



U.S. TRANSPORTATION COMMAND

	<u>POINTS OF CONTACT</u>
USTRANSCOM/ERC-I	(618) 220-4948
FMCSA	(202) 366-8163
FRA	(202) 493-6194
NDTA	(904) 390-4823

SURFACE EXECUTIVE WORKING GROUP MEETING MINUTES 23 July 2015

NOTICE

One of the initiatives following the 2012 National Defense Transportation Association (NDTA) Forum was to establish a Surface Executive Working Group (EWG). The purpose of this EWG is to promote dialogue between government and industry while focusing on preserving readiness capability and ensuring the nation has access to necessary commercial transportation capability. Within the EWG, transportation issues of government and industry are studied and the statuses of the issues are reported at large. The EWG is led by quad-chair: United States Transportation Command (USTRANSCOM), Department of Transportation (DoT) Federal Motor Carrier Safety Administration (FMCSA), DoT Federal Rail Administration (FRA), and NDTA Surface Transportation Committee. The body of the EWG consists of a cross-section of senior leader representatives from the surface industry, Department of Defense (DoD), DoT, and the Department of Labor (DoL). Industry representatives of the EWG are selected on a 2-3 year rotating basis determined by USTRANSCOM in collaboration with the Military Surface Deployment and Distribution Command (SDDC) and NDTA. NOTE: DoD officials participating in the EWG may not obligate the government contractually or make policy, nor may they transfer any authority or responsibility for government decisions to industry or to the industry members of the EWG. By making the minutes of EWG meetings available electronically, DoD, DoT, DoL, and NDTA promote the exchange of information to other forums. DoD invites interested parties to comment on issues considered at EWG meetings, to provide additional information, or to request further information.

CURRENT INDUSTRY REPRESENTATIVES:

<u>Organization</u>	<u>Telephone</u>
ABF Freight Systems, Inc.	(801) 721-3449
American Short Line Rail Road Association	(202) 585-3442
Baggett Transportation Company	(205) 322-6501
Black Knight Specialized Haulers, LLC	(904) 337-2001
Boyle Transport	(978) 670-3408
Coyote	(866) 490-8804
CSX Transportation	(904) 359-2316
Hub Group	(630) 271-3711
Landstar Transportation Logistics	(904) 390-4898
Menlo Worldwide	(630) 870-3001
National Defense Transportation Association	(703) 751-5011
National Van Lines	(800) 323-1962
Norfolk Southern Corporation	(312) 606-1481



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Secured Land Transport	(623) 344-1144
The Pasha Group	(415) 927-6340
Tri-State Motor Transit Co.	(417) 624-3131
TTX Company	(312) 606-1481
Unigroup, Inc.	(636) 349-2891
Union Pacific Railroad	(402) 544-4446
United Parcel Service	(618) 406-3543
Universal Truckload Services, Inc.	(586) 920-0100
Vane Brothers Company	(410) 274-0952

TASKS

The updated list of tasks from the EWG is at Attachment 1.

MEETING SUMMARY

1. Opening Remarks. Vice Admiral William Brown (VADM Brown) welcomed all attendees with special acknowledgement of new industry representatives. VADM Brown emphasized the goal of the Surface EWG which core theme is to maintain dialogue between the Government and industry to discuss strategic surface issues ensuring that the Government has sustained access to industry's vast infrastructure commercial transportation capability. He announced the following nominations and changes in USTRANSCOM personnel:
 - a. General Paul Selva, Commander, USTRANSCOM, has been nominated for Vice Chairman, Joint Chiefs of Staff and General Darren McDew, Commander, Air Mobility Command, was nominated as the next USTRANSCOM Commander.
 - b. Major General Stephen Lyons will become the next USTRANSCOM Deputy Commander (TCDC) and EWG Chair. VADM Brown will be moving in September to become the next Joint Staff Director of Logistics (JS J4).
 - c. Major General David Clarkson, USTRANSCOM Chief of Staff (TCCS), will assist the Surface EWG during this transition.
 - d. Major General Giovanni Tuck is the new Director of Operations and Plans (TCJ3) replacing Major General Rowayne Schatz.
 - e. Colonel Kristian Rogers will be the next Chief of USTRANSCOM Enterprise Readiness Center (TCERC) replacing Colonel Edward Koharik.
2. Surface EWG Introduction - Mr. Jack Svoboda, TCERC.
 - a. Briefed the history of the EWG, the current structure, and the 2-year rotational plan for industry representatives.
3. Institutionalizing Collaboration Among Strategic Partners - Mr. John Collins, Surface



