



## Regional Seminar and Bootcamp

January 20–21, 2022

Radisson Blu Aqua Hotel ✱ Chicago, IL

# The Wonderfully Complex World of E-commerce and Parcel

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**TLA**  
Transportation Lawyers Association

**CHICAGO**

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and Bootcamp**

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# U.S. Postal Service contracts



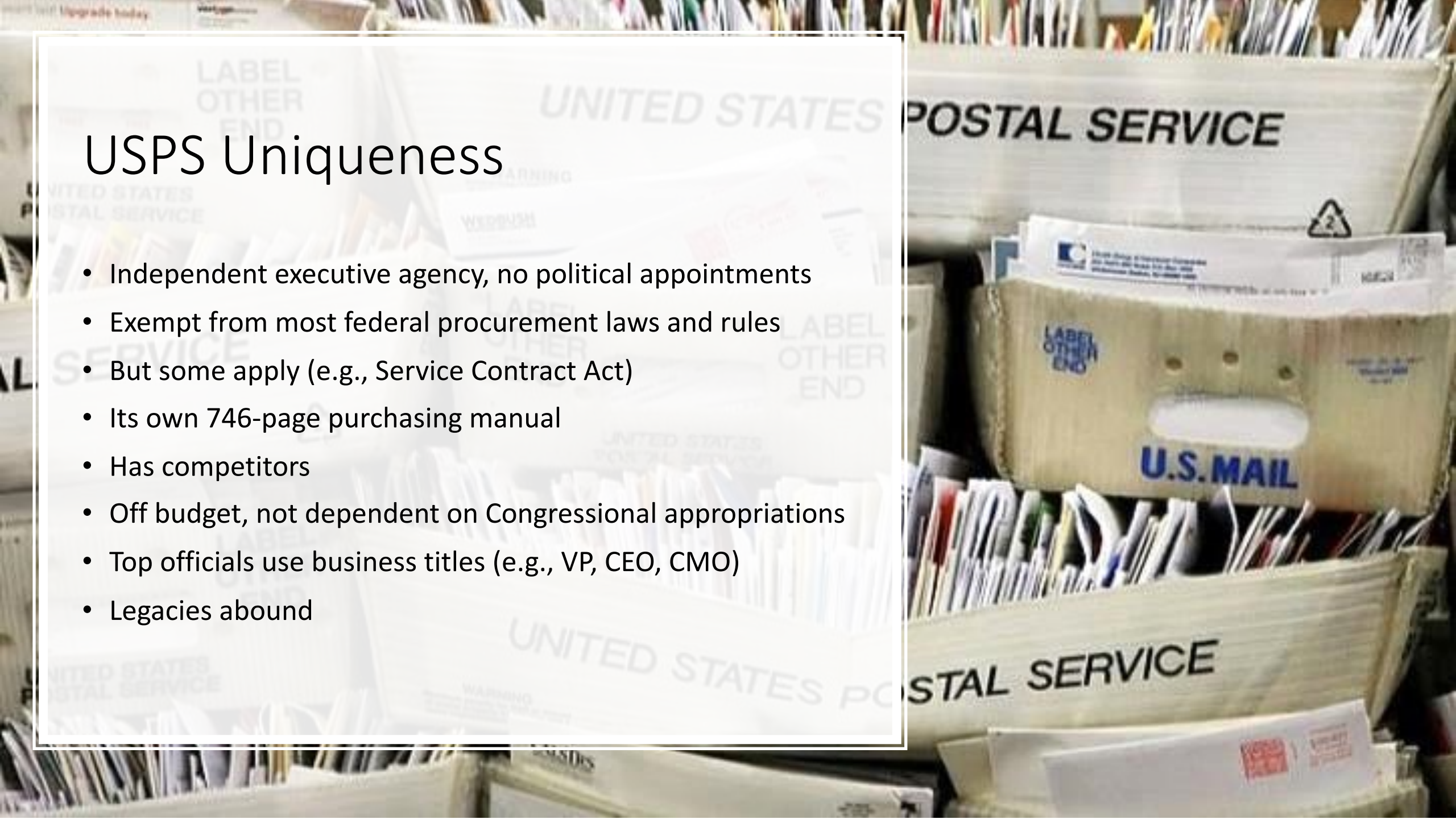
HCR contractor



CDS contractor

# USPS Uniqueness

- Independent executive agency, no political appointments
- Exempt from most federal procurement laws and rules
- But some apply (e.g., Service Contract Act)
- Its own 746-page purchasing manual
- Has competitors
- Off budget, not dependent on Congressional appropriations
- Top officials use business titles (e.g., VP, CEO, CMO)
- Legacies abound



## USPS Transportation contracting – in general

- Long history of using contractors
  - \$9.7 billion spent on transportation in FY 2021
- Nearly all transportation contracted out
- Some box delivery also contracted out
  - 3 million addresses
  - 7,500 box delivery routes
  - \$400 million per year
- Contractors are less expensive, less onerous work rules, than USPS employees



# Cost Worksheet

1b. Operational Cost (Repairs, repair labor, tires, etc.)			
2. Taxes			
3. Vehicle Registration			
4. Miscellaneous			
5. General Overhead			
6. Fuel (Miles per gallon)	(Gallons)	(Per gallon)	
7. Oil (Quarts)	(Quarts)	(Per quart)	
8. Insurance			
9. Road Taxes			
10. Tolls	(Trips)	(Per trip)	
11. Total Fixed and Operational Cost (Lines 1-10)			
12. Straight Time	(Hours)	(Per hour)	
13. Overtime	(Hours)	(Per hour)	
14. Payroll Taxes (Itemized)	Taxable wages		
a. Social Security			
b. Workman's Compensation			
c. Federal Unemployment Comp.			
d. State Unemployment Comp.			
15. Fringe Benefits	(No. of employees or hours)	(Rate)	
a. Health & Welfare			

# Standard Terms and Conditions

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# Schedule

## B.1.1 Schedule

A	PART			A
1	TRIP	TIME	NASS	2
K7	FREQUENCY	ZONE	CODE	K7
-----				
0800	LOAD/UNLOAD/CASE			1457
-----				
0830	Lv CAPTAIN COOK, HI	HI	96704	--
0835	Ar KEALAKEKUA, HI	HI	96750	--
1000	Lv KEALAKEKUA, HI	HI	96750	--
1005	Ar CAPTAIN COOK, HI	HI	96704	--
1010	Lv CAPTAIN COOK, HI	HI Ar	96704	1452
1025	Ar HONAUNAU, HI	HI Lv	96726	1434
1040	Lv HONAUNAU, HI	HI Ar	96726	1424
1323	Ar H001, HI	HI Lv		--
-----				
1424	LOAD/UNLOAD/CASE			
-----				
VH300	VEHICLE REQMT			VH300
39.6	MILEAGE			33.8





# Special contract requirements

- Personnel screening requirements
- Trailers normally must have roll up doors, straps
- Driver loads and unloads the mail
- Fixed daily schedule
- Driver paid by hours worked, not by trip or miles
- Extra Trips
- Irregularity notices

## Typical issues that arise

- Excessive mail volume tendered
- Late slips
- Unauthorized Extra Trips
- Postmaster treats contractor just like family (but an abusive family)
- Defective schedule
- Disconnect between local officials and USPS contracting office





Thank you to TLA and all of our Speakers today!