UNITED STATES POSTAL SERVICE®

BOARD OF CONTRACT APPEALS

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COOK MAIL CARRIERS, INC., Appellant, v. UNITED STATES POSTAL SERVICE, Respondent.	)	March 24, 2017 PSBCA No. 6583

PATRICIA JOY SASNETT, Appellant, v. UNITED STATES POSTAL SERVICE, Respondent.	)	 PSBCA No. 6584

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OPINION OF THE BOARD

This Opinion addresses two closely related cases - *Cook Mail Carriers, Inc. v. United States Postal Service*, PSBCA No. 6583, and *Patricia J. Sasnett v. United States Postal Service*, PSBCA No. 6584. The Appellants, Cook Mail Carriers, Inc. ("Cook") and Patricia J. Sasnett ("Sasnett"), each challenge Postal Service contracting officer

denials of their claims seeking $152,167 and $870,792 respectively, concerning termination of their mail transportation contracts.[1] The appeals are denied.

FINDINGS OF FACT

1. Cook provided mail transportation services to the Postal Service under Highway Contract Route (HCR) 35931 between Gadsden, Alabama and Henagar, Alabama for a term of April 1, 2011 through March 31, 2015 ("Cook Contract"). At the time the Cook Contract was terminated, its annual rate was $170,974. (Cook Joint Stipulations (Cook Stip.) ¶¶ 1-2; Cook AF 1, 4).

2. Sasnett provided mail transportation services to the Postal Service under three contracts ("the Sasnett Contracts"): HCR 350L1 (between Birmingham, Alabama and Guntersville, Alabama), HCR 35045 (between Birmingham, Alabama and Gadsden, Alabama), and HCR 35967 (between Gadsden, Alabama and Horton, Alabama). The annual rate for HCR 350L1 was $288,019, HCR 35045 Segment A was $325,109, Segment B was $79,912, and HCR 35967 was $56,500. The term of all the Sasnett Contracts ran from April 1, 2011 through June 30, 2015. (Sasnett Joint Stipulations (Sasnett Stip.) ¶¶ 1-4; Sasnett AF 1, AF 2 at 71, 78-80).

3. Section B.1.3 in the Statement of Work and Specifications of the Cook Contract provides:

> Termination clause 2.3.3 [T]ermination with Notice applies to this contract. Terms and Conditions issue 9 applies to this contract.
>
> Supplier agrees to 50% compensation for canceled trips.

[1] The Board heard these cases together for purposes of judicial economy at the parties' joint request. Findings of fact and legal analysis apply to both cases unless otherwise noted. The Board conducted a consolidated hearing in Birmingham, Alabama on March 22, 2016 (Tr. 1) and March 23, 2016 (Tr. 2), and concluded the hearing by telephone on April 1, 2016 (Tr. 3).

(Cook AF 1 at 10).

4. Section B.1.3 in the Statement of Work and Specifications of the Sasnett Contracts provides:

> If for any reason the US Postal Service cancels a trip, the supplier agrees to 50% compensation for the cancelled trip.
>
> Highway Contract Route Terms and Conditions Issue 9 apply to this contract.
>
> . . .
>
> Section 2.3.3.a of the terms and conditions, Termination with Notice, is incorporated in this contract; Section 2.3.3.b, Termination for the Postal Service's Convenience, does not apply.

(Sasnett AF 1 at 13, AF 3 at 86, AF 5 at 156).[2]

5. Section 2.3.3.a, *Termination with Notice*, incorporated by reference into the Cook and Sasnett Contracts provides that "[t]he contracting officer or the supplier, on 60 days written notice, may terminate this contract or the right to perform under it, in whole or in part, without cost to either party." (Cook AF 1 at 43; Sasnett AF 1 at 45, AF 3 at 124, AF 5 at 189).

6. The Cook and Sasnett Contracts include an *Order of Precedence* clause:

> Order of Precedence. Any inconsistencies in the provisions of a solicitation, [or] a contract awarded under a solicitation . . . will be resolved by giving precedence in the following order:
>
> (1) The Statement of Work and Specifications
> (2) The solicitation provisions and instructions
> (3) Special clauses and general clauses
> (4) Provisions contained in the attachments or incorporated by reference.

(Cook AF 1 at 40-41; Sasnett AF 1 at 42-43, AF 3 at 121-22, AF 5 at 186-87).

