

# **Board of Contract Appeals**

General Services Administration  
Washington, D.C. 20405

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December 1, 2006

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GSBCA 16908-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, Arlington, VA, appearing for General Services Administration.

Jeremy Weinberg, Office of the Legal Adviser, Department of State, Washington, DC, appearing for Department of State.

**DANIELS**, Board Judge (Chairman).

Arpin International Group (Arpin) and the General Services Administration (GSA) disagree as to the amount Arpin should be paid for transporting property belonging to an employee of the Department of State. Arpin moved the goods from Nagoya, Japan, to a storage facility in Waldorf, Maryland, a suburb of Washington, District of Columbia, in 2003. Arpin believes that it should be paid at its tariffed rate for moving the goods from Japan to Maryland. GSA has determined that payment should be at Arpin's tariffed rate for moving the goods from Japan to the District of Columbia, which is lower. At Arpin's request, we review GSA's determination.

GSA points to the following in support of its position:

- (1) A standard form 1113, Public Voucher for Transportation Charges, shows the destination of the goods as Washington, D.C.
- (2) A DD form 619-1, Statement of Accessorial Services Performed (Storage-in-Transit Delivery and Reweigh), shows that when the goods were removed from storage, about six weeks after Arpin left them there, they were delivered to the State Department employee at an address in Washington, D.C.
- (3) The U.S. Government Freight Transportation Handbook (July 25, 2000) instructs the transportation service provider (TSP) to enter, in block 5 of a government bill of lading (GBL), “the final destination point where the TSP is to make actual delivery of the shipment to the consignee.” The State Department employee signed the DD form 619-1 for this shipment as “consignee or authorized agent.”
- (4) The Board has held that “although a shipper may prepare a GBL, the carrier is ultimately responsible for issuing the GBL and should not execute it if it is obvious that the GBL contains conflicting terms. In the event the carrier executes the GBL notwithstanding the obvious conflict, it cannot later benefit from corrections or clarifications.” *Tri-State Motor Transit Co.*, GSBCA 15099-RATE, 00-1 BCA ¶ 30,711 (1999).
- (5) GSA’s 2002-2003 request for offers to all participants in GSA’s centralized household goods traffic management program, in section 6-3, indicates that destination is a factor in determining the rate at which a participant will be paid for services it provides.

Arpin, in response, advances the following points:

- (1) The GBL for this shipment showed in block 5 a destination in Maryland, and the goods were actually delivered to such a destination. The GBL is the critical document for determining the charges.
- (2) When Arpin delivered the goods to the storage facility, it had no idea where those goods would be delivered upon leaving the facility. That ultimate destination was dependent on the State Department employee’s choice of residence -- a factor which was unrelated to Arpin’s services.
- (3) Further, if an employee’s choice of residence is to be a factor in setting charges for transportation to a storage facility, the carrier would be precluded from correctly billing for its services for an indeterminate period of time. A transferred employee’s

household goods may be stored temporarily at government expense for as long as 180 days, 41 CFR 302-7.8 (2003), and the goods may be stored for a longer period at the employee's expense.

(4) The destination shown on the voucher is a destination which is provided by the agency that requests the carrier's services and is usually the place where the employee will work once his transfer is completed. That place is not necessarily the place to which the carrier delivers the goods.

The State Department supports Arpin's position. It explains:

When the Department books outbound shipments with carriers, it most often does not know the actual residence delivery address, only a general area where the employee is assigned. Washington, D.C. is one of the most common areas in which this occurs. Employees arrange to depart post knowing only that they will reside within the greater Washington metropolitan area -- covering Washington, D.C., and portions of Maryland and Virginia -- but not knowing in advance the actual address where they will reside. The carrier therefore must store the shipment at a location in the metro area, without knowing at the time where the final delivery to residence will take place.

The State Department explains further that as part of its normal business process, it makes a separate payment for delivery of an employee's belongings from the place of storage to the residence the employee selects.

Transportation law seems to have a logic of its own, one that is often quite distinct from the logic of general commercial contract law. *Tri-State Motor Transit Co.*, GSBCA 14170-RATE, et al., 97-2 BCA ¶ 29,294 (citing *Strickland Transportation Co. v. United States*, 334 F.2d 172, 178 (5th Cir. 1964)). By no stretch of the imagination, however, can even the logic of transportation law be construed to dictate a result that a carrier is paid for its services on the basis that it delivered goods to a location other than the place to which delivery was actually made, as long as the delivery is in accordance with the provisions of a GBL. When Arpin delivered the State Department employee's goods to a storage facility in Maryland, pursuant to the terms of the relevant GBL, its work was done. The storage facility *was* the destination as far as Arpin was concerned. Any movement of the goods to the place the employee later chose to live would likely be performed by another carrier and would certainly be paid for separately. Making the amount Arpin would be paid dependent on the employee's choice of residence would be senseless, for that choice has nothing to do with Arpin's services.

We consequently reverse GSA's determination that Arpin should be paid at its tariffed rate for transporting the goods from Japan to the District of Columbia, rather than at its tariffed rate for transporting the goods from Japan to Maryland.

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STEPHEN M. DANIELS  
Board Judge