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Transportation Committee Chair.

- a. Believes the current government/industry engagement structure could do an even better job at addressing the specific issues in the level of detail to quickly and effectively provide viable recommendations.
 - b. Industry proposes the need to develop an easy process to facilitate the creation and monitoring of focused working groups to work specific issues/concerns. Expected results: The focused groups will improve DoD readiness from collaborative solutions directly derived from enhanced communications, trust, education, and understanding.
 - c. VADM Brown concurred and tasked TCERC to work with Mr. Collins to develop a process for how the Surface EWG will establish and monitor associated focused working groups. **Surface EWG tasker 201507-1** assigned.
4. Surface Industry Contingency Surge Capability - Mr. Curt Zargan, SDDC Transportation Engineering Agency (TEA). TEA is tasked to determine the optimal means to meet continental U.S. fort-to-port deployment needs for a large scale deployment with minimal-notice.
- a. TEA is coordinating with industry representatives to determine/estimate the trucking industry's surge capability for large DoD movements. This data will be used in future deployment models as well as aid in determining future railcar requirements.
 - b. TEA will continue working with industry representatives and refine updates modeling assumptions.
 - c. TEA will update the NDTA Surface Transportation Committee or future EWGs on the results of the Cost Benefit Analysis if requested. **Surface EWG tasker 201507-2** assigned.
5. Motor Carrier Installation Access and Office of the Secretary of Defense (OSD) Update - COL Jim Utley, Department of the Assistant Secretary of Defense (DASD) Transportation and Policy (TP).
- a. Update to **Surface EWG tasker 201401-3** "Provide update on base access for trucking providers Lead DASD(TP)." Status: "OPEN," see below.
 - b. Military Services, except for the Marine Corps, are currently not accepting the Transportation Worker Identification Credential (TWIC) for driver identity proofing and vetting.
 - c. Office of the Under Secretary of Defense for Intelligence (OUSDI) held a Physical Security Review Board (PSRB) meeting on 10 July 15.
 - (1) Representatives from the Military Services, USTRANSCOM, and the Transportation Security Administration (TSA), and American Truckers Association participated.
 - (2) TSA provided detailed briefing on the TWIC vetting and adjudication procedures.
 - (3) OUSDI requested DoD Components provide an overview of any remaining concerns



