



SPECIAL TELEPHONIC MEETING MINUTES
Wednesday, August 26, 2020

Location: E.T. Woolfolk State Office Building
501 North West Street, Room 1302
Jackson, Mississippi

Board Members Present: Jeffery Belk, Chair

Board Members Attending Via Teleconference:

Billy Morehead, Vice-Chair
Norman McLeod
Rita Wray
Leila Malatesta

Board Members Absent: Liz Welch, Department of Finance and Administration

DFA Staff Members Present: Catoria Martin, Special Assistant Attorney General
Aubrey Leigh Goodwin
Ross Campbell
Brittney Thompson
Alicia Coleman
Liz DeRouen

Guests Attending Via Teleconference:

Shippers Express, Inc.
Robert Church, Treasurer
Krista Renfro, VP/Assistant Treasurer
Marshall Webber, Administrative Assistant/ABC Division

Mississippi Department of Revenue (MDOR)
David Caldwell, Attorney
Frank Puryear, Director of Administrative Services Office
Justin Stephens, Deputy Office Director, Administrative Services
Erica Greenwood, *(entered via teleconference at 11:48 a.m.)*

Douglas Express Delivery (DED)
Joe S. Deaton, III, Attorney
Billy Williams, President and Owner

Chase H. Williams, Chief Executive Officer
Andy Williams, Vice President of Operations
Reed Robinson, Chief Operating Officer

PEER Committee
Matthew Dry

Ms. Goodwin identified all participants, both present and those attending via teleconference.

I. Call to Order

The meeting was called to order by Chair Jeffery Belk.

II. Approval of per diem and expenses for the August 26, 2020 meeting and for any additional expenses incurred prior to the September 2, 2020 meeting

Action: A motion was made by Mr. McLeod to approve per diem and expenses for the August 26, 2020 meeting and for any additional expenses incurred prior to the September 2, 2020 meeting. The motion was seconded by Mr. Morehead and unanimously approved by all members present.

III. Consideration of Protest

A. Protest; Shippers Express, Inc. v. Mississippi Department of Revenue; Contract for ABC Statewide Hauling Services (Contract # 8200050770)

Ms. Martin was in charge of keeping time on the presentations and instructed the participants to withhold their objections until it was their turn to speak, so as not to interrupt the speakers which would cause delays.

1. Shippers Express, Inc. (Protestor)

- Mr. Church presented arguments on behalf of the Protestor

2. Mississippi Department of Revenue (MDOR)

- Mr. Caldwell presented arguments on behalf of the Agency.

3. Douglas Express Delivery (DED)

- Mr. Deaton presented DED's response to the protest.

4. Shippers Express, Inc. Rebuttal had 5 minutes for rebuttal.

- Mr. Church presented the rebuttal for the Protestor.

Board members addressed their questions and concerns.

Mr. Deaton, on behalf of DED; and Mr. Caldwell, on behalf of MDOR, were both recognized to present objections to the Shippers Express presentation.

B. Record on Appeal

- i. Protest of Shippers Express, Inc. dated March 24, 2020
- ii. Department of Revenue Response dated April 2, 2020
- iii. Douglas Express, LLC Response dated March 31, 2020
- iv. 2020 Shipping Cost Comparison submitted during hearing

The Protest documents are attached to these Minutes as **Attachment A**.

Action: **A motion was made by Mr. Morehead to enter executive session. The motion was seconded by Ms. Malatesta and unanimously approved by all members present.**

Ms. Goodwin explained the Board would end the regular session call, and initiate a new call on a different phone line for the Board members to enter executive session. She explained that when the executive session had concluded, Ms. Martin would contact all parties and let them know to call back to resume the open session.

Mr. Belk announced the Board voted to enter into executive session in accordance with Mississippi Code Section 25-41-7(4)(b) for the purpose of strategy session or negotiations with respect to issuance of an appealable order when an open meeting would have a detrimental effect on the litigating position of the PPRB. Everyone except the Board members and DFA staff was excused from the teleconference until the Board concluded its executive session.

IV. Executive Session

While the public was excused from the open session, only discussion of the protest was had. The Board reviewed and discussed the protest, as well as the arguments made by the parties.

Motion: **A motion was made by Mr. Morehead to exit executive session and return to regular session in order to obtain additional information. The motion was seconded by Mr. McLeod and unanimously approved by all members present.**

V. Open Session (Continued)

Ms. Goodwin identified all participants rejoining the open session of the teleconference meeting which reconvened at 11:05 a.m.

Upon returning to open session, Mr. Belk announced that no decision was made in Executive Session, and that the Board was requesting MDOR to provide more specific information and detailed calculations used in making their determination to award the contract to DED.

Mr. Caldwell sent a spreadsheet via email to Ms. Martin for further discussion during open session. Ms. Martin forwarded that email to all of the participants in the teleconference meeting.

Mr. Caldwell stated for the record, the spreadsheet was previously submitted by MDOR to OPSCR on August 18, 2020.

Mr. Caldwell introduced Ms. Greenwood, who joined the teleconference call and responded to questions posed by Ms. Martin and the Board. Ms. Greenwood explained the exact figures and calculations used in making MDOR's determination.

Action: A motion was made by Ms. Wray to enter into executive session. The motion was seconded by Mr. McLeod and unanimously approved by all members present.

Mr. Belk announced the board would return to executive session for the previously stated reasons and all parties would be notified when to return to open session.

VI. Executive Session (Continued)

While the public was excused from the teleconference, only discussion of the protest was had. The Board reviewed and discussed the protest, as well as the arguments made by the parties.

Motion: A motion was made by Ms. Wray to deny the protest. The motion was seconded by Mr. Morehead and unanimously approved by all members present.

Motion: A motion was made by Mr. McLeod to exit the executive session and return to regular session. The motion was seconded by Ms. Malatesta and unanimously approved by all members present.

VII. Open Session (Continued)

Ms. Goodwin invited the public rejoin the teleconference meeting which reconvened at 11:45 a.m. and identified all parties rejoining the open session.

Mr. Belk announced that in executive session the Board voted to deny the protest and stated that Counsel for the Board was directed to prepare a written order in conformance therewith.

VIII. Other Business

There was no further business brought before the Board.

IX. Adjournment

Action: A motion was made by Mr. Morehead adjourn. The motion was seconded by Mr. McLeod and unanimously approved by all members present.

The members approved these Minutes of the Public Procurement Review Board on the 7th of October, 2020.


Jeffery Belk, Chair

10-7-20
Date



STATE OF MISSISSIPPI
GOVERNOR TATE REEVES
DEPARTMENT OF FINANCE AND ADMINISTRATION
LIZ WELCH
INTERIM EXECUTIVE DIRECTOR

NOTICE

A Special Telephonic Meeting of the
PUBLIC PROCUREMENT REVIEW BOARD

will be held Wednesday, August 26, 2020
9:00 a.m. in the
13th Floor Executive Conference Room
Woolfolk State Office Building

*Until further notice, the remaining 2020 Board Meetings will be telephonic
and public access will be provided telephonically only.
For call-in information, please send a request to PPRB@dfa.ms.gov .*



PUBLIC PROCUREMENT REVIEW BOARD

Special Telephonic Meeting
August 26, 2020
9:00 a.m.

BOARD MEMBERS ATTENDING VIA TELECONFERENCE

NAME AND TITLE

- Billy Morehead
- Rita Wray
- Leila Malatesta
- Norman McLeod
- Jeffery Belk - attended in person



PUBLIC PROCUREMENT REVIEW BOARD

Special Telephonic Meeting
August 26, 2020
9:00 a.m.

PPRB STAFF ATTENDANCE SHEET

NAME AND TITLE

AGENCY/COMPANY

Aubrey Leigh Goodwin

DFA

Brittney Thompson

DFA

Ron Campbell

DFA

Torri Martin

JFA / AG

Alicia Coleman

DFA / OSCE

Liz DeRouen

DFA



SPECIAL TELEPHONIC MEETING AGENDA
Wednesday, August 26, 2020
9:00 a.m.

****This Meeting will be held telephonically. For public telephonic access to the meeting, please send a request to PPRB@dfa.ms.gov****

- I. Call to Order**
- II. Approval of per diem and expenses for the August 26, 2020 meeting and for any additional expenses incurred prior to the September 2, 2020 meeting**
- III. Consideration of Protest**

A. Protest; Shippers Express, Inc. v. Mississippi Department of Revenue; Contract for ABC Statewide Hauling Services (Contract # 8200050770)

- 1. Protestor will have 20 minutes to present; may reserve 5 minutes for rebuttal
- 2. Agency will have 20 minutes to present
- 3. Intended Awardee will have 10 minutes to present
- 4. Protestor will have 5 minutes for rebuttal

Representatives for Shippers Express, Inc. (Protestor):

- Larry Kerr, President
- Robert Church, Treasurer
- Krista Renfroe, VP/Assistant Treasurer
- Marshall Webber, Administrative Assistant/ABC Division

Representatives for Mississippi Department of Revenue (Agency):

- David Caldwell, Attorney
- Frank Puryear, Director of Administrative Services Office
- Justin Stephens, Deputy Office Director, Administrative Services

Representatives for Douglas Express Delivery, LLC (Intended Awardee):

- Joe S. Deaton, III, Attorney
- Billy Williams, President and Owner
- Chase H. Williams, Chief Executive Officer
- Reed Robinson, Chief Operating Officer

B. Record on Appeal

- i. Protest of Shippers Express, Inc. dated March 24, 2020
- ii. Department of Revenue Response dated April 2, 2020
- iii. Douglas Express, LLC Response dated March 31, 2020

IV. Other Business

V. Adjournment

Attachment A

- i. Protest of Shippers Express, Inc. dated March 24, 2020**
- ii. Department of Revenue Response dated April 2, 2020**
- iii. Douglas Express, LLC Response dated March 31, 2020**
- iv. 2020 Shipping Cost Comparison submitted during hearing**

Attachment A.i

Protest of Shippers Express, Inc. dated March 24, 2020



PHONE 601-948-4251

P. O. BOX 8308

JACKSON, MISSISSIPPI 39284-8308

PPRB/DFA

501 North West Street

Suite 1301, Woolfolk Building

Jackson, MS 39201

RE: Bid Protest #3120001911 – The Hauling of Alcoholic Beverages Statewide

To: PPRB Board,

Shippers Express, Inc. (hereinafter referred to as the “Company”) has found itself in the position to file this protest based on the award of RFP Bid #3120001911. The Company protests this decision on five different areas.

On Tuesday morning, March 17, 2020, the Company was notified that it did not receive this award and a briefing was that afternoon. This briefing occurred March 20, 2020, during an 11:00 am telephone conference which did allow adequate time to prepare our protest (see attachment A). This was unfair to the Company and appeared to be constructed in a way so as not to provide fairness.

During the briefing, I asked the committee if they understood that postponing until Friday had left the Company with only two days to prepare this protest and they agreed. I do understand that the reported reason for the teleconference is due to the COVID19 situation, but the DOR should have foreseen a more efficient, effective and fairer way to conduct this briefing.

However, the Company leaves it to this board to determine, under the Mississippi Procurement Manual, if that process was handled fairly.

The Company protests in five (5) different ways:

First, the Company protests the RFP itself, because it is not a transportation RFP. There was incorrect information in the RFP, so my company took exceptions and deviations to it. The RFP says in section 6.18 that "Failure to indicate any exception will be interpreted as the proposer's intent to comply fully with the requirements as written". The Company does not agree, because there are incorrect portions of the RFP, as well as a complete lack of information in the RFP. The RFP did not contain the volume of shipments or locations for shipments, for example.

When asked in Amendment 1, the questioner specifically asked for "date, weight, and number of cases", the answer was vague and still did not provide accurate information on how much is being shipped. This incorrect information is explained in the exceptions and deviations pages prepared by my company, which are attached (see attachment B).

After the proposal was submitted and accepted by the Department of Revenue, I received an email from Ms. Greenwood (see attachment C) instructing the Company that it must remove the exceptions and deviations from the bid, else the committee would refuse to score the response to the RFP. These options, in the email attached, did not allow for any option, except to remove them if my Company wanted our proposal to be looked at for grading. We removed the previously included exceptions and deviations from the proposal (as you can see in my email response to Ms. Greenwood). We wanted the contract, a contract which we have been delivering all or part of since the start of the ABC in 1968.

