

# **Board of Contract Appeals**

General Services Administration  
Washington, D.C. 20405

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June 17, 2005

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GSBCA 16624-RATE

In the Matter of ARPIN INTERNATIONAL GROUP

Mark Greene, GSA and Alaska Division, Arpin International Group, East Greenwich, RI, appearing for Claimant.

James F. Fitzgerald, Director, Audit Division, Office of Transportation and Property Management, Federal Supply Service, General Services Administration, Washington, DC, appearing for General Services Administration.

John W. Dillon, Unit Chief, Fleet Management and Transportation Services Unit, Federal Bureau of Investigation, Department of Justice, Washington, DC, appearing for Department of Justice.

**DeGRAFF**, Board Judge.

The carrier asks the Board to review the agency's decision to apply alternation of rates to a shipment of household goods. Because alternation of rates was appropriate, we deny the claim.

## Background

On March 7, 2001, the Federal Bureau of Investigation (FBI) used the General Services Administration's (GSA's) Interagency Transportation Management System (ITMS) to obtain an estimate of the cost to move a shipment of household goods. The ITMS provided the FBI with a printout which listed information regarding carriers with rates on file with GSA for the anticipated shipment. The carriers had provided their rates to GSA in

response to a request for offers which said, “A [carrier’s] accepted offer of general government rates and charges will alternate with the [carrier’s] accepted offer of agency specific rates and charges.” GSA 2000-2001 Request for Offers - Centralized Household Goods Traffic Management Program (CHAMP), § 2-5.5 (July 5, 2000).

The ITMS printout showed Paul Arpin Van Lines, Inc. (Arpin) had the lowest available shipping rate if the goods were moved using Arpin’s tender PA16. Based upon this information, the FBI completed a government bill of lading which showed PA16 as the applicable rate authority and issued the bill of lading to Arpin for the shipment.

When Arpin received the bill of lading, it told the FBI it thought the applicable rate authority was tender PAV1, not PA16, and asked whether the bill of lading needed to be corrected. PA16 was applicable to government agencies generally, while PAV1 was applicable only to the FBI, and the rates contained in PAV1 were discounted less than those contained in PA16. The FBI did not make any change to the rate authority shown on the bill of lading. Arpin moved the goods for the FBI and submitted an invoice based upon the rates contained in PAV1, and the FBI paid for the shipment in accordance with the invoice.

After a post-payment audit, GSA determined the two rates contained in the two tenders applied to the same service, and concluded Arpin should have charged for the shipment in accordance with the more deeply discounted rate contained in PA16 instead of the rate contained in PAV1. GSA issued a notice of overcharge to Arpin for \$2020.74, which GSA calculated was the difference, excluding interest, between the cost of shipping the household goods at the rate contained in PA16 and the cost of shipping them at the rate contained in PAV1. Arpin contested the notice of overcharge. In March 2005, GSA decided the notice of overcharge was correct and issued a settlement certificate asking Arpin to pay the \$2020.74, plus interest. Arpin asks us to review GSA’s decision.

### Discussion

According to the terms of the request for offers, Arpin’s tender PA16 and tender PAV1 rates alternated. As the Comptroller General explained, “Alternation permits selecting the lowest charge for a shipment from any of the rates and rate publications that could apply.” *Double M Transport, Inc.*, B-236336 (July 13, 1990). We emphasized in *Menlo Worldwide Forwarding, Inc.*, GSBCA 16353-RATE, 04-2 BCA ¶ 32,761, that alternation of rates is appropriate only when the rates apply to the same service. Because the rates contained in the two Arpin tenders applied to the same service, GSA was allowed to select the lower of the two rates when it determined the proper charge for the shipment. Thus, the notice of overcharge and the subsequent settlement certificate were proper.

Decision

The claim is **DENIED**.

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MARTHA H. DeGRAFF  
Board Judge