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- regarding TWIC by 17 July 15.
- d. Mr. Garry Reid, OUSDI Director of Intelligence and Security, is meeting with Military Service Senior Leaders to come to a decision on the way ahead for TWIC acceptance for DoD. VADM Brown asked to be invited to the meeting to voice USTRANSCOM's support.
 - e. OSD Update: Mr. Don Stanton, DASD(TP), is transitioning to the DoT. Ms. Lisa Roberts will assume duties until a replacement is named.
6. Strategic Update on Domestic Contracts:
- a. Defense Personal Property (DP3)/Defense Personal Property System (DPS) - Mr. Daniel Martinez, SDDC, and Lt Col Gina Prevett, USTRANSCOM Acquisition (TCAQ).
 - (1) 2015 Peak Season Metrics were briefed. Short-fused shipment percentage down from 2014. Offer handling time decreased largely due to industry taking the workload away from SDDC.
 - (2) DPS Programmatic Status:
 - (a) FY15 Integrated Master Schedule (IMS) re-baselined in May 2015.
 - (b) Contract performance showing positive progress.
 - (c) Software code quality is on the upward trend.
 - (d) FY16 IMS planning in progress.
 - (3) DPS Roadmap and Planning Considerations:
 - (a) Themes for modernization include: User Experience; Performance Management; Platform Stabilization; Migration from Siebel Commercial Off the Shelf (COTS); Sunset of Legacy Transportation Operational Property System (TOPS); and Information Assurance/Cybersecurity.
 - (b) FY16 planning considerations include: Functional Improvements; Technical Upgrades; Architecture Improvements; and Security.
 - b. Total Delivery Services (TDS), Transportation Protective Services (TPS), Defense Freight Transportation Services (DFTS) - Chuck Burton, TCAQ.
 - (1) TDS – USTRANSCOM and General Services Administration (GSA) collaborating to explore potential consolidation of small package delivery capability (including ground) for all of federal Government beginning FY18.
 - (2) TPS – Anticipate performance start April 2016.
 - (3) DFTS – Anticipate award late 2015.
7. Operational Update - Major Chad Blacketer, TCJ3.
- a. Pointed out the projected domestic surface movement projected through December 2015.



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8. Enterprise Readiness Center – Mr. Garth Sanginiti, TCERC.
 - a. Updated the group as to how the TCERC has utilized strategic opportunities to bring in an estimated \$200M in new work load to the Defense Transportation System (DTS) through foreign military sales (FMS) and other customer requirements.
9. Cybersecurity Best Practices Update - Mr. D. R. Kenerley, USTRANSCOM Command, Control, Communications and Cyber Systems (TCJ6).
 - a. Briefed as to how USTRANSCOM collaborates with other government and non-government entities to develop a strategy focused on:
 - (1) Delivering Cyber Mission Assurance.
 - (2) A Defensible Cyberspace.
 - (3) Increased Partnerships.
 - (4) Driving Innovation
 - (5) A Quality Cyber Force.
 - b. The prime focus is to ultimately facilitate a culture of collaboration amongst DoD organizations and its commercial partners.
10. U.S. Army Update - Mr. Steve Lord, Headquarters Department of the Army Logistics (DA G4).
 - a. Conducted Strategic Table-top Rail Exercise (TTX) in May.
 - b. Divesting of excess locomotives and reviewing other opportunities in rail.
 - c. Emphasis on increasing forward positioned Army pre-positioned stocks (APS), activity sets, and operational projects to include humanitarian assistance and disaster relief (HA/DR).
 - d. Base Second Destination Transportation (SDT) budget steady at ~\$500M; overseas contingency operations (OCO) SDT \$1B FY15 reduced to \$500M in FY16.
 - e. Achieved 10% Household Goods (HHG) Code 2 usage (normally 2%).
 - f. Mr. Jason Trubenbach, DA G4, asked for TCJ3 to include him in the development of future surface movement forecasts as the may have data to add.
11. Congressional Actions Update - Colonel Kevin Eastland, USTRANSCOM Legislative Affairs (TCCC-LA).
 - a. Continuing Resolution is almost certain.
 - b. The National Defense Authorization Act FY16 House version authorizes \$89M for Army Railcar Acquisition, but it is not authorized in the Senate version.
 - c. Defense Appropriations: House Bill passed allocated \$579B including \$88.4B in OCO; Senate Appropriations Committee passed Bill allocating \$576B with \$86.9B in OCO. Note “Bill passed” does not constitute signed into law.