Second, the Company protests the scores given to the awarded carrier. This carrier received higher scores than we did on operations, which the awarded carrier has never done. This is a fact as Shippers Express, Inc. has carried the liquor for the State, since its inception.

We also asked, during our briefing, if the awarded carrier had been vetted in the areas of equipment, locations, and employees. The Company was informed that the review committee did pursue this because the awarded carrier "told" the State that they had the available equipment, employees and locations, but provided no meaningful details.

Evidently this board did not vet Shippers Express, Inc. or they would know we can do all they ask and have accomplished this consistently through present day and will until our current contract for this service is completed on the last day of June 2020. The review committee indicated that there was not enough information in sections 4.2, 4.3, 4.5, and 4.6 of our proposal which resulted in a loss of points.

This information was in the executive summary of our proposal (see attachment D). The Company was not aware of an apparently new requirement in that the State had mandated this information be detailed, in each section, and my company was not made aware of any changes in the way the committee would evaluate the proposal. When asked, David Caldwell said, "Mr. Kerr, you are right, it was evaluated differently than in the past". A fair process would have ensured that all offerors were given notice of any changes being made to the evaluation process. In the past, the RFP's consisted of an executive summary, references, and price bid, all of which was included in my proposal and all of the RFP requirements were answered in the proposal. No mention was made of changes to the evaluation process to Shippers Express, Inc.

During the briefing, we also asked what experience the members of the committee had in warehouse distribution and were told that “everyone on the committee does not have to have distribution experience”. When three of the four graders have little or no warehouse, distribution, or transportation experience it presents significant difficulties to appropriately judge. The whole process has confused the carriers. This is another point that will be left up to this board.

Our Company’s Certified Public Accountant who has been involved in a great number of Mississippi’s RFP’s cites the following observations. Traditionally, the RFP’s specify any statute under which the response should be fashioned or adhered to. The problem with this omission is that the review committee made multiple references to “new statutes” by which bids, scoring, and awards would be made. Furthermore, inconsistencies in RFP requirements and the biased grading sheet changes are obvious and clearly adjusted to give an out when specifics were required to be submitted or evidence as to their experience hauling statewide liquor and wine. This CPA also has concerns on the following sections of the Mississippi Procurement manual of 2016 with reference to sections, 1.101.02, 1.103, 9.102, 3.113.02.01, 3.113.03, and sections 3.112 and 3.122.01. He also refers to sections 6.101(1) and sections 6.204(2)(a) of the MS Procurement Manual of 2016. The following technical factor examples also demonstrate this inconsistency.

Technical Factor:

- a) Question 4.2 in the RFP asks, “How do you propose to manage high-volume deliveries and double shipments”? This is impossible for the other carrier to answer in context for two reasons. First, they have never hauled the first case of statewide liquor and local deliveries are nowhere near what the statewide deliveries include. Second, the RFP leaves out the volume to be shipped and no carrier could make a proposal without that information.

Shippers Express, Inc. has perfected the art of getting trailers loaded and deliveries made on a timely basis, while managing high-volume deliveries and double shipments in this exact environment and has unrivaled knowledge of the business. The other carrier cannot begin to assert their capabilities are adequate. The RFP language was "how do you plan to manage high-volume deliveries and double shipments"? The grading sheet changes this, which precludes the other carrier from having to adequately answer when the grade sheet simply says, "does the offeror have a track record of managing high-volume deliveries and double shipments"? This mixes general freight with the loading, distribution, deliveries associated with hundreds of thousands of cases of liquor and wine. The difference is unfathomable.

The other carrier received maximum points, while Shippers Express, Inc. received a mere "1" point after managing this since 1968 and our experience is exactly related to the ABC and its issues. There is no documentation provided which allows for a comparison of apples and oranges. The DOR change in wording for grading is less than subtle and to award the company, which has successfully managed this very program, no credit for its spot-on experience and knowledge.

- b) Question 4.3 of the RFP (Technical Factor), as issued, asks "How do you propose to ensure alcoholic beverages are shipped and delivered in a timely manner?" Shippers Express, Inc. was awarded 0 out of 4 points for this question. We have been delivering alcoholic beverages in a timely manner since 1968. The committee said we lost the points because we

did not give specific details in the answer. All this information was also included in the executive summary of our response.

As noted in the second argument, Shippers Express, Inc. was not made aware of any changes to the way the proposal would be viewed or evaluated. The Company has a track record, 68 years long, of getting alcoholic beverages delivered in a timely manner that proves itself.

Question 4.6 on the RFP is not part of the grading performed on the grade sheets. There is no adequate answer for the other carrier as they have never performed this volume of work for the State, have no knowledge of the drivers, tractors, trailers, helpers, and others required to adequately provide services to the State of Mississippi and to the permittees. Again, the amendments do not provide enough information to be able to answer adequately, unless a carrier has operated under this exact type contract before.

Third, the Company protests the evaluation process as being different from the last several RFP's we have received and contracts. We were told by the briefers that there are new statutes and procedures put in place after the Department of Corrections problems with Commissioner Epps. That information should have been relayed, immediately, to Shippers Express, Inc. and the Company advised that there were new statutes and a change in the scoring process from the outset. There is no excuse for this.

As previously stated, when asked, David Caldwell said, "Mr. Kerr you are right, it was evaluated differently than in the past". The Company received the RFP by email, with no attachments showing any differences, after we received a call from Ms. Greenwood inquiring if

we wanted to bid. We were surprised that she asked us that since we have been handling some or all the ABC distribution since its inception in 1968.

The RFP was always sent it to us, but the new group of people involved at the DOR do not understand that we are the only carrier that is capable to handle the statewide distributions. In the past the Company submitted the RFP and then the scoring happened when we negotiated the contract after the award.

The personnel at the ABC know this, but only one person was involved with the scoring unless they count the new assistant director who has only been there a few months and does not yet know the transportation business or the innerworkings of the ABC.

Fourth, we protest the rates because of modification. One thing that caught my attention in the briefing was when we were told the review committee could not evaluate the rate proposals because they were different. What really got my attention was when Ms. Meg Bartlett said that they contacted the other bidder to give them some more figures or "variables" so they could evaluate apples to apples.

Section 6.4 of the RFP states that "no proposals shall be modified after the specified time for the opening". The RFP says you can not do that once the proposal has been turned in. During the briefing, they said that, in order to compare, they put the other carriers figures in the same formula to provide cost because the other carrier bid per case. We were not given the opportunity to change our rates to be comparable to their bid and this was not fair. We are not even sure how they developed the formula for which they decided the price comparison. The rest of this rate protest is included in our protest of the formula they used for scoring.

Fifth, we protest the formula used to determine cost. We do not know how the DOR developed this formula for deciding price comparison. If they had reached out to me as well, I could have given them contact information to the rate clerks at the NMFTA, to instruct them on how to come up with a formula to compare apples to apples.

We would like to know how the other carrier was able to put out a rate schedule that was so close to ours, considering that we created that table solely for the purpose of this contract. This table is based on 100 weight factor or CWT. The state of Mississippi is a rural state. The mileage to carriers is based on a three-digit zip code. This zip code system was developed based on railway miles not actual road miles.

For example, Canton, MS is 20 miles from us, and Natchez is 100 yet they are both based on the same three-digit zip. Therefore, to be fair to all permittees, we developed our rate schedule to be as fair across the board as possible, based on locations. To simply figure a formula based on average weight charge does not make sense and is not recognized in the trucking industry.

For the other carrier to have such a similar schedule to my Company's, seems to be impossible. These schedules are only available to members of the National Motor Freight Transportation Agency (NMFTA) the governing body over these rates. Shippers Express, Inc. has been a member of this prestigious organization for many, many years, while the contract awardee is not a member, based on information and knowledge. We attach a copy of the NMFTA statement regarding participating carriers which states that participation is subject to verification and only members may use the information contained (see attachment E).

The Company understands that this maybe a rubric method of scoring, as used in colleges but my Company was not made aware of the change to this type of evaluation. It basically looks like they are more worried about checking boxes on a score sheet than getting the product to the permittees.

An RFP for the transportation of alcoholic beverages should make sure that the ABC product can and will get to those permittees. Shippers Express, Inc., has consistently met the agency's demand and in a timely manner. By belief and information, had Shippers Express, Inc.'s response been evaluated fairly, the contract would have been awarded to us.

We want to thank you for your time in reviewing this protest and ask that you carefully review the awarding of this contract.

ATTACHMENT A

Larry Kerr

From: Erica Greenwood <Erica.Greenwood@dor.ms.gov>
Sent: Thursday, March 19, 2020 10:27 AM
To: Larry Kerr
Subject: Debriefing 3/20/2020

Good morning,

Thank you for your patience. The requested vendor debriefing has been scheduled for March 20, 2020 at 11:00 a.m. via teleconference.

Please confirm your availability as well as the number you would like us to contact.

Erica Greenwood, MPA

SR. Contract Analyst
Administrative Services
Mississippi Department of Revenue
PO BOX 22828 - Jackson, MS 39225
Phone: 601-923-7860 - Fax: 601-923-7658
Email: erica.greenwood@dor.ms.gov



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ATTACHMENT B

EXCEPTIONS AND DEVIATIONS

Page 15 – Section 6.18- Our exceptions and deviations.

Page 14 – Section 6.12 - Notification of Carriers – We propose a Deviation in this Section for the State of Mississippi's Protection as well as the DOR/ABC benefit. We think that before announcement of award is made, the awarded carrier should be vetted enough to show that they can take over the full state within a week. This will make sure the supply chain of product is not interrupted, because the incumbent carrier, if not awarded, will lose drivers immediately and thus cannot take back over.

Page 15 – Section 6.16 – We take Exception to this and would like to see added, "if this RFP is released then Carriers with pages stamped CONFIDENTIAL will be notified immediately to provide enough time so the Carrier can invoke the clause in Appendix A to receive a court order to stop release of CONFIDENTIAL marked information. This CONFIDENTIAL information could be used by bidders to receive operational procedures, rates, and reference whether the bidder is serious on this bid or just bidding to get information.

Page 17 – Section 7.1 -B – A Deviation needs to be taken on last sentence as follows: "February 25, 2020 at 12:00 PM needs to be removed and March 3, 2020 at 12:00 PM inserted."

Page 18 – Section 8.1 – (5) - The word "correct" labels needs to be inserted before shipping labels. Carrier proposes that on drop shipments paperwork, a Bill of Lading with some type of label to identify where the case is to be delivered and the regular cut paperwork, bill of lading be given to Carrier the next day for proper billing. If Brokers deliver any shipment(s), the Broker

ATTACHMENT B (cont.)

must take all of that shipment BEFORE the Carrier's label has been applied so the Carrier will not be liable and have to pay the claim.

Page 19 – Section 8.2 – (2) – We take Exception to this Section and ask to add language that ABC will “consult” with Carrier on replacement if Carrier is responsible for payment.

Page 19 – Section 8.2 (4) – We wish to add as an Exception this wording, “that Carrier is responsible for situations it causes, and DOR/ABC is responsible for acts the DOR/ABC cause.”

Page 20 – Section 8.2 – (14) – Our Company is taking both Exception and Deviation in this section. The Carrier is required to take the product by case count and deliver to the permittee by case count. The problem with this is, the computer which is relied on to provide the number of cases is not always correct. The scanner does not stop cases that are labeled wrong, that are not to the correct store, and are not in stop order. The conveyors, scanners, and computer are supposed to work in conjunction with each other to provide correct case numbers going to the correct Permittees with proper labels. Even though ABC Management tries, they cannot correct this situation, because it is a software and hardware problem, which they have no control over. The warehouse employees “pick and choose” which product to give credit on, however they cannot give proper credit to the Carrier. They are getting their information from their only source, the computer which cannot capture actual inventory figures because of the numerous incorrect products being shipped and it does not coordinate with the scanners and conveyors. Warehouse and distribution software is trying to integrate with a tax system (T. A. P.) and that is not working smoothly. This is also the reason for Carrier Claims, warehouse misloads, and the numerous shags produced by the present system. The ABC had one of the best

ATTACHMENT B (cont.)

warehousing and distribution systems in the country until it started to be modified and thus integrated with T.A.P. When the Carrier has paid a claim on a case, that case will not be returned because Carrier owns the case, just the same as the Customer who buys the product in the store. The Carrier will work with the ABC for the development of a program and procedures to handle this, because the Carrier does not want to have this product on its premises any more than ABC does. This product can't be sold by the Carrier and is a loss for the Carrier, unless ABC issues a brokerage license to the Carrier so it can sell to the Permittees. Overages have always been returned, but it is not fair to the Carrier for the ABC to take this product back without issuing credit. When the incorrect case is shipped, the result is the Carrier is short the correct case and the Carrier must pay a claim to the Permittees. ABC should require Permittee to take cases and work out with the warehouse and leave the Carrier out of it like the rules say.