[2] HCR 35967's clause contains slightly different wording which is not significant to the analysis. (Sasnett AF 5 at 156). The contract provisions specifying agreement to receive 50% compensation for cancelled trips will be referenced as the "50% trip cancellation clause."

7. In early 2014, Postal Service operations personnel in Alabama requested that the Southeast Region's transportation contracting officer address certain network processing changes which resulted in a need for revised mail transportation contract routes. Six contracts performed by four suppliers, including the four contracts served by Cook and Sasnett, were affected and could have been modified or terminated to satisfy those operational changes. The contracting officer elected to terminate the affected mail transportation contracts and consolidate their routes into a single, competitively-awarded contract. In addition to addressing changing operational needs in Alabama, the consolidation was designed to simplify the transportation network, pool resources, manage workload, and gain contract administration efficiencies. (Tr. 1 at 191-96, 204; Tr. 2 at 18-21; Exhs. A, B, E, G, H).

8. When the contracting officer decided to terminate the Cook and Sasnett Contracts in March, 2014, he believed that the need for revised routes was due to a mail processing facility in Gadsden, Alabama being closed as part of a larger effort to reduce the number of processing plants in the Postal Service's network. He believed that the mail processing facility was being merged into a larger processing facility in Birmingham, Alabama. (Tr. 2 at 75-77).

9. After the terminations, the contracting officer learned that the Gadsden processing facility previously had been closed. Rather than revised transportation routes being needed because of a changed location in processing facilities, the contracting officer learned the revised routes were needed because mail transportation hubs were being relocated from Gadsden to Fort Payne and Boaz, Alabama. (Tr. 1 at 65-70; 165-68, 187-90; Tr. 2 at 16-18, 85-89; Tr. 3 at 21).

10. Although the contracting officer was mistaken about changes in the Alabama mail processing network, if he had known the details accurately, he still would have terminated and consolidated the Cook and Sasnett Contracts, rather than modify them. He believed that route consolidation in Birmingham was in the Postal Service's best interests. (Tr. 2 at 85, 88-89, 109).

11. On March 10, 2014, the Postal Service issued a competitive solicitation for a consolidated contract that would replace the service being performed under the six contracts that would be terminated (Exh. L; Tr. 2 at 87-90). Postal officials invited Cook and Sasnett to submit offers in response to that solicitation. Sasnett submitted an offer that was substantially higher than that of the eventual awardee. Cook did not submit an offer. After reviewing ten offers, on April 11, 2014, the Postal Service awarded the consolidated contract to a supplier who is not a party to these appeals. (Tr. 1 at 58-60; Tr. 2 at 21-22; Tr. 3 at 64-65; Exh. 4; Exhs. I, J, N).

Termination of Cook Contract

12. In a March 11, 2014 letter, the contracting officer notified Cook that "in accordance with Clause 2.3.3a, Termination with Notice," its contract would "be terminated in its entirety, effective close of business May 11, 2014." (emphasis omitted) (Termination Notice). The Termination Notice stated that "[t]he contract's termination is part of the Postal Service's network reorganization." (Cook AF 5 at 116).

13. Cook received the Termination Notice on March 14, 2014 (Cook Stip. ¶ 8; Tr. 1 at 29; Exh. O). Cook was not aware that the contract was being terminated until it received the Termination Notice (Tr. 1 at 28).

14. On April 29, 2014, Cook sent a letter to the contracting officer challenging the termination decision as having been made in bad faith and having breached the implied duty of good faith and fair dealing (Cook Stip. ¶ 9; Cook AF 6).

15. On June 18, 2014, the contracting officer responded. He stated that he did not consider Cook's letter to constitute a contract claim because it did not state a sum certain and was not certified. (Cook Stip. ¶ 10; Cook AF 8).

16. On June 25, 2014, Cook submitted a $152,167 certified claim to the contracting officer ("Cook Claim"). The Cook Claim stated that it sought "damages for the amount that it would have been entitled to had the contract not been terminated." (Cook AF 9 at 122). In the alternative, Cook claimed $76,083 under the 50% trip cancellation clause (Cook Stip. ¶ 11; Cook AF 9).

17. On August 13, 2014, the contracting officer issued a final decision denying the Cook Claim. The final decision concluded that the *Termination with Notice* clause had been exercised and controlled, while the 50% trip cancellation clause did not apply. (Cook Stip. ¶ 12; Cook AF 10).