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- d. Transportation, Housing & Urban Development: House passed Bill providing \$55.3B for discretionary spending (Motor Carrier Safety Operations and Programs \$259M (\$70M below budget request)); Senate Appropriations Committee passed Bill provides \$55.65B.
12. National Defense Transportation Association Report - RADM(R) Mark Buzby, NDTA.
 - a. Announced the NDTA/USTRANSCOM Fall Meeting and University Day will take place 28-30 September 2015 in National Harbor, MD.
 13. Surface Transportation Committee Chair Report - Mr. John Collins, Landstar. No additional remarks.
 - a. Announced the next Surface Transportation Committee Meeting will take place on 28 September 2015 in National Harbor, MD.
 14. Rail Sub-Committee Chair Report – Mr. Rob Robinson, Norfolk Southern.
 - a. Committee is discussing how often DoD forecasts are needed for rail industry to adequately support DoD demand.
 - b. Rail industry desires to remain engaged in the railcar purchase decision to improve collaboration. Mr. Bruce Busler, USTRANSCOM Joint Distribution Process Analysis Center (JDPAC), echoed the desire to collaborate with industry.
 - c. Requested that Norfolk Southern, CSX, Union Pacific, and Burlington Northern Santa Fe Railroads are to be granted permanent seats on the EWG. VADM Brown stated USTRANSCOM would review request. **Surface EWG tasker 201507-9** assigned.
 15. Household Goods Sub-Committee Chair Report - Mr. Keith Tounget, The Pasha Group.
 - a. Industry would like DoD to consider reducing short fused shipments year round as to only in peak season.
 - b. Industry desires DoD to develop a process when a change in policy is required to allow adequate time for implementation. This request is based on a complaint at the roll out for the new rate filing requirement prior to this year’s peak season.
 - c. VADM Brown directed SDDC and TCAQ to conduct a 2015 HHG Peak Season Hotwash and develop a focused working group to review lessons learned and implement recommended changes where applicable in time for 2016 moves and update EWG. Hotwash is scheduled for 16 September 2015 in Arlington, VA. **Surface EWG tasker 201507-3** assigned.
 16. Munitions Sub-Committee Chair Report – Mr. Marc Boyle, Boyle Transportation.
 - a. Awaiting determination from DoD regarding TWIC and standardized DoD installation access processes.
 - b. Service Contract Act (SCA) Compliance Model: DoL has stated that individual trucking companies should show their hours of service work models to regional offices for approval. Industry stated, DoD service shipments most often transverse multiple regions and seeking compliance jurisdiction on a regional basis is inherently problematic.



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- c. TPS Contract Transition: Industry believes it should be utilized more in the development of the contract, specifically System and Process Changes, and desires a Not to Exceed Pricing refresh prior to executing under the contract.
 - d. VADM Brown directed:
 - (1) USTRANSCOM Staff Judge Advocate (TCJA) to engage with DoL to further facilitate discussion between industry and DoL regarding trans-regional level SCA compliance requirements. **Surface EWG tasker 201507-4** assigned
 - (2) TCAQ to coordinate a focused working group with industry to address/review TPS contract wayahead. **Surface EWG tasker 201507-5** assigned.
 - (3) SDDC to provide update on IT Global Freight Management (GFM) in changes support of TPS construct. **Surface EWG tasker 201507-6** assigned.
17. Department of Labor Update - Mr. Jack Svoboda, TCERC for DoL.
- a. Explained that Mr. William Brooks, DoL, was unable to attend this EWG and asked the ERC to inform the EWG on his behalf that DoL had reviewed and provided comments to NDTA's recommended revisions to the *McNamara-O'hara Service Contract Act Compliance Guide for USTRANSCOM*. Also, since Mr. Brooks was not in attendance at the EWG, he informed Mr. Svoboda to let the ERC back-brief him (Mr. Brooks) on any Surface EWG matters related to DoL.
 - b. NDTA confirmed receipt of DoL 17 April 2015 response. Representatives from the trucking industry stated that DoL has not responded to industry's question regarding the use of electronic logs to track hours of work/hours of service.
 - c. VADM Brown directed TCERC to pass back a Surface EWG discussion question to DoL requesting determination if hours of service could be tracked via electronic logs which calculate down to the minute, and asked that DoL provide an update on this matter at next EWG. **Surface EWG tasker 201507-7**.
18. Federal Motor Carrier Safety Administration (FMCSA) - Mr. William Quade.
- a. Expressed FMCSA's commitment to work with DoD and industry to ensure critical shipments would be able to be delivered during a time of deployment.
19. Federal Rail Administration - Mr. Patrick Warren.
- a. Reported that overall rail has a great safety record.
 - b. FRA is currently focused on the implementation of Positive Train Control.
 - c. Crude oil rail safety is getting better even as rail capacity increases.
20. New Business.
- a. SDDC organizational structure. During round the wrap-up, industry asked for SDDC to provide insight to the SDDC's recent organizational changes with the G9 and G3 Divisions.