Page 20 – Section 8.2 – (17) – We need a Deviation that adds Christmas Eve as a Holiday if the DOR/ABC take Christmas Eve as a Holiday.

Page 22 – Availability of Funds – We take exception to this clause in that this statement should be taken out where the section refers to State, or Federal funds are not received. These funds are not Government funds.

Page 22 – Confidential Information – Exception is needed in the wording and should be added “to give Carrier time to receive Court Order to Stop Release.”

ATTACHMENT B (cont.)

Page 25 – Failure to Deliver – An Exception needs to be made and we propose language to be inserted “ABC will consult with Carrier on picking a replacement Carrier if Carrier has to pay replacement.”

Page 26 – Ownership of Documents and Work Papers – Propose a language Exception of “Carrier will turn over to ABC documents and papers that is not prohibited by State or Federal Laws or Regulations under which Carrier must operate as a Motor Carrier.”

Page 27 – Price Adjustment Clause -1- Insert in the section that “Carrier will be able to negotiate up or down with DOR/ABC on issues such as delays, computer issues, additional warehouse, more/less shags, wrong labels on cases, grocery stores getting permits, and Brokers delivering product after the case run through Carrier’s Bill of Lading, if issues are getting better or worse.”

Page 27 – Price Adjustment Clause 11 – Exception should be added with wording to the effect that this does not have to go through the contract review because these funds never are the State of Mississippi’s.

Page 31 – Transparency Clause – Enough notice needs to be given to the Carrier so appropriate time can be available to get a court order to stop release of material marked CONFIDENTIAL.

ATTACHMENT C

Larry Kerr

From: Erica Greenwood <Erica.Greenwood@dor.ms.gov>
Sent: Monday, March 9, 2020 12:19 PM
To: Larry Kerr
Subject: Response to Exceptions and Deviations
Attachments: Response to Exceptions and Deviations Request.pdf; Exceptions and Deviations.pdf

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Good afternoon Mr. Kerr,

Please see attached our response to your request for exceptions and deviations.

You may submit your written response back to me via email by Tuesday, March 10, 2020.

Erica Greenwood, MPA

SR. Contract Analyst
Administrative Services
Mississippi Department of Revenue
PO BOX 22828 - Jackson, MS 39225
Phone: 601-923-7860 - Fax: 601-923-7658
Email: erica.greenwood@dor.ms.gov



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March 9, 2020

Shippers Express Inc.
Attn: G. Larry Kerr
1651 Kerr Drive
Jackson, MS 39204

Re: Exceptions and Deviations *RFP # 3120001911*

Dear Mr. Kerr:

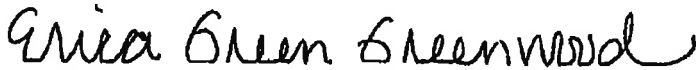
This letter is in response to your exceptions and deviations received along with your proposal on March 3, 2020. The attached exceptions and deviations "ONLY" were reviewed and will not be accepted.

You may, at this time, allow the Evaluation Committee to score your proposal per the requirements in the solicitation or choose to withdraw your submitted proposal.

Per Section 6.18 "Exceptions and Deviations" of the RFP, "Proposers taking exception to any part or section of the solicitation shall indicate such exceptions on the proposal form and shall fully describe said exception. Failure to indicate any exception will be interpreted as the proposer's intent to comply fully with the requirements as written. Conditional or qualified proposers, unless specifically allowed, shall be subject to rejection in whole or in part."

Please submit a response in writing at your earliest convenience.

Respectfully,



Erica Green Greenwood, Contract Analyst, Sr.
Administrative Services Division

ATTACHMENT D

EXECUTIVE SUMMARY

Our Company has been delivering part or all the State of Mississippi since the inception of the ABC. We offer protection of the product, while in our possession, until we deliver it the next day. Our Company has seven terminals arranged strategically over the State of Mississippi in Jackson, Greenwood, Tupelo, Memphis, Hattiesburg, Meridian, and Gulfport. This gives us the best coverage for next day delivery of the product of the ABC in the safest, most efficient and secured manner possible. Our Company has developed the network of terminals over the past 54 years for the benefit of the ABC. The product is received from the ABC warehouse in Gluckstadt, MS, and line-hauled to the seven locations throughout the state, cross-docked and then peddled to the permittee from that terminal's location. We use 35-45 drivers daily to deliver this product utilizing over 280 available trailers depending on the amount of volume the ABC ships on any given day. We are delivering 95% of the shipments by 4:00 pm the next afternoon after we receive it from Gluckstadt, and all shipments by 10:00pm.

Our Company provides daily the number of trailers necessary for delivery of the ABC product which can vary greatly day to day. Our Company has an adequate number of trailers required daily to handle whatever volume the ABC ships. We do not have to rent or lease trailers since we own all our own trailers and serve the ABC warehouse from our home office in Jackson, MS. We have the knowledge of the locations of the Permittees along with the knowledge of the receiving restrictions of all towns and permittees in order to deliver in an efficient manner. Our drivers use ramps, dollies, two wheelers, shrink wrap and pallet jacks to help improve and quicken this process.

The seven locations are secured with fences and other security options including cameras at all locations. Our home office, warehouse, maintenance facility, and trailer yard is in Jackson and is covered with 52 cameras along with 24/7 security guards who are employed by Our Company 365 days a year. On the days that the ABC requires us to keep product overnight, it is brought to the Jackson location where it is secured and watched. Our Company owns all its equipment and Mississippi terminal facilities.

Along with enough drivers, Our Company has the support personnel and equipment at all seven of our locations to handle what the ABC ships daily. Our rate structure is based on hundred weight and distance which does not cause any permittee to subsidize another and makes the charges fair for all permittees.

Our Company will continue to handle the ABC product in the way the ABC directs as we have since the first day of the ABC. We are the only carrier that has continually bid and provided service to the ABC since 1963. We also believe that the employees of the ABC from the Director down to the support personnel will agree with these statements.

Our employees are trained in operational and safety meetings on the proper way to secure, deliver and protect the ABC product. We always train them on their approach and communication to make the permittee comfortable. They are also trained in what a permittee can and can not do at the time of delivery. If they have any issues, they will call their manager

ATTACHMENT D (cont.)

and let him/her talk to the permittee. If the ABC needs to be involved, then a call is placed to the ABC. Our support personnel are also trained in these matters.

Our Company's qualification for handling the ABC is our present ability to do what the ABC requires. Over the years there have been other carriers that have been awarded some part of the state to provide service for the ABC, but Our Company has had to be called in to take on their portions of the state. This was done on each occasion without any stoppage of the product to the permittee. We have the drivers, support personnel and equipment to take this RFP without any interruption of the movement of the product. We have the expertise, personnel, equipment and facilities to meet the requirements of the ABC. Our Company is ready now to continue to provide service to the ABC for the next four years.

ATTACHMENT E



NMFC

SCAC

SPLC

Border Crossing

Other

2020 NMF 100-AT Book - Participating Carriers

The National Motor Freight Classification® (NMFC®) is a tool that provides a comparison of commodities moving in interstate, intrastate and foreign commerce. It is similar in concept to the groupings or grading systems that serve many other industries. Commodities are grouped into one of 18 classes—from a low of class 50 to a high of class 500—based on an evaluation of four transportation characteristics: density, stowability, handling and liability. Together, these characteristics establish a commodity's "transportability." NMF 100-AT will be issued on January 2020.

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NOTE TO CARRIERS, FREIGHT FORWARDERS AND BROKERS - Participation subject to verification - Only carriers, freight forwarders and brokers that maintain participation in the NMFC may use the information contained therein as a reference for pricing or any other purpose. Simply purchasing or subscribing to the NMFC, NMFC DDS or ClassIT® does not allow you to use the publication and will not satisfy the legal copyright requirements for carriers, freight forwarders and brokers to participate. Should your participation lapse, we will cancel your subscription without refund. Contact NMFTA at sales@nmfta.org or 1.800.539.5720 for more information.

Price	\$215.00
SKU	NMF100-AT_PARTICIPANT
License Agreement	None
Subscription Type	Life Of Issue

Quantity

Attachment A.ii

Department of Revenue Response dated April 2, 2020

IN RE PROTEST OF SHIPPERS EXPRESS

MDOR'S RESPONSE

COMES NOW, the Mississippi Department of Revenue ("MDOR") and responds to the protest filed by Shippers Express ("Shippers") as a result of MDOR's intent to award the State-Wide Shipping Contract to Douglas Express ("Douglas") as follows:

I. INTRODUCTION

On January 17, 2020, MDOR issued Request for Proposal Number 3120001911 ("RFP") in which MDOR requested that vendors submit proposals to ship alcoholic beverages from the Liquor Distribution Center ("LDC") in Madison, Mississippi to all alcoholic beverage permittees in the State with the exception of permittees in the Jackson Metro area. In response, MDOR received two proposals from two vendors, Shippers and Douglas. Shippers is the vendor who currently has the contract for shipping in the State-Wide area.

On March 11, 2020, the Evaluation Committee met to review the two proposals and score each based on the evaluation factors listed in the RFP after the Director of Procurement determined that both proposals were responsive. The evaluation factors utilized were as follows:

Technical Factor (Plan to Address the Services Required by the Agency)
(20 points, or 20%)

Does the offeror document a plan to administer and manage our contract including secured yard storage and providing sufficient drivers, etc.? – **4 points (4%)**

Does the offeror have a track record of managing high-volume deliveries and double shipments? – **4 points (4%)**

Does the offeror document a record of reliability in shipping and delivering alcoholic beverages in timely manner? – **4 points (4%)**

Does the offeror document a plan to ensure protection of products? – **4 points (4%)**

Does the offeror document a plan to transition from the current contract that is in place to your contract? (Current vendor should address from the perspective of not having the current contract) – **2 points (2%)**

Has the offeror clearly documented their plan to meet the Agency's needs? Does the offeror believe they will be ready to handle the volumes associated with the Agency with minimal transition time? – **2 points (2%)**

Project Management Factor: (Plan to address the experience, qualifications and financial stability required by the Agency) **(45 points, or 45%)**

Does the offeror document information regarding their organization, staffing pattern, staffing qualifications and management support that will enhance the ability of the offeror to provide services? – **5 points (5%)**

Does the offeror document number of years of experience with providing types of services specified in Section 1.0 Scope of Services, Section 2.0 Characteristics of Work, Section 5.4 Contractor Minimum Requirements and Section 8.2 Carrier Responsibilities? – **10 points (10%)**

Does the offeror have a record supporting a history of the quality of the hauling services provided? – **10 points (10%)**

Does the offeror document initiatives/programs/benefits that will minimize turnover and absenteeism? – **5 points (5%)**

Does the offeror document information regarding prescreening procedures for employees? Identify what prescreening procedures are included in the cost proposal. – **5 points (5%)**

Personnel: Does the offeror document personal experience of all key personnel, including the account manager, who will be involved in providing the services contemplated by this RFP? Offeror must provide resumes for all key personnel. Resumes must include the full name, education background, and years of experience and employment history particularly as it relates to the scope of services specified herein. – **5 points (5%)**

Financial Capacity Information: Does the offeror have sufficient financial resources to meet obligations? Vendor must submit either a comparative audit, which would include data from prior year and the year previous to that, audits for the past two (2) years if a comparative is not available, or end of year financial statements for the last two (2) years if an audit has not occurred. Vendor may also be required to provide additional financial information upon request. – **5 points (5%)**

Cost Factor: (35 points, or 35%)¹

Additionally, MDOR wished to draw off its own experience with both vendors, since both vendors had shipped on behalf of MDOR². Therefore, the RFP contained the following language:

DOR may obtain information about the prospective contractor's ability to meet requirements through references not provided by the proposer, or any other means available. DOR Executive Staff reserves the right to make the final determination as to the prospective contractors' ability to meet requirements, including any information the agency may have regarding services provided to DOR previously and the proposer's responsiveness to issues and concerns³.