18. On September 9, 2014, Cook submitted a notice of appeal to the contracting officer who forwarded it to the Board for docketing as an appeal (Cook Stip. ¶ 13; Cook AF 11).

Terminations of Sasnett Contracts

19. In three March 11, 2014 letters, the contracting officer notified Sasnett that "in accordance with Clause 2.3.3a, Termination with Notice," her contracts would "be terminated in [their] entirety, effective close of business May 11, 2014." (emphasis

omitted). The Termination Notices stated that "[t]he contract's termination is part of the Postal Service's network reorganization." (Sasnett AF 7).

20. Sasnett received the Termination Notices on March 15, 2014 (Tr. 1 at 91; Sasnett Stip. ¶ 10; Exh. Q). She was not previously aware of the contract terminations (Tr. 1 at 91).

21. Sasnett sent an undated letter to the contracting officer in June 2014 challenging the termination decisions as having been made in bad faith and having breached the implied duty of good faith and fair dealing (Sasnett Stip. ¶ 11; Sasnett AF 8).

22. On June 18, 2014, the contracting officer responded. He stated that he did not consider Sasnett's letter to constitute a contract claim because it did not state a sum certain and was not certified. (Sasnett Stip. ¶ 11; Sasnett AF 8).

23. On June 25, 2014, Sasnett submitted an $870,792 certified claim to the contracting officer ("Sasnett Claim"). The Sasnett Claim sought "damages for the amount that it would have been entitled to had the contract not been terminated." (Sasnett Stip. ¶ 12; Sasnett AF 9). In the alternative, Sasnett claimed $435,396 under the 50% trip cancellation clause (Sasnett AF 9).

24. On August 8, 2014, the contracting officer issued a final decision denying Sasnett's claim. The final decision concluded that the *Termination with Notice* clause had been exercised and controlled, while the 50% trip cancellation clause did not apply. (Sasnett Stip. ¶ 13; Sasnett AF 10).

25. On September 22, 2014, Sasnett submitted a notice of appeal to the contracting officer who forwarded it to the Board for docketing as an appeal (Sasnett Stip. ¶ 14; Sasnett AF 11).

DECISION

These appeals raise three issues. First, we address whether the Postal Service's decisions to terminate on notice were made in bad faith or constituted an abuse of discretion, thereby entitling Cook and Sasnett to the breach of contract damages they seek in these appeals. Second, if the terminations did not breach the contracts, we address whether compensation due Cook and Sasnett should be determined under the *Termination with Notice* clause or under the 50% trip cancellation clause. Third, if compensation was due under the *Termination with Notice* clause, we address whether the Postal Service fully paid Appellants.

Did the contract terminations breach the contracts?

Appellants argue that the terminations breached the contracts because the contracting officer was mistaken about the specific operational reasons supporting consolidation of these and other contract routes into a single, competitively-awarded contract. Appellants ask us to consider whether the contracting officer therefore acted in bad faith when he terminated the contracts and whether that decision represented an abuse of discretion.

The Postal Service argues that the contracting officer properly exercised a right expressly available in the contracts. It maintains that while the specific operational changes that the contracting officer believed required consolidation may have been

different from the actual operational changes in effect, the contracting officer's reasoning that network changes required consolidation accurately supported his decision.

Although the *Termination with Notice* clause does not include an express limitation on its use, its exercise is not truly unlimited. A decision to exercise that clause can breach a contract if it was made in bad faith. To prove bad faith, Appellants must prove by clear and convincing evidence that the Postal Service acted with a specific intent to injure them. *See Am-Pro Protective Agency, Inc. v. United States*, 281 F.3d 1234, 1239-40 (Fed. Cir. 2002); *Kalvar Corp., Inc. v. United States*, 543 F.2d 1298, 1302 (Ct. Cl. 1976).

Appellants rely primarily on the contracting officer's mistaken understanding about the reasons to consolidate the mail transportation network in Alabama. However, even though mistaken about specific operational changes, the contracting officer would have taken the same termination and consolidation actions if he had known about the actual underlying network changes. (Findings 8-10). We conclude that the contracting officer acted in what he believed to be the Postal Service's best interests, and we see no evidence of a specific attempt to injure Appellants. Indeed, Appellants were invited to submit offers for the resulting, larger consolidated contract (Finding 11). Genuinely held but ultimately mistaken beliefs alone do not amount to bad faith. *See Aqua Spray Mobile Wash*, PSBCA No. 3700, 97-1 BCA ¶ 28,648 at 143,102; *see also Stephen Zucker Packages Servs. Plus*, PSBCA Nos. 3397, 3398, 96-2 BCA ¶ 28,282 at 141,202-03 (honest mistakes amounting to errors in judgment do not constitute bad faith where decisions were motivated by what was perceived to be the Postal Service's best interests rather than an intent to injure Appellant).

