receiving your initial disagreement and before the Solicitation closed. Based on the response from the Area CDS Coordinator and a clarification from the supervisor who conducted the December route surveys, the Contracting Officer concluded that the estimated hours contained in the Statement of Work were substantially correct and justifiable.

On December 19, 2017, you submitted a proposal in response to the Solicitation. On your Cost Worksheet, line 12 indicates that your proposal was based on [REDACTED] work hours. The Solicitation contained a total of 7,173 work hours as the estimate for performance.

I am the current SDRO designated to resolve your disagreement. I have jurisdiction, pursuant to 39 CFR § 601.107 (b), to hear disagreements that concern alleged improprieties in a solicitation. I have reviewed the matter and provide my decision herein.

#### **Basis for SDRO Decision**

My review of the estimates and procedures employed to develop the Solicitation's SOW provide that the Postal Service proceeded to develop the requirements in a standard manner and such processes were consistent with the typical approach to determine hours for CDS routes. While you disagree with the total hours contained in the Solicitation, your proposal took this perspective into account in submitting your offer for evaluation by the Contracting Officer.

The Postal Service, and in particular here, the local postal Operations personnel, are certainly qualified to determine the Statement of Work requirements. These officials have experience in auditing routes, setting the standard of performance, and specifying a line of travel deemed to be the most efficient. Here, established tools and resources were used to confirm the estimated annual schedule hours for the routes included in the Solicitation. I find no evidence that the estimated hours were understated.

I find that the Solicitation specifically denoted the "estimated annual schedule hours" in the Statement of Work, and clarified that the supplier was responsible for determining the hours upon which it would submit in its proposal. The Solicitation allowed for suppliers to use their own experience and information when preparing their proposals, and each supplier was free to use a different number of annual schedule hours on its Cost Worksheet. The Postal Service evaluation team would readily be able compare the number of work hours used by each supplier, and as a result, would also be able to fairly evaluate whether suppliers understood the requirements and could be successful in performance of the contract. As such, I find that there was no impropriety in the Solicitation. As a result, I find no

reason to conclude that the Solicitation, as written, prevented the Postal Service from being able to fairly compare the proposals, or that it created a disadvantage or unfair advantage for suppliers.

**SDRO Decision**

I conclude that there were no improprieties in this Solicitation. Therefore, it is my decision 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,



Mark A. Guilfoil  
Supplier Disagreement Resolution Official  
Manager  
Supply Management Infrastructure

Cc: David Hendel