Per OSPCR direction, the Technical and Cost Factors were evaluated "blind", while the Project Management Factor was evaluated "non-blind". The evaluators were provided redacted proposals for the Technical and Cost Factor evaluations so that, to the extent possible, the identity of the vendor was not available.

Upon evaluation, the Committee determined that Douglas's proposal merited a higher score. Douglas scored 97 points out of 100 points; Shippers scored 70 points.⁴ There were a number of questions that Shippers wholly failed to address in its proposal. This resulted in significant reductions in its overall score. However, the biggest individual point difference was due to the Cost Factor.⁵ Douglas' projected total cost for the four-year contract was

¹ See RFP #3120001910, page 12-13.

² Douglas had previously shipped on behalf of ABC under a sister contract for permittees located in the Jackson Metro area.

³ *Id.* at 14.

⁴ See Evaluation Factor Scoring Sheet, RFP Number: 3120001911, State-Wide Hauling Services, Attached as **Exhibit A**.

⁵ Douglas provided pricing both on a per case basis, as well as pricing based on variable factors including weight and gas charges. Shippers did not offer a per case price, but did provide a price based on similar variable factors. ABC utilized the variable factor pricing to ensure that there was an apples to apples comparison of price between the two vendors.

\$56,040,491.00, while Shippers projected total cost was a much higher \$68,925,032.00.⁶ This resulted in Douglas receiving a 35 out of 35 possible points with Shippers receiving 28 points.

Thereafter, MDOR issued a notice of intent to award the State-Wide Shipping contract to Douglas.⁷ On March 17, 2020, Shippers requested a debriefing meeting.⁸ On March 20, 2020, MDOR held a debriefing with Shippers and provided information as described in Rule 7-113 of the OSPCR Rules and Regulations. This information included a summary of the determination, the overall scores, the basis for the overall scores, and deficiencies of Shipper's proposal.

On March 25, 2020, Shippers filed its Protest directly with OSPCR.⁹ Shippers makes a number of arguments in its protest it believes warrant the overturning of the intent to award the contract to Douglas. These argument including claiming that they were not provided enough time for a debriefing or protest; that MDOR does not have the right to reject exceptions and deviations; that Douglas should not have received a high score; that this RFP was different from the previous RFP that went out in 2016; that MDOR allegedly contacted Douglas before awarding the contract to discuss terms; and that the formula used to determine cost was incorrect (even though it was the same formula MDOR used in 2016 when Shippers was awarded the contract). After reviewing the protest, MDOR states that all points were allocated based on the terms and conditions of the solicitation and the award was in accordance with the Mississippi Constitution as well as all applicable statutes, rules and regulations.

⁶ The total projected cost was determined by using the following formula:

$$\text{Price} = \frac{\text{Total cases shipped in 2019} \times \text{Avg weight per case} \times \text{Avg weight charge}}{100}$$

⁷ See Public Notice of Intent to Award, attached as **Exhibit B**.

⁸ Douglas requested a debriefing on March 17, 2020. The debriefing was held on Monday, March 20, 2020.

⁹ See Protest of Shippers, attached as **Exhibit C**.

II. STANDARD OF REVIEW

Under Rule 7-112 of the OSPCR Rules and Regulations, appeals made directly to PPRB will be reviewed *de novo*. PPRB will decide whether the solicitation or award was in accordance with the Constitution, statutes, rules and regulations, and the terms and conditions of the solicitation.

III. ARGUMENT

A. Debriefing and Protest Schedule

Shippers argues that it was not provided sufficient time to file a protest after its debriefing. MDOR issued the Public Notice of Intent to Award on March 17, 2020.¹⁰ Shippers received the Notice and requested a debriefing on the date of issuance. MDOR held the debriefing with Shippers on Friday, March 20, 2020 via teleconference.¹¹ Shippers did not object to this date or request a date earlier in the week.

Rule 7-113 of the OSCPR Rules and Regulations states that a debriefing should occur before expiration of the protest period, within three (3) business days after the vendor request for a debriefing. Shippers does not argue in its protest that MDOR acted in a manner contrary to applicable rules. Shippers argues that MDOR did not provide them sufficient time to file a protest. MDOR's actions were in compliance with Rule 7-113. Shippers claims that the debriefing was done "unfairly", but fails to provide any information to support this hyperbole. MDOR provided all required information at the debriefing, as well as a follow-up e-mail producing the overall evaluation score sheet and another e-mail detailing the protest procedure. MDOR does not believe this issue has any merit.

¹⁰ See Public Notice of Intent to Award, attached as **Exhibit B**.

¹¹ Due to concerns relating to COVID-19, MDOR held debriefings, both with Shippers and Douglas, via teleconference.

B. The Overall RFP

Shippers argues that the entire RFP is “not a transportation RFP”. It claims that there was incorrect information in the RFP, and alludes to Exceptions and Deviations it included in its proposal to support this contention. However, a review of the Exceptions and Deviations doesn’t reveal an attempt to correct misinformation; it shows an attempt to make a contract better suited to serve Shippers.

For example, the first exception requests that “...the awarded carrier should be vetted enough to show that they can take over the entire state in a week...” This proposed one-week turnaround is not a necessity; it would only serve to give Shippers a better chance of being awarded the contract. The next exception provided by Shippers is a request to remove language from the RFP stating the procedure under which a proposal could be produced to another vendor. The RFP language is simply a recitation of the statutory requirement of notice prior to production of trade secrets. It is not something MDOR can agree to change. Other exceptions and deviations request that ABC consult with the winning carrier on replacement product when the carrier is responsible for payment; that the word “correct” be added to ABC’s labeling responsibilities; that language be added to expressly make ABC legally liable for its own actions; language complaining about ABC’s software and hardware for scanning product; language adding an additional holiday; removal of the OSPCR-mandated “Availability of Funds” clause; and the addition of language of the OSCPR-approved “Confidential” Information clause.

Shippers argues that these exceptions were made because the RFP did not include correct information, and was not a transportation RFP. However, these exceptions and deviations are obviously just terms and conditions Shippers wished to add to the contract to better serve itself. MDOR reviewed these exceptions and determined that it did not wish to accept any changes. In

consultation with OSPCR, MDOR notified Shippers that it would not be accepting any exceptions or deviations proposed by Shippers, and provided Shippers with the choice of either withdrawing the entire proposal or withdraw its exceptions and deviations. Shippers chose to withdraw its exceptions and deviations. Shippers has not presented any evidence to support a finding that the RFP's terms and conditions are improper or are anything other than the proper terms for shipping services.

C. Awarding of points

Next, Shippers argues that Douglas should not have been awarded as many overall points, and Shippers should not have had so many points deducted. In support of its argument that Douglas should not have been awarded points, Shippers alludes to Douglas having never had the state shipping contract. Shippers also claims that MDOR should have "vetted" Douglas more, implying that Douglas does not have the necessary equipment or facilities to meet service requirements. Douglas provided a very detailed proposal, in which it provided a great deal of information outlining its operations and ability to meet shipping requirements. Unlike Shippers, Douglas provided point-by-point responses in its proposal to all of the issues outlined in the RFP. Moreover, MDOR is not aware of any evidence that contradicts the information provided by Douglas, and Shippers certainly does not provide any in its protest.

Shippers bemoans the fact that points were deducted from its own proposal for failure to provide information in response to the RFP. Shippers alludes to statements made during the debriefing without providing any context. Specifically, Shippers refers to statements during the debriefing by an MDOR representative that the RFP "was evaluated differently than in the past." This is a true statement. There have been several changes since 2016, including the dissolution of

PSCRB and creation of OSCPR, as well as the statutory creation of specific factors that must be included in every RFP.

Shippers takes the position in its Protest that MDOR was under an obligation to notify Shippers that the RFP would be evaluated differently than in the previous process. To the extent that any evaluated factors have changed since 2016, MDOR absolutely fulfilled this obligation by providing clear and detailed directions in the RFP as to how it would be evaluated.¹² If Shippers is arguing that it should not be required to respond to every factor outlined in the RFP, MDOR responds that the RFP clearly requires that the proposer fully respond to each portion of the proposal. Section 6.10 of the RFP states that,

To be considered responsive to the RFP, each proposal must be complete, contain accurate information and contain the minimum expected components described in the RFP. If the proposal is incomplete, contains inaccurate information, or fails to contain the minimum expected components of the RFP, it may be deemed unresponsive and may not be considered for award.¹³

Shippers is taking the position that it should not be required to fully comply with the RFP. If MDOR agreed to this position, it would be treating Shippers differently than it does other vendors who respond to RFP's.

Shippers cites perceived issues in its Protest relating to several Technical Factor questions. Per OSPCR instructions, MDOR reviewed the Technical Factor portion of the proposals blindly, meaning the Evaluation Committee could not take into consideration which vendor had submitted the Technical Factor portion and had to rely wholly on the information contained in that portion alone. The Committee could award a total of 20 points for this Factor. Douglas provided a complete and detailed response and received the full 20 points. Shippers

¹² See RFP, Section 6.10.

¹³ See RFP, page 11.

failed to provide information relating to four out of the six questions under this factor. Therefore, it received a score of 11 points. This scoring is consistent with OSCPR Rule and Regulations. Shippers has not provided any evidence to support a change in awarded points.

Shippers believes that MDOR was required to specifically notify just Shippers to inform it that it should carefully read the RFP since changes may have been made since it last submitted a proposal half a decade ago. MDOR disagrees that it was under any such obligation. MDOR believes it provided clear and precise directions in its RFP; directions that were fully complied with by the other vendor who submitted a proposal. Vendors who submit proposals are expected to fully respond to an RFP; if a vendor chooses not to, points will be deducted. That is the nature of the RFP process, and it has always been this way.

D. Notification

Shippers' next point of protest is simply a reiteration that it should have received instructions outside of the plain terms of the RFP. Shippers also proclaims in this section that it is the "only carrier that is capable to handle the statewide distributions." MDOR refers to its response in C. above regarding notification.

E. Modification

Shippers alleges in its Protest that MDOR contacted Douglas after receipt of proposals but prior to send out its Notice of Intent to Award. It supports this allegation by misquoting Associate Commissioner Meg Bartlett. The Protest claims that Associate Commissioner Bartlett stated during the debriefing that MDOR had contacted Douglas to request additional "figures or variables so they could evaluate apples to apples."

MDOR denies that Associate Commissioner made this statement during the debriefing. Additionally, attached please find an affidavit from Meg Bartlett confirming that MDOR did not

contact Douglas prior MDOR sending out its Notice of Intent to Award.¹⁴ Therefore, this issue has not merit.

F. Evaluation of Cost

Finally, Shippers is protesting the formula used to determine the estimated cost of the shipping services for the total contract period. Shippers argues that it should have been contacted to give feedback on the best method of determining cost. It also argues that there is no way Douglas could have provided a rate schedule. It appears that Shippers is arguing that this information is proprietary.

Both vendors submitted information regarding the cost of providing services. Douglas provided two different prices, the cost per case and per hundred weight pricing. The cost per case is straight forward. It is the cost per case the vendor will charge along with a fuel surcharge to take into account the varying distances traveled to deliver the cases. The per hundred weight pricing takes into account a number of factors to reach a price. MDOR specifically provided authorization for vendors to give pricing based on this method during the procurement process.¹⁵

Shippers did not offer a per case price. Instead, it only chose to offer a price based per hundred weight pricing. It uses the same criteria as the per hundred weight pricing utilized by Douglas. Based on this information, MDOR was able to compare the two prices using a conversion formula represented as:

$$\text{Price} = \frac{\text{Total cases shipped in 2019} \times \text{Avg weight per case} \times \text{Avg weight charge}}{\text{Total weight shipped in 2019}}$$

¹⁴ See **Exhibit D**, Affidavit of Meg Bartlett.