Although bad faith is not evident, a decision to terminate under the *Termination with Notice* clause is a discretionary act which we also review for abuse of that discretion. In this case, Appellants argue that the contracting officer abused his discretion by failing to exercise his own independent judgment when he terminated the contracts and by terminating based on mistaken assumptions.

To determine whether the contracting officer abused his discretion, we assess, in addition to any evidence of bad faith, whether he had a reasonable, contract-based reason for his decision, the amount of discretion available to him, and whether an applicable statute or regulation was violated. *See McDonnell Douglas Corp. v. United States*, 182 F.3d 1319, 1326 (Fed. Cir. 1999).

Here, as noted above, there is no evidence of bad faith. The terminations were based on an express provision of the contracts, and therefore certainly were "contract-based." As the *Termination with Notice* clause did not include any express limitations, the contracting officer's discretion to exercise that clause was broad, and Appellants have not alleged a violation of a statute or regulation. These considerations lead us to conclude that the contracting officer did not abuse his discretion when he terminated the contracts on 60-days' notice. *See Temple Contract Station*, *LC*, PSBCA No. 6430, 14 BCA ¶ 35,669 at 174,602.

As to the specific allegation of lack of independent judgment in this case, we must examine the alleged abuse of discretion at the time of the termination. *See Pac. Architects & Eng'rs, Inc. v. United States*, 491 F.2d 734, 744 (Ct. Cl. 1974). Here, we do not have a situation in which the contracting officer mindlessly and without the exercise of judgment terminated the contracts at the insistence of a superior agency

official. Rather, although he was mistaken as to specific mail processing changes in Alabama, the contracting officer nonetheless considered the evolving operational needs that would be served by consolidation of transportation routes when he terminated the contracts (Findings 11-14). This is sufficient to satisfy the contracting officer's obligations to become acquainted with the facts and to apply his own judgment towards his decision. *See Temple Contract Station*, 14 BCA ¶ 35,669.

Finally, we note that Appellants spent considerable time arguing that the Postal Service breached the implied duty of good faith and fair dealing by terminating the contracts.[3] As we have explained, where the government exercises discretionary authority to terminate a contract with notice, the contractor must prove bad faith by clear and convincing evidence in order to recover the type of breach damages Appellant seek. *See Temple Contract Station*, 14 BCA ¶ 35,669. A contractor does not need to prove bad faith to show a breach of the duty of good faith and fair dealing. Rather, the government breaches this duty when it acts unreasonably under the circumstances contrary to the reasonable expectations of the contractor, thereby depriving the contractor of the fruits of the contract. *See Metcalf Constr. v. United States*, 742 F.3d 984, 991 (Fed. Cir. 2014); *Lakeshore Eng'g Serv., Inc. v. United States*, 748 F.3d 1341, 1349 (Fed. Cir. 2014).

The legitimate exercise of an express contract right cannot breach the implied duty of good faith and fair dealing. *Temple Contract Station*, 14 BCA ¶ 35,669 at

[3] The implied covenant of good faith and fair dealing requires the parties not to interfere with each other's contract performance so as to destroy the reasonable expectations of the other party regarding the fruits of the contract. *See Metcalf Constr. Co., Inc. v. United States*, 742 F.3d 984, 991 (Fed. Cir. 2014); *Lakeshore Eng'g Serv., Inc. v. United States*, 748 F.3d 1341, 1349 (Fed. Cir. 2014). However, the implied covenant cannot expand or override a party's duties beyond those expressly provided in the contract nor create duties inconsistent with the contract's express terms. *See Metcalf Constr.*, 742 F.3d at 991; *Lakeshore Eng'g*, 748 F.3d at 1349; *Precision Pine & Timber, Inc. v. United States*, 596 F.3d 817, 828 (Fed. Cir. 2010).

174,601. Thus in this situation, where the contract expressly provided for a termination with notice, we cannot find that the Postal Service breached the duty of good faith and fair dealing. Moreover, even if Appellants could prove a breach of the duty of good faith and fair dealing, that breach would not entitle Appellants to the monetary damages they are seeking.