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- (1) It was explained that SDDC was in the process of making changes, however, once all the details were worked through management and labor that information would be forthcoming via Customer/Carrier Advisories.
- (2) VADM Brown directed SDDC to provide organizational updates at upcoming NDTA Surface Transportation Committee and EWG meetings. **Surface EWG tasker 201507-8.**

21. Wrap up/Review the Taskers. See Attachment 1 for tasks stemming from the EWG.

22. Upcoming Surface EWG Schedule:

- a. January 28, 2016 - O'Fallon, IL.
- b. July 21, 2016 - O'Fallon, IL.

23. Closing Remarks:

- a. VADM Brown, Mr Collins, Mr. Quade, and Mr. Warren closed the meeting.
- b. Meeting adjourned.

UPDATES/CORRECTIONS

Please use the USTRANSCOM ERC point of contact listed for updates or corrections to these minutes.

COPIES OF ASSOCIATED BRIEFS

Contact USTRANSCOM/ERC-I POC for copies of the briefs presented during this Surface EWG meeting.

ATTACHMENT

Tasks

TASKS

TASK	LEAD	DATES DUE
(#201401-3) Update progress on base access for trucking providers. Request DASD(TP) to provide update at next Surface Transportation Committee Meeting and next Surface EWG.	OSD(AT&L)	28 Sep 2015 28 Jan 2016
(#201507-1) Develop an EWG-Focused Working Group assignment process. Request TCERC to provide update at next EWG.	TCERC	28 Jan 2016
(#201507-2) TEA will update the NDTA Surface Transportation Committee or future Surface EWGs on the results of the Cost Benefit Analysis if requested.	SDDC TEA	30 Sep 2015 28 Jan 2016
(#201507-3) Complete 2015 HHG peak season hot wash and develop a focused working group to review/implement recommended changes where applicable. Request SDDC and TCAQ to provide update at next EWG.	SDDC; TCAQ	28 Jan 2016
(#201507-4) Engage with DoL to further facilitate discussions between industry and DoL regarding trans-regional SCA Compliance requirements. Request TCJA to provide update at next EWG.	TCJA	28 Jan 2016
(#201507-5) Coordinate a focused working group with industry to address/review TPS contract way ahead. Request TCAQ to provide update at next EWG.	TCAQ	28 Jan 2016
(#201507-6) Provide update on IT fixes to Global Freight Management (GFM) in support of TPS construct. Request SDDC to provide update at next EWG.	SDDC	28 Jan 2016
(#201507-7) Forward Surface EWG discussion question to DoL requesting determination if “hours of service” could be tracked via electronic logs. Request DoL provide update at next EWG	TCERC; DoL	28 Jan 2016
(#201507-8) SDDC to brief organization changes to Transportation Community of Interest at next NDTA Surface Transportation Committee and Surface EWG meetings.	SDDC	28 Sep 2015 28 Jan 2016
(#201507-9) USTRANSCOM to determine whether or not all four Class I rail carriers will remain standing representatives (i.e., non-rotational) on EWG.	TCERC	28 Jan 2016