¹⁵ See **Exhibit E**, Notice of Amendment #5 to RFP.

This is the same formula that MDOR used in 2016 to determine costs for the state-wide contract.¹⁶ When both Shippers and Douglas submitted proposals. MDOR used its own information relating to total cases shipped in 2019, as well as average weight per case. It then plugged in the average of each vendor's weight charge based on the schedules attached to each proposal. With that information, MDOR was able to determine the estimated cost of each vendor's proposal. Douglas submitted a much less expensive proposal with an estimated cost of \$56,040,491.00, while Shippers' projected total cost was a much higher \$68,925,032.00.

Shippers spends a significant amount of time in its Protest implying that Douglas improperly obtained schedules included in its proposal. Shippers does not present any evidence to support this allegation other than stating that it does not know how Douglas was able to obtain the information included in the schedules. MDOR is not aware of any evidence to support an allegation that Douglas improperly obtained schedules used by Shippers. Regardless, the fact remains that both Douglas and Shippers included pricing information using the same factors which allowed MDOR to compare and determine the lowest cost. Therefore, this Protest issue does not have any merit.

IV. CONCLUSION

MDOR is authorized to enter into any contracts it believes are necessary to carry out its obligations. Mississippi Code Section 27-3-31 (1972)(as amended). Moreover, it has the discretion to award the contract to the company it finds is the best one for the job. Wastewater Plant Serv. Co. v. City of Long Beach, 44 So. 3d 396 (Miss. Ct. App. 2010). For the reasons stated above, there is sufficient evidence to justify MDOR's decision to evaluate Douglas higher than Shippers. Shippers has failed to show that the solicitation or award was not in accordance

¹⁶ MDOR awarded this contract to Shippers.

with the Constitution, statutes, rules and regulations, or the terms and conditions of the solicitation

RESPECTFULLY SUBMITTED, this the 2nd day of April, 2020

THE MISSISSIPPI DEPARTMENT OF REVENUE

BY: /S/ David Caldwell
David Caldwell, Esq.

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Evaluation Factor Scoring Sheet
RFP Number: 3120001911
Statewide Hauling Services

As stated in the RFP, each category is allotted a percentage of the points available to be awarded. In the scoring for item 3, vendors will be awarded points on a prorated scale, with 35 points going to the lowest price and a prorated amount awarded to the other bidders.

Proration Scale: Lowest Vendor Price/Vendor's Price x 35
(Ex. 1.10/1.40 x 35 = 27.5 points)

Evaluation Factors	Total Available Points	Vendor Name	
		Shipper Express, INC.	Douglas Express Delivery, LLC
1. Technical Factor (20%)			
<i>Definition of Factors: The overall quality of the proposed plan (the plan should reflect an understanding of the project and its objectives) and the ability to perform the services as reflected by the completion of the technical proposal and submission of redacted resumes of the key personnel. Consideration will be given to the completeness of the responses to the specific requirements of the solicitation.</i>			
1. Does the offeror document a plan to administer and manage our contract including secured yard storage and providing sufficient drivers, etc.?	4	4	4
2. Does the offeror have a track record of managing high-volume deliveries and double shipments?	4	1	4
3. Does the offeror document a record of reliability in shipping and delivering alcoholic beverages in timely manner?	4	0	4
4. Does the offeror document a plan to ensure protection of products?	4	4	4
5. Does the offeror document a plan to transition from the current contract that is in place to your contract? (Current vendor should address from the perspective of not having the current contract)	2	1	2
6. Has the offeror clearly documented their plan to meet the Agency's needs? Does the offeror believe they will be ready to handle the volumes associated with the Agency with minimal transition time?	2	1	2
Subtotal - Technical	20	11	20
Comments:			
2. Project Management Factor (45%)			
<i>Definition of Factors: The personnel, equipment, facilities and financial resources to perform the services currently available or demonstrated to be made available at the time of contracting as well as a record of past performance of similar work as exhibited by references from other companies serviced within the past two (2) years and other documentation related to vendor's capabilities.</i>			
1. Does the offeror document information regarding their organization, staffing pattern, staffing qualifications and management support that will	5	5	5

Evaluation Factor Scoring Sheet
RFP Number: 3120001911
Statewide Hauling Services

enhance the ability of the offeror to provide services?				
2. Does the offeror document number of years of experience with providing types of services specified in Section 1.0 Scope of Services, Section 2.0 Characteristics of Work, Section 5.4 Contractor Minimum Requirements and Section 8.2 Carrier Responsibilities?	10		5	10
3. Does the offeror have a record supporting a history of the quality of the hauling services provided?	10		2	7
4. Does the offeror document initiatives/programs/benefits that will minimize turnover and absenteeism?	5		5	5
5. Does the offeror document information regarding prescreening procedures for employees? Identify what prescreening procedures are included in the cost proposal.	5		5	5
6. Personnel: Does the offeror document personal experience of all key personnel, including the account manager, who will be involved in providing the services contemplated by this RFP? Offeror must provide resumes for all key personnel. Resumes must include the full name, education background, and years of experience and employment history particularly as it relates to the scope of services specified herein.	5		4	5
7. Financial Capacity Information: Does the offeror have sufficient financial resources to meet obligations? Vendor must submit either a comparative audit, which would include data from prior year and the year previous to that, audits for the past two (2) years if a comparative is not available, or end of year financial statements for the last two (2) years if an audit has not occurred. Vendor may also be required to provide additional financial information upon request.	5		5	5
Subtotal – Project Management Factor	45		31	42
Comments:				
3. Cost Factor (35%)				
<i>Definition of Factors: The price submitted shall reflect both the shipping rate schedule and fuel surcharge schedule.</i>				
1. Price	35		28	35
Subtotal – Cost Factor	35		28	35
Comments:				
Total Points Awarded	100		70	97



Public Notice of Intent to Award

March 17, 2020

Procurement Type and Number	Request for Proposal # 3120001911
Procurement Title	Statewide Hauling
Opening Date and Time	March 3, 2020 at 2:00 p.m.

The Department of Revenue (referred to as “DOR” or “Department”) requested written proposals to provide a freight, hauling and delivery plan for the distribution of alcoholic beverages for the Alcoholic Beverage Control Distribution Center (“Department” “State” or “ABC”) located at 1286 Gluckstadt Road, Madison County, Mississippi to all licensed ABC permittees located in the State, excluding those located in Hinds, South Madison and Rankin Counties.

DOR will contract for these services with a single vendor for a contract period beginning July 1, 2020 and ending June 30, 2024.

DOR released the Statewide Hauling Request for Proposals (RFP) # 3120001911 on January 17, 2020. In response to the RFP, DOR received two (2) sealed proposals.

The following vendors submitted responses to the above solicitation and are listed in the order of ranking from highest to lowest evaluation score:

- Douglas Express Delivery, LLC., Jackson, MS
- Shippers Express INC., Jackson, MS

The proposals were evaluated and deemed responsive and responsible according to the criteria stated in the solicitation. We announce our recommendation to award a contract to the following vendor subject to approval by the Public Procurement Review Board. This recommendation is based upon the vendor submitting the most highly scored proposal based on the evaluation criteria listed in the RFP:

- Douglas Express Delivery, LLC., Jackson, MS

We would like to thank each vendor for your time and efforts in preparing a response to this solicitation.

We invite you to contact **Erica Green Greenwood, Contract Analyst, SR** if you would like to request a post-award vendor debriefing under Rule 7-113 of the PPRB OPSCR Rules and Regulations. This debriefing is a meeting and not a hearing; therefore, legal representation is not required. However, if you prefer to have legal representation present, you must provide notification prior to the scheduled meeting so that we can also have legal representation present. Your request for debriefing must be received within three (3) business days after the issuance of

this notice or no later than **March 20, 2020**. MDOR reserves the right to conduct any such debriefing via a teleconference.

Vendors are reminded that any protests of this decision must be submitted to **Erica Green Greenwood, Contract Analyst, SR** within seven (7) calendar days after the issuance of this notice or no later than **March 24, 2020**. The protest must be in writing, identify the name and address of the protestor, provide appropriate identification of the procurement and resulting contract number (if known), and detail the nature of the protest, including available supporting exhibits, evidence, or documents to substantiate any claims.

The successful vendor is instructed not to begin work, purchase materials, or enter into subcontracts relating to the project or services until execution of the contract.

We appreciate your interest in doing business with the State of Mississippi.

Sincerely,



Erica Green Greenwood
Mississippi Department of Revenue
P.O. Box 22828
Jackson, MS 39225
Phone: 601-923-7860
Fax: 601-923-7658
Email: erica.greenwood@dor.ms.gov



PHONE 601-948-4251

P.O. BOX 8308

JACKSON, MISSISSIPPI 39284-8308

PPRB/DFA

501 North West Street

Suite 1301, Woolfolk Building

Jackson, MS 39201

RE: Bid Protest #3120001911 – The Hauling of Alcoholic Beverages Statewide

To: PPRB Board,

Shippers Express, Inc. (hereinafter referred to as the “Company”) has found itself in the position to file this protest based on the award of RFP Bid #3120001911. The Company protests this decision on five different areas.

On Tuesday morning, March 17, 2020, the Company was notified that it did not receive this award and a briefing was that afternoon. This briefing occurred March 20, 2020, during an 11:00 am telephone conference which did allow adequate time to prepare our protest (see attachment A). This was unfair to the Company and appeared to be constructed in a way so as not to provide fairness.

During the briefing, I asked the committee if they understood that postponing until Friday had left the Company with only two days to prepare this protest and they agreed. I do understand that the reported reason for the teleconference is due to the COVID19 situation, but the DOR should have foreseen a more efficient, effective and fairer way to conduct this briefing.

However, the Company leaves it to this board to determine, under the Mississippi Procurement Manual, if that process was handled fairly.

The Company protests in five (5) different ways:

First, the Company protests the RFP itself, because it is not a transportation RFP. There was incorrect information in the RFP, so my company took exceptions and deviations to it. The RFP says in section 6.18 that "Failure to indicate any exception will be interpreted as the proposer's intent to comply fully with the requirements as written". The Company does not agree, because there are incorrect portions of the RFP, as well as a complete lack of information in the RFP. The RFP did not contain the volume of shipments or locations for shipments, for example.

When asked in Amendment 1, the questioner specifically asked for "date, weight, and number of cases", the answer was vague and still did not provide accurate information on how much is being shipped. This incorrect information is explained in the exceptions and deviations pages prepared by my company, which are attached (see attachment B).

After the proposal was submitted and accepted by the Department of Revenue, I received an email from Ms. Greenwood (see attachment C) instructing the Company that it must remove the exceptions and deviations from the bid, else the committee would refuse to score the response to the RFP. These options, in the email attached, did not allow for any option, except to remove them if my Company wanted our proposal to be looked at for grading. We removed the previously included exceptions and deviations from the proposal (as you can see in my email response to Ms. Greenwood). We wanted the contract, a contract which we have been delivering all or part of since the start of the ABC in 1968.

Second, the Company protests the scores given to the awarded carrier. This carrier received higher scores than we did on operations, which the awarded carrier has never done. This is a fact as Shippers Express, Inc. has carried the liquor for the State, since its inception.

We also asked, during our briefing, if the awarded carrier had been vetted in the areas of equipment, locations, and employees. The Company was informed that the review committee did pursue this because the awarded carrier "told" the State that they had the available equipment, employees and locations, but provided no meaningful details.

Evidently this board did not vet Shippers Express, Inc. or they would know we can do all they ask and have accomplished this consistently through present day and will until our current contract for this service is completed on the last day of June 2020. The review committee indicated that there was not enough information in sections 4.2, 4.3, 4.5, and 4.6 of our proposal which resulted in a loss of points.