Is compensation due under the 50% trip cancellation clause?

Since we have determined that the Postal Service's terminations did not breach the contracts, we next examine the appropriate compensation resulting from the terminations. In this regard, Appellants argue that the 50% trip cancellation clause should apply rather than the "without cost to either party" provision in the *Termination with Notice* clause. They maintain that these clauses conflict, and that the *Order of Precedence* clause therefore requires that the 50% trip cancellation clause apply because it is found in the Statement of Work. Appellants further argue that if we do not allow compensation other than for the 60-day notice period, the agreement to pay 50% compensation for cancelled trips would be meaningless. Finally, Appellants argue that any ambiguity resulting from conflicting contract clauses should be construed against the Postal Service as the contracts' drafter.

The Postal Service argues that the *Termination with Notice* clause and the 50% trip cancellation clause do not conflict. According to the Postal Service, when a contract is terminated, service is permanently ended under the no-cost *Termination with Notice* clause. The 50% trip cancellation clause applies only when an individual trip is cancelled (for reasons such as weather events). The Postal Service argues that where, as here, an entire contract is terminated, there are no individual trips left to cancel.

We endeavor to read these contract clauses harmoniously so as to give meaning to both, rather than to render either one meaningless or superfluous. We should not construe contract clauses as conflicting unless no other reasonable interpretation is possible. *See Hol-Gar Mfg. Corp. v. United States*, 351 F.2d 972, 979 (Ct. Cl. 1965).

The *Termination with Notice* clause expressly authorizes either party to terminate the contract in whole or in part without cost. Such a termination permanently ends the contractual relationship for the portion terminated or, as here, for the entire contract. The 50% trip cancellation clause, in contrast, contemplates a continuing contractual relationship and liquidates damages when a trip within that existing contract is cancelled. However, the contractual relationship itself remains extant, and performance is expected to continue aside from the cancelled trip. *See Albert Maturo*, PSBCA No. 950, 1981 WL 6904 (December 4, 1981); *Colbert's Transfer. Inc.*, PSBCA No. 771, 1980 WL 3081 (September 30, 1980). This interpretation gives meaning to both clauses. In contrast, the interpretation Appellants espouse would render the "without cost to either party" provision in the *Termination with Notice* clause meaningless or superfluous. Because both clauses can and should be read harmoniously, they do not conflict, and resort to the *Order of Precedence* clause is not necessary.

Sasnett focuses though, on the "for any reason" language in her contracts (which does not appear in the Cook Contract) (Finding 4). She argues that "any reason" includes cancellations resulting from a terminated contract, and that applying the *Termination with Notice* clause to the exclusion of the 50% trip cancellation clause would render that "for any reason" language meaningless. We disagree. This proviso does not affect the result because "for any reason" must be read within the context of

the remainder of the 50% trip cancellation clause providing, as analyzed above, compensation for a trip cancelled, regardless of the reason for cancelling it, under an existing contract. We agree with the Postal Service that after a contract has been terminated, no trips remain to be cancelled, and the breadth of the allowed rationale ("any reason") to cancel a trip does not matter in this analysis.

The Board has examined the interplay between a termination clause and a clause providing compensation for a cancelled trip twice before. In *Colbert's Transfer*, 1980 WL 3081, we found that a mail transportation contract had been terminated as opposed to a trip having been cancelled. We concluded that a permanent curtailment of service is governed by the contract's termination clause. We rejected a contention that such permanently curtailed service constitutes deletion of a scheduled trip. *Colbert's Transfer*, 1980 WL 3081.

In *Albert Maturo*, we further explained:

> Notice of the particular trip which is cancelled and of resumption of regular service is clearly specified. Nothing further is required of the parties. Service is to be resumed on a definite date without any other change in accordance with the existing contract terms. **The elements of definite time for resumption of service under the existing contract terms and without need for any changes in the terms prior to resumption of service, as well as the date service is to stop, appear basic for a trip cancellation.**

Albert Maturo, 1981 WL 6904 at 4-5 (emphasis added). The Postal Service's notice in *Albert Maturo* referred to the last trip to be performed, which would remain effective unless the parties took further action to resume service. We therefore concluded that the trip cancellation clause did not apply. *Albert Maturo*, 1981 WL 6904.