This information was in the executive summary of our proposal (see attachment D). The Company was not aware of an apparently new requirement in that the State had mandated this information be detailed, in each section, and my company was not made aware of any changes in the way the committee would evaluate the proposal. When asked, David Caldwell said, "Mr. Kerr, you are right, it was evaluated differently than in the past". A fair process would have ensured that all offerors were given notice of any changes being made to the evaluation process. In the past, the RFP's consisted of an executive summary, references, and price bid, all of which was included in my proposal and all of the RFP requirements were answered in the proposal. No mention was made of changes to the evaluation process to Shippers Express, Inc.

During the briefing, we also asked what experience the members of the committee had in warehouse distribution and were told that “everyone on the committee does not have to have distribution experience”. When three of the four graders have little or no warehouse, distribution, or transportation experience it presents significant difficulties to appropriately judge. The whole process has confused the carriers. This is another point that will be left up to this board.

Our Company’s Certified Public Accountant who has been involved in a great number of Mississippi’s RFP’s cites the following observations. Traditionally, the RFP’s specify any statute under which the response should be fashioned or adhered to. The problem with this omission is that the review committee made multiple references to “new statutes” by which bids, scoring, and awards would be made. Furthermore, inconsistencies in RFP requirements and the biased grading sheet changes are obvious and clearly adjusted to give an out when specifics were required to be submitted or evidence as to their experience hauling statewide liquor and wine. This CPA also has concerns on the following sections of the Mississippi Procurement manual of 2016 with reference to sections, 1.101.02, 1.103, 9.102, 3.113.02.01, 3.113.03, and sections 3.112 and 3.122.01. He also refers to sections 6.101(1) and sections 6.204(2)(a) of the MS Procurement Manual of 2016. The following technical factor examples also demonstrate this inconsistency.

Technical Factor:

- a) Question 4.2 in the RFP asks, “How do you propose to manage high-volume deliveries and double shipments”? This is impossible for the other carrier to answer in context for two reasons. First, they have never hauled the first case of statewide liquor and local deliveries are nowhere near what the statewide deliveries include. Second, the RFP leaves out the volume to be shipped and no carrier could make a proposal without that information.

Shippers Express, Inc. has perfected the art of getting trailers loaded and deliveries made on a timely basis, while managing high-volume deliveries and double shipments in this exact environment and has unrivaled knowledge of the business. The other carrier cannot begin to assert their capabilities are adequate. The RFP language was "how do you plan to manage high-volume deliveries and double shipments"? The grading sheet changes this, which precludes the other carrier from having to adequately answer when the grade sheet simply says, "does the offeror have a track record of managing high-volume deliveries and double shipments"? This mixes general freight with the loading, distribution, deliveries associated with hundreds of thousands of cases of liquor and wine. The difference is unfathomable.

The other carrier received maximum points, while Shippers Express, Inc. received a mere "1" point after managing this since 1968 and our experience is exactly related to the ABC and its issues. There is no documentation provided which allows for a comparison of apples and oranges. The DOR change in wording for grading is less than subtle and to award the company, which has successfully managed this very program, no credit for its spot-on experience and knowledge.

- b) Question 4.3 of the RFP (Technical Factor), as issued, asks "How do you propose to ensure alcoholic beverages are shipped and delivered in a timely manner?" Shippers Express, Inc. was awarded 0 out of 4 points for this question. We have been delivering alcoholic beverages in a timely manner since 1968. The committee said we lost the points because we

did not give specific details in the answer. All this information was also included in the executive summary of our response.

As noted in the second argument, Shippers Express, Inc. was not made aware of any changes to the way the proposal would be viewed or evaluated. The Company has a track record, 68 years long, of getting alcoholic beverages delivered in a timely manner that proves itself.

Question 4.6 on the RFP is not part of the grading performed on the grade sheets. There is no adequate answer for the other carrier as they have never performed this volume of work for the State, have no knowledge of the drivers, tractors, trailers, helpers, and others required to adequately provide services to the State of Mississippi and to the permittees. Again, the amendments do not provide enough information to be able to answer adequately, unless a carrier has operated under this exact type contract before.

Third, the Company protests the evaluation process as being different from the last several RFP's we have received and contracts. We were told by the briefers that there are new statutes and procedures put in place after the Department of Corrections problems with Commissioner Epps. That information should have been relayed, immediately, to Shippers Express, Inc. and the Company advised that there were new statutes and a change in the scoring process from the outset. There is no excuse for this.

As previously stated, when asked, David Caldwell said, "Mr. Kerr you are right, it was evaluated differently than in the past". The Company received the RFP by email, with no attachments showing any differences, after we received a call from Ms. Greenwood inquiring if

we wanted to bid. We were surprised that she asked us that since we have been handling some or all the ABC distribution since its inception in 1968.

The RFP was always sent it to us, but the new group of people involved at the DOR do not understand that we are the only carrier that is capable to handle the statewide distributions. In the past the Company submitted the RFP and then the scoring happened when we negotiated the contract after the award.

The personnel at the ABC know this, but only one person was involved with the scoring unless they count the new assistant director who has only been there a few months and does not yet know the transportation business or the innerworkings of the ABC.

Fourth, we protest the rates because of modification. One thing that caught my attention in the briefing was when we were told the review committee could not evaluate the rate proposals because they were different. What really got my attention was when Ms. Meg Bartlett said that they contacted the other bidder to give them some more figures or "variables" so they could evaluate apples to apples.

Section 6.4 of the RFP states that "no proposals shall be modified after the specified time for the opening". The RFP says you can not do that once the proposal has been turned in. During the briefing, they said that, in order to compare, they put the other carriers figures in the same formula to provide cost because the other carrier bid per case. We were not given the opportunity to change our rates to be comparable to their bid and this was not fair. We are not even sure how they developed the formula for which they decided the price comparison. The rest of this rate protest is included in our protest of the formula they used for scoring.

Fifth, we protest the formula used to determine cost. We do not know how the DOR developed this formula for deciding price comparison. If they had reached out to me as well, I could have given them contact information to the rate clerks at the NMFTA, to instruct them on how to come up with a formula to compare apples to apples.

We would like to know how the other carrier was able to put out a rate schedule that was so close to ours, considering that we created that table solely for the purpose of this contract. This table is based on 100 weight factor or CWT. The state of Mississippi is a rural state. The mileage to carriers is based on a three-digit zip code. This zip code system was developed based on railway miles not actual road miles.

For example, Canton, MS is 20 miles from us, and Natchez is 100 yet they are both based on the same three-digit zip. Therefore, to be fair to all permittees, we developed our rate schedule to be as fair across the board as possible, based on locations. To simply figure a formula based on average weight charge does not make sense and is not recognized in the trucking industry.

For the other carrier to have such a similar schedule to my Company's, seems to be impossible. These schedules are only available to members of the National Motor Freight Transportation Agency (NMFTA) the governing body over these rates. Shippers Express, Inc. has been a member of this prestigious organization for many, many years, while the contract awardee is not a member, based on information and knowledge. We attach a copy of the NMFTA statement regarding participating carriers which states that participation is subject to verification and only members may use the information contained (see attachment E).

The Company understands that this maybe a rubric method of scoring, as used in colleges but my Company was not made aware of the change to this type of evaluation. It basically looks like they are more worried about checking boxes on a score sheet than getting the product to the permittees.

An RFP for the transportation of alcoholic beverages should make sure that the ABC product can and will get to those permittees. Shippers Express, Inc., has consistently met the agency's demand and in a timely manner. By belief and information, had Shippers Express, Inc.'s response been evaluated fairly, the contract would have been awarded to us.

We want to thank you for your time in reviewing this protest and ask that you carefully review the awarding of this contract.

ATTACHMENT A

Larry Kerr

From: Erica Greenwood <Erica.Greenwood@dor.ms.gov>
Sent: Thursday, March 19, 2020 10:27 AM
To: Larry Kerr
Subject: Debriefing 3/20/2020

Good morning,

Thank you for your patience. The requested vendor debriefing has been scheduled for March 20, 2020 at 11:00 a.m. via teleconference.

Please confirm your availability as well as the number you would like us to contact.

Erica Greenwood, MPA

SR. Contract Analyst
Administrative Services
Mississippi Department of Revenue
PO BOX 22828 - Jackson, MS 39225
Phone: 601-923-7860 - Fax: 601-923-7658
Email: erica.greenwood@dor.ms.gov



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ATTACHMENT B

EXCEPTIONS AND DEVIATIONS

Page 15 – Section 6.18- Our exceptions and deviations.

Page 14 – Section 6.12 - Notification of Carriers – We propose a Deviation In this Section for the State of Mississippi's Protection as well as the DOR/ABC benefit. We think that before announcement of award is made, the awarded carrier should be vetted enough to show that they can take over the full state within a week. This will make sure the supply chain of product is not interrupted, because the incumbent carrier, if not awarded, will lose drivers immediately and thus cannot take back over.

Page 15 – Section 6.16 – We take Exception to this and would like to see added, "If this RFP is released then Carriers with pages stamped CONFIDENTIAL will be notified immediately to provide enough time so the Carrier can Invoke the clause In Appendix A to receive a court order to stop release of CONFIDENTIAL marked Information. This CONFIDENTIAL information could be used by bidders to receive operational procedures, rates, and reference whether the bidder is serious on this bid or just bidding to get information.

Page 17 – Section 7.1 -B – A Deviation needs to be taken on last sentence as follows: "February 25, 2020 at 12:00 PM needs to be removed and March 3, 2020 at 12:00 PM Inserted."

Page 18 – Section 8.1 – (5) - The word "correct" labels needs to be inserted before shipping labels. Carrier proposes that on drop shipments paperwork, a Bill of Lading with some type of label to identify where the case is to be delivered and the regular cut paperwork, bill of lading be given to Carrier the next day for proper billing. If Brokers deliver any shipment(s), the Broker

ATTACHMENT B (cont.)

must take all of that shipment BEFORE the Carrier's label has been applied so the Carrier will not be liable and have to pay the claim.

Page 19 – Section 8.2 – (2) – We take Exception to this Section and ask to add language that ABC will “consult” with Carrier on replacement if Carrier is responsible for payment.

Page 19 – Section 8.2 (4) – We wish to add as an Exception this wording, “that Carrier is responsible for situations it causes, and DOR/ABC is responsible for acts the DOR/ABC cause.”

Page 20 – Section 8.2 – (14) – Our Company is taking both Exception and Deviation in this section. The Carrier is required to take the product by case count and deliver to the permittee by case count. The problem with this is, the computer which is relied on to provide the number of cases is not always correct. The scanner does not stop cases that are labeled wrong, that are not to the correct store, and are not in stop order. The conveyors, scanners, and computer are supposed to work in conjunction with each other to provide correct case numbers going to the correct Permittees with proper labels. Even though ABC Management tries, they cannot correct this situation, because it is a software and hardware problem, which they have no control over. The warehouse employees “pick and choose” which product to give credit on, however they cannot give proper credit to the Carrier. They are getting their information from their only source, the computer which cannot capture actual inventory figures because of the numerous incorrect products being shipped and it does not coordinate with the scanners and conveyors. Warehouse and distribution software is trying to integrate with a tax system (T. A. P.) and that is not working smoothly. This is also the reason for Carrier Claims, warehouse misloads, and the numerous shags produced by the present system. The ABC had one of the best

ATTACHMENT B (cont.)

warehousing and distribution systems in the country until it started to be modified and thus integrated with T.A.P. When the Carrier has paid a claim on a case, that case will not be returned because the Carrier owns the case, just the same as the Customer who buys the product in the store. The Carrier will work with the ABC for the development of a program and procedures to handle this, because the Carrier does not want to have this product on its premises any more than ABC does. This product can't be sold by the Carrier and is a loss for the Carrier, unless ABC issues a brokerage license to the Carrier so it can sell to the Permittees. Overages have always been returned, but it is not fair to the Carrier for the ABC to take this product back without issuing credit. When the incorrect case is shipped, the result is the Carrier is short the correct case and the Carrier must pay a claim to the Permittees. ABC should require Permittee to take cases and work out with the warehouse and leave the Carrier out of it like the rules say.

Page 20 – Section 8.2 – (17) – We need a Deviation that adds Christmas Eve as a Holiday if the DOR/ABC take Christmas Eve as a Holiday.

Page 22 – Availability of Funds – We take exception to this clause in that this statement should be taken out where the section refers to State, or Federal funds are not received. These funds are not Government funds.