As in *Colbert's Transfer*, termination of the Cook and Sasnett Contracts permanently deleted service. Therefore, the contracts were terminated not cancelled,

within the meaning of the 50% trip cancellation clause. As in *Albert Maturo*, the 50% trip cancellation clause cannot apply because service under the Cook and Sasnett terminated contracts could not resume. We therefore apply the *Termination with Notice* clause which expressly provides for termination without cost, and we decline to apply the 50% trip cancellation clause.[4]

Did the Postal Service pay the amounts due for the 60-day notice period?

The contracts required that the Postal Service provide 60-days' notice of termination (Finding 5). Cook seeks $1,405 in additional compensation for insufficient notice, while Sasnett seeks $8,226.[5] The Postal Service's post-hearing briefs challenged our jurisdiction over this part of the claims because the theory was not specified as a separate claim element. Because we must assess the same operative facts to render a decision on this issue as we did in deciding the other issues in these appeals, the same claim is involved and we have jurisdiction. *See Oswald Ferro*, PSBCA No. 6485, 14 BCA ¶ 35,613; *see also Sharon Roedel*, PSBCA No. 6347, 12-1 BCA ¶ 35,018, n. 6 (no jurisdictional bar if damages claim involves same operative facts despite applying a differing theory of recovery).

Cook received the notice on March 14, 2014, for a termination effective at the close of business on May 11, 2014. The parties do not dispute that the Postal Service paid Cook for that 58-day period. (Findings 12-13). Such a termination notice is effective on receipt, thus entitling Cook to sixty days of compensation as of March 14,

[4] We recognize that while the Sasnett Contracts refer to "a cancelled trip," the Cook Contract refers to cancelled trips in the plural (Finding 3). Use of the plural rather than the singular does not affect our conclusion – one or more trips can be cancelled in an existing contract under the 50% trip cancellation clause.

[5] We have used whole dollars to the exclusion of cents in our calculations to avoid confusion and rounding errors.

2014. *See England v. The Swanson Group, Inc.*, 353 F.3d 1375, 1378 (Fed. Cir. 2004). The Postal Service's failure to have provided the full sixty days of notice delays the effective date of the termination until that 60-day period has expired. *See Stephen Zucker*, 96-2 BCA ¶ 28,282 at 141,202, n. 5. Cook therefore is entitled to compensation for two more days, in this case $937.[6] Following trial, the Postal Service paid Cook $937 in May, 2016, for two days. (Respondent's Post-Hearing Brief at 25; Cook Reply Brief at 2). We agree with the Postal Service, therefore, that Cook is not due additional compensation, other than interest.

Sasnett received the termination notices on March 15, 2014, for a termination effective at the close of business on May 11, 2014. The parties do not dispute that the Postal Service paid her for that 57-day period. (Findings 19-20). Sasnett therefore is entitled to compensation for three more days, which in this case is $6,162.[7] Following trial, the Postal Service paid Sasnett $6,295 in May 2016, for three days' service (Respondent's Post-Hearing Brief at 25; Sasnett's Reply Brief at 2). We agree with the

[6] The Board calculated this amount as follows.

> $170,974 annual contract rate ÷ 365 days = $468 per day x 2 days = $937 - $937 paid by the Postal Service = $0.

Although the Postal Service paid Cook $937, it owes Contract Disputes Act interest on that amount from the date of the claim until it paid that amount following trial. The Postal Service shall calculate the amount of that interest.

[7] The Board calculated this amount as follows.

> $749,540 combined annual contract rates ÷ 365 days = $2,054 per day x 3 days = $6,162 - $6,295 paid by the Postal Service = ($133).

Although the Postal Service paid Sasnett more ($6,295) than its entitlement ($6,162), it has not sought recovery of the difference, if any difference remains after calculation of interest. The Postal Service owes Contract Disputes Act interest on $6,162 from the date of the claim until it paid Sasnett after trial. The Postal Service shall calculate the amount of that interest, and if the total exceeds $6,295, it shall pay Sasnett the difference.

Postal Service, therefore, that Sasnett is not due additional compensation, other than the possibility of additional compensation following an interest calculation.

CONCLUSION

The appeals are denied, except for interest as explained in footnotes 6 and 7.

Gary E. Shapiro
Administrative Judge
Chairman

I concur:

Alan R. Caramella
Administrative Judge
Vice Chairman

I concur:

Diane M. Mego
Administrative Judge
Board Member