Page 22 – Confidential Information – Exception is needed in the wording and should be added "to give Carrier time to receive Court Order to Stop Release."

ATTACHMENT B (cont.)

Page 25 – Failure to Deliver – An Exception needs to be made and we propose language to be inserted “ABC will consult with Carrier on picking a replacement Carrier if Carrier has to pay replacement.”

Page 26 – Ownership of Documents and Work Papers – Propose a language Exception of “Carrier will turn over to ABC documents and papers that is not prohibited by State or Federal Laws or Regulations under which Carrier must operate as a Motor Carrier.”

Page 27 – Price Adjustment Clause -1- Insert in the section that “Carrier will be able to negotiate up or down with DOR/ABC on issues such as delays, computer issues, additional warehouse, more/less shags, wrong labels on cases, grocery stores getting permits, and Brokers delivering product after the case run through Carrier’s Bill of Lading, if issues are getting better or worse.”

Page 27 – Price Adjustment Clause 11 – Exception should be added with wording to the effect that this does not have to go through the contract review because these funds never are the State of Mississippi’s.

Page 31 – Transparency Clause – Enough notice needs to be given to the Carrier so appropriate time can be available to get a court order to stop release of material marked CONFIDENTIAL.

ATTACHMENT C

Larry Kerr

From: Erica Greenwood <Erica.Greenwood@dor.ms.gov>
Sent: Monday, March 9, 2020 12:19 PM
To: Larry Kerr
Subject: Response to Exceptions and Deviations
Attachments: Response to Exceptions and Deviations Request.pdf; Exceptions and Deviations.pdf

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Good afternoon Mr. Kerr,

Please see attached our response to your request for exceptions and deviations.

You may submit your written response back to me via email by Tuesday, March 10, 2020.

Erica Greenwood, MPA

SR. Contract Analyst
Administrative Services
Mississippi Department of Revenue
PO BOX 22828 - Jackson, MS 39225
Phone: 601-923-7860 - Fax: 601-923-7658
Email: erica.greenwood@dor.ms.gov



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March 9, 2020

Shippers Express Inc.
Attn: G. Larry Kerr
1651 Kerr Drive
Jackson, MS 39204

Re: Exceptions and Deviations RFP # 3120001911

Dear Mr. Kerr:

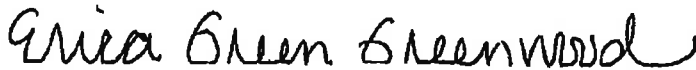
This letter is in response to your exceptions and deviations received along with your proposal on March 3, 2020. The attached exceptions and deviations "ONLY" were reviewed and will not be accepted.

You may, at this time, allow the Evaluation Committee to score your proposal per the requirements in the solicitation or choose to withdraw your submitted proposal.

Per Section 6.18 "Exceptions and Deviations" of the RFP, "Proposers taking exception to any part or section of the solicitation shall indicate such exceptions on the proposal form and shall fully describe said exception. Failure to indicate any exception will be interpreted as the proposer's intent to comply fully with the requirements as written. Conditional or qualified proposers, unless specifically allowed, shall be subject to rejection in whole or in part."

Please submit a response in writing at your earliest convenience.

Respectfully,



Erica Green Greenwood, Contract Analyst, Sr.
Administrative Services Division

ATTACHMENT D

EXECUTIVE SUMMARY

Our Company has been delivering part or all the State of Mississippi since the inception of the ABC. We offer protection of the product, while in our possession, until we deliver it the next day. Our Company has seven terminals arranged strategically over the State of Mississippi in Jackson, Greenwood, Tupelo, Memphis, Hattiesburg, Meridian, and Gulfport. This gives us the best coverage for next day delivery of the product of the ABC in the safest, most efficient and secured manner possible. Our Company has developed the network of terminals over the past 54 years for the benefit of the ABC. The product is received from the ABC warehouse in Gluckstadt, MS, and line-hauled to the seven locations throughout the state, cross-docked and then peddled to the permittee from that terminal's location. We use 35-45 drivers daily to deliver this product utilizing over 280 available trailers depending on the amount of volume the ABC ships on any given day. We are delivering 95% of the shipments by 4:00 pm the next afternoon after we receive it from Gluckstadt, and all shipments by 10:00pm.

Our Company provides daily the number of trailers necessary for delivery of the ABC product which can vary greatly day to day. Our Company has an adequate number of trailers required daily to handle whatever volume the ABC ships. We do not have to rent or lease trailers since we own all our own trailers and serve the ABC warehouse from our home office in Jackson, MS. We have the knowledge of the locations of the Permittees along with the knowledge of the receiving restrictions of all towns and permittees in order to deliver in an efficient manner. Our drivers use ramps, dollies, two wheelers, shrink wrap and pallet jacks to help improve and quicken this process.

The seven locations are secured with fences and other security options including cameras at all locations. Our home office, warehouse, maintenance facility, and trailer yard is in Jackson and is covered with 52 cameras along with 24/7 security guards who are employed by Our Company 365 days a year. On the days that the ABC requires us to keep product overnight, it is brought to the Jackson location where it is secured and watched. Our Company owns all its equipment and Mississippi terminal facilities.

Along with enough drivers, Our Company has the support personnel and equipment at all seven of our locations to handle what the ABC ships daily. Our rate structure is based on hundred weight and distance which does not cause any permittee to subsidize another and makes the charges fair for all permittees.

Our Company will continue to handle the ABC product in the way the ABC directs as we have since the first day of the ABC. We are the only carrier that has continually bid and provided service to the ABC since 1963. We also believe that the employees of the ABC from the Director down to the support personnel will agree with these statements.

Our employees are trained in operational and safety meetings on the proper way to secure, deliver and protect the ABC product. We always train them on their approach and communication to make the permittee comfortable. They are also trained in what a permittee can and can not do at the time of delivery. If they have any issues, they will call their manager

ATTACHMENT D (cont.)

and let him/her talk to the permittee. If the ABC needs to be involved, then a call is placed to the ABC. Our support personnel are also trained in these matters.

Our Company's qualification for handling the ABC is our present ability to do what the ABC requires. Over the years there have been other carriers that have been awarded some part of the state to provide service for the ABC, but Our Company has had to be called in to take on their portions of the state. This was done on each occasion without any stoppage of the product to the permittee. We have the drivers, support personnel and equipment to take this RFP without any interruption of the movement of the product. We have the expertise, personnel, equipment and facilities to meet the requirements of the ABC. Our Company is ready now to continue to provide service to the ABC for the next four years.



ATTACHMENT E

[NMFC](#) | [SCAC](#) | [SPLC](#) | [Border Crossing](#) | [Other](#)

2020 NMF 100-AT Book - Participating Carriers

The National Motor Freight Classification® (NMFC®) is a tool that provides a comparison of commodities moving in interstate, intrastate and foreign commerce. It is similar in concept to the groupings or grading systems that serve many other industries. Commodities are grouped into one of 18 classes—from a low of class 50 to a high of class 500—based on an evaluation of four transportation characteristics: density, stowability, handling and liability. Together, these characteristics establish a commodity's "transportability." **NMF 100-AT will be issued on January 2020.**

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IN RE PROTEST OF SHIPPERS EXPRESS

MDOR'S RESPONSE

AFFIDAVIT OF MEG BARTLETT

Meg Bartlett, first being duly sworn, stated on oath as follows:

1. My name is Meg Bartlett. I am over eighteen years old, a resident of Mississippi, have never been convicted of a felony and am not under any disability that would prevent me from testifying under oath in a court of law or equity.

2. The information set forth in this affidavit is based upon my personal knowledge.

3. I am the Associate Commissioner for Business Taxes and the Alcoholic Beverage Control Division of the Mississippi Department of Revenue.

4. I recently served as a member of the Evaluation Committee tasked with reviewing proposals for both the shipping contract for the Metro Area and the shipping contract for the remaining permittees state-wide. I also attended a debriefing on March 20, 2020, during which Shippers Express was provided debriefing information relating to the state-wide shipping contract.

5. During this debriefing, I did not state that I had contacted Douglas Express to obtain additional figures or variables to make an "apples to apples comparison". Moreover, I have not contacted Douglas Express to obtain any such information, either after the respective request for proposal was issued or prior to the Notice of Intent to Award going out. I have am not aware of any MDOR employee contacting Douglas Express during this period.

SO SAYS THE AFFIANT.

Meg Bartlett
Meg Bartlett

SWORN AND SUBSCRIBED BEFORE ME, this the 31st day of March, 2020

LeKeya T. Johnson
Notary Public

September 16, 2022
My Commission expires:





Notice of Amendment # 5

Request for Proposal

RFP # 3120001911

Statewide Hauling Service



Mississippi Department of Revenue
500 Clinton Center Drive
Clinton, MS 39056

Contact: Erica Greenwood, Contract Analyst, Sr. - erica.greenwood@dor.ms.gov

THIS IS AMENDMENT FIVE (5) TO THE REQUEST FOR PROPOSAL.

1. In order to best serve the interests of the State and foster competition, the RFP is hereby amended to allow vendors to identify the amount it will charge to ship alcoholic beverages in a manner other than just a per case measurement. Such other methods may include a schedule of charges that fluctuates based on properly identified factors, such as gas prices, case quantity, weight or distance to delivery. Therefore, in Sections 5.4 (C), Section 6.10 (Cost Factor) and Attachment J (6.1) of the RFP is amended to state "...per case, quantity and weight as a factor or in a manner that allows objective comparison between the proposals."
2. Due to the above amendment, the DOR is also amending the procurement timeline, to the below schedule:

Proposal Packet Submission Deadline:	03/03/2020; 12:00 pm CST
Proposal Opening:	03/03/2020; 2:00 pm CST
Evaluations:	03/9-13/2020
Award Notification:	03/19/2020
Debriefing Request Date:	03/24/2020
Protest Deadline:	03/26/2020; 12:00 pm CST
Submission to PPRB Deadline:	04/01/2020
PPRB Meeting Date:	05/06/2020
Projected Contract Date:	07/01/2020

Please note:

Each proposer shall complete Attachment G, Acknowledgement of Amendments, and include it as part of its proposal packet.

and

Each proposer shall submit the amended Attachment C "Proposal Form" that is included with this notice.

Attachment C

Proposal Form for Statewide Hauling

Proposal Number: 3120001911

Gentlemen:

Pursuant to the advertisement for proposal to be received, I/We _____

_____ located at _____

do submit our proposal. This proposal is made without collusion on the part of any person, firm or corporation.

Shipping rate (per case, quantity and weight) _____
(Proposer must provide a schedule)

Fuel Surcharge per case _____
(Proposer must provide a schedule of Fuel Surcharges)

Exceptions and/or Deviations? Yes ___ No ___

.....
Company: _____

Signature: _____

Address: _____

Printed name: _____

Title: _____

Phone: _____

Date: _____

E-mail Address _____

Attachment A.iii

Douglas Express, LLC Response dated March 31, 2020

Douglas Express Delivery, LLC
4225 Industrial Drive
Jackson, MS 39209



March 31st, 2020

PPRB/DFA
501 North West Street
Suite 1301A, Woolfolk Building
Jackson, MS 39201

By way of this correspondence, Douglas Express Delivery, LLC. (DED) responds to the undated protest letter from Shippers Express, Inc. sent to the PPRB/DFA concerning RFP #3120001911.

First, we are extremely confident in our ability to meet the needs of the ABC for statewide hauling as conveyed in our response to the RFP. Our ability to execute on the agreement to provide this service is fully explained in our Operation Plan as noted on page 33 of our response document.

We otherwise respond to each of the protest points presented by Shippers Express, Inc. as follows:

First Protest Point

"The Company protests the RFP itself, because it is not a transportation RFP"

- a. We thoroughly read the RFP and found it to be clear in describing its purpose. (Statewide Hauling of Alcoholic Beverages)
- b. The purpose of the RFP is first defined on page 5 of the RFP under both Section 1.0 Scope of Services and 2.0 Characteristics of work and again under Sections 5.4 Contractor Minimum Requirements and 8.2 Carrier Responsibilities
- c. Information needed outside of what was defined within the RFP was collected using past experience, public websites, and statistical analysis

Second Protest Point

"The Company protests the scores given to the awarded carrier"

- a. We stand by the content of our final proposal and our ability to execute the operational plan contained therein. See Attachment J of our response to the RFP.
- b. The protester really relies on the fact that it was the sole carrier for many years. In and of itself, that fact alone does not merit additional points or considerations.
- c. We presented our response in the format required and in a way that clearly states our understanding of the requirements and how we intend to fulfil the requirements.

Third Protest Point

"The Company protests the evaluation process as being different from the last several RFP's we have received and contracts"

- a. The method in which this RFP was to be evaluated is described in detail in Section 6.10.
- b. DED signed Attachment B certifying DED read and understood the terms and conditions in Appendix A, instructions and specifications for the Request for Proposal and Attachments.

Fourth Protest Point

"We protest the rates because of modification"

- a. There was no modification of our proposal after it was submitted on March 3rd, 2020.

Fifth Protest Point

"We protest the formula used to determine cost"

- a. The formula used for making an objective comparison was applied equally to both carriers.
- b. 100 weight tables are global standards for pricing shipping throughout the transportation industry.
- c. DED strategically submitted two pricing options (case price and 100 weight schedule) both calculated to produce the same yearly billing in its initial response to the RFP.
- d. DED's proposal results in an average yearly savings of millions of dollars compared to Shippers' proposal.

In closing, DED appreciates the opportunity to respond and is more than willing to participate in any exercise the PPRB deems necessary to further demonstrate its ability to haul alcoholic beverages statewide.

We request the PPRB expedite this process so that we can optimize the time between now and July 1, 2020 to ensure a seamless transition.

Sincerely,

Reed Robinson
Chief Operations Officer & General Manager
reed@douglasdelivery.com
(c) 601-624-0986

Attachment A.iv

2020 Shipping Cost Comparison Submitted During Hearing

Shipping Cost Comparison

Statewide					
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yearly cost calculated based on total cases shipped in 2019, average weight charge, average weight per case and average fuel surcharge for year

Douglas: average price for diesel for last year 2.998

Shippers: average price for diesel for last year 2.998

total cases shipped in 2019 2,719,273

average weight per case 35

	FY2021	FY2022	FY2023	FY2024	4 Year Contract Total
Shippers					
avg weight charge	15.90	16.37	16.81	17.36	
cases*weight*avg charge/100	15,132,754	15,580,075	15,998,843	16,522,303	
surcharge	9.0%	1,361,948	1,402,207	1,439,896	1,487,007
	16,494,702	16,982,281	17,438,739	18,009,310	68,925,032
					(12,884,541)

Douglas					
avg weight charge	13.03	13.29	13.68	14.02	
cases*weight*avg charge/100	12,401,245	12,648,698	13,019,879	13,343,473	
surcharge	9.0%	1,116,112	1,138,383	1,171,789	1,200,913
	13,517,357	13,787,081	14,191,668	14,544,385	56,040,491

	Points
Douglas	35
Shippers	28

Average Diesel - Shippers Express



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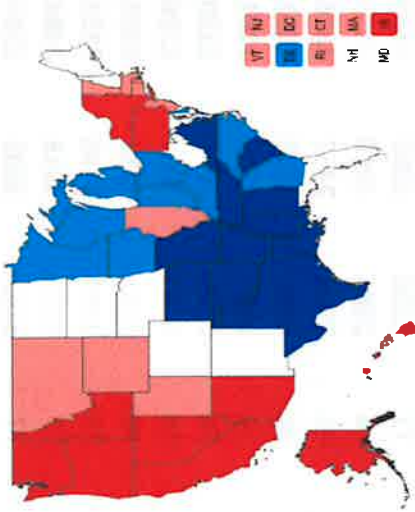
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National Retail Prices

- 3.553 to
- 2.958
- 2.557 to
- 2.409
- 2.408 to
- 2.300
- 2.299 to
- 2.212
- 2.211 to
- 2.090

VT NH DC CT IA MO

"Schedule A" 7-1-2020 through 6-30-2021

min 1590.011

40	66	2061	1888	1406	1079	689	682
60	67	2185	2022	1517	1151	747	742
80	67	2315	2259	1720	1223	830	823
100	67	2468	2448	1825	1303	916	888
125	67	2617	2548	1924	1406	998	955
150	69	2741	2652	2014	1480	1075	1034
175	69	2878	2823	2095	1552	1152	1091
200	69	3014	3005	2191	1629	1189	1124
225	70	3154	2872	2155	1704	1237	1171
250	70	3289	3039	2275	1777	1309	1235
275	70	3428	3109	2368	1852	1351	1268
300	70	3574	3262	2484	1929	1379	1145

"Schedule B" 7/1/2021 through 6-30-2022

min 1636.94

40	68	2122	1944	1447	1111	709	702
60	69	2250	2082	1562	1185	769	764
80	69	2383	2325	1771	1259	854	847
100	69	2541	2520	1879	1342	943	914
125	69	2694	2623	1981	1447	1028	984
150	71	2821	2730	2073	1524	1107	1064
175	71	2963	2907	2157	1598	1186	1123
200	71	3103	3094	2256	1677	1224	1157
225	73	3247	2957	2218	1754	1274	1205
250	73	3386	3128	2342	1828	1347	1271
275	73	3529	3201	2438	1906	1391	1305
300	73	3680	3358	2558	1986	1420	1179

NEWS: Pump Prices Tumble Ahead of Spring [Read more >](#)

NATIONAL AVERAGE GAS PRICES

	Regular	Mid-Grade	Premium	Diesel	E85
Current Avg	\$2.404	\$2.746	\$3.011	\$2.831	\$2.125
Yesterday Avg	\$2.408	\$2.752	\$3.016	\$2.836	\$2.127
Week Ago Avg	\$2.458	\$2.796	\$3.057	\$2.861	\$2.178
Month Ago Avg	\$2.452	\$2.799	\$3.061	\$2.925	\$2.187
Year Ago Avg	\$2.438	\$2.734	\$2.990	\$2.998	\$2.170

Fuel Price \$2.90 - \$2.99 = FSC of 9.00 %

Average Diesel - Shippers Express

"Schedule C" 7/1/2022 through 6-30-2023

min	1681																						
40	70	2179	1996	1486	1141	728	721																
60	71	2311	2138	1604	1217	790	785																
80	71	2448	2388	1818	1293	877	870																
100	71	2609	2588	1930	1378	968	939																
125	71	2767	2684	2034	1486	1055	1010																
150	73	2898	2804	2129	1565	1136	1093																
175	73	3043	2985	2216	1641	1218	1154																
200	73	3187	3177	2317	1722	1257	1188																
225	74	3335	3037	2278	1801	1308	1238																
250	74	3477	3213	2405	1879	1384	1306																
275	74	3624	3287	2504	1958	1429	1340																
300	74	3779	3449	2627	2040	1458	1211																

"Schedule D" 7/1/2023 through 6-30-2024

min	1736.298																						
40	72	2250	2062	1535	1178	752	745																
60	74	2386	2208	1656	1257	816	810																
80	74	2528	2467	1878	1335	906	898																
100	74	2695	2673	1993	1423	1000	970																
125	74	2858	2782	2101	1535	1090	1043																
150	76	2993	2896	2199	1616	1174	1129																
175	76	3143	3083	2288	1695	1258	1191																
200	76	3291	3281	2393	1779	1298	1227																
225	77	3444	3136	2353	1860	1351	1278																
250	77	3591	3318	2484	1940	1429	1349																
275	77	3743	3395	2586	2022	1476	1384																
300	77	3903	3562	2713	2107	1506	1251																

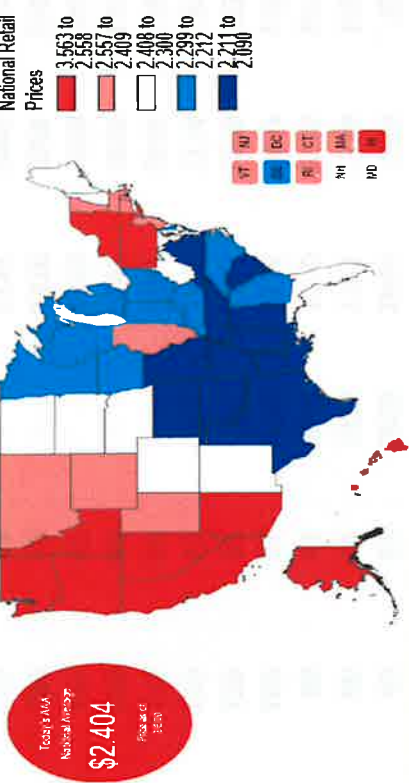
Average Diesel - Douglas Express

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NATIONAL AVERAGE GAS PRICES

	Regular	Mid-Grade	Premium	Diesel	EB5
Current Avg	\$2.404	\$2.746	\$3.011	\$2.831	\$2.125
Yesterday Avg	\$2.408	\$2.752	\$3.016	\$2.836	\$2.127
Week Ago Avg	\$2.458	\$2.796	\$3.057	\$2.861	\$2.178
Month Ago Avg	\$2.452	\$2.799	\$3.061	\$2.925	\$2.187
Year Ago Avg	\$2.438	\$2.734	\$2.990	\$2.998	\$2.170

Fuel Price \$2.90 - \$2.99 = FSC of 9.00 %

"Schedule 1" 7-1-2020 through 6-30-2021

min	1303.143																		
40	55	1686	1545	1150	882	564	558												
60	55	1787	1653	1241	942	611	607												
80	55	1893	1848	1407	1000	679	673												
100	55	2019	2002	1492	1066	749	726												
125	56	2141	2083	1574	1150	817	781												
150	56	2242	2169	1647	1210	879	846												
175	56	2354	2309	1714	1270	943	892												
200	56	2465	2458	1792	1332	973	919												
225	57	2680	2349	1762	1394	1012	958												
250	57	2690	2485	1861	1453	1070	1010												
275	57	2803	2543	1936	1515	1106	1037												
300	57	2923	2669	2032	1578	1128	1058												

"Schedule 2" 7/1/2021 through 6-30-2022

min	1329.452																		
40	57	1728	1583	1179	904	578	572												
60	57	1832	1695	1272	965	633	622												
80	57	1940	1894	1442	1025	702	689												
100	57	2070	2052	1530	1093	757	744												
125	57	2194	2136	1613	1179	815	801												
150	57	2298	2223	1689	1241	882	867												
175	57	2413	2367	1757	1302	931	915												
200	58	2527	2520	1837	1366	959	942												
225	58	2644	2408	1806	1429	999	982												
250	58	2757	2547	1907	1489	1053	1035												
275	58	2874	2606	1985	1552	1082	1063												
300	58	2996	2735	2083	1617	977	1084												

Average Diesel - Douglas Express

"Schedule 3" 7/1/2022 through 6-30-2023

min	1367.964									
40	59	1771	1623	1208	927	592	586			
60	59	1878	1737	1303	989	642	638			
80	59	1989	1941	1478	1051	713	707			
100	59	2121	2103	1568	1120	787	763			
125	59	2249	2189	1654	1208	858	821			
150	59	2355	2279	1731	1272	924	889			
175	60	2474	2426	1801	1334	990	937			
200	60	2590	2583	1883	1400	1022	966			
225	60	2711	2468	1851	1464	1063	1006			
250	60	2826	2611	1955	1527	1125	1061			
275	60	2945	2671	2034	1591	1162	1090			
300	60	3071	2804	2135	1658	1185	1111			

"Schedule 4" 7/1/2023 through 6-30-2024

min	1402.321						
40	61	1815	1664	1238	950	607	601
60	61	1925	1781	1336	1014	658	654
80	61	2039	1990	1515	1077	731	724
100	61	2174	2156	1607	1148	807	782
125	61	2305	2244	1695	1238	879	842
150	61	2414	2336	1774	1303	947	911
175	63	2535	2487	1846	1367	1015	961
200	63	2655	2647	1930	1435	1048	990
225	63	2778	2530	1898	1501	1090	1031
250	63	2897	2676	2004	1565	1153	1088
275	63	3019	2738	2085	1631	1191	1117
300	63	3148	2874	2188	1699	1215	1138