

**UNITED STATES TRANSPORTATION COMMAND  
(USTRANSCOM)**

**Contract No. HTC711-07-D-0032  
MODIFICATION P00003, 21 March 2008**

**Defense Transportation Coordination Initiative (DTCI)**

Released under FOIA 09-56  
FOIA Exemptions 5 U.S.C. 552 (b)(6) applies.

# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE  
S  
PAGE OF PAGES  
1 | 109  
5. PROJECT NO. (If applicable)

2. AMENDMENT/MODIFICATION NO.

P00003

3. EFFECTIVE DATE

21-Mar-2008

4. REQUISITION/PURCHASE REQ. NO.

6. ISSUED BY

CODE

HTC711

7. ADMINISTERED BY (If other than item 6)

CODE

USTRANSCOM COMMAND ACQUISITION  
508 SCOTT DR  
SCOTT AFB IL 62225-5357

See Item 6

8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)

VERNMENT SERVICES LLC

(b)(6)

300

SAN MATEO CA 94403-2512

9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

X

10A. MOD. OF CONTRACT/ORDER NO.  
HTC711-07-D-0032

X

10B. DATED (SEE ITEM 13)  
17-Aug-2007

CODE 4J6W3

FACILITY CODE

## 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of offer ☐ is extended, ☐ is not extended.

Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:

(a) By completing Items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

## 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(B).

X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:  
FAR 52.243-1 Alt 1, Changes - Fixed Price & FAR 52.243-2 Alt 1, Changes - Cost Re

D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return \_\_\_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Modification Control Number: tcdanibs08790

The purpose of this modification is to make revisions to Section C - PWS and its Appendices, Section G - Contract Administration Data, Section I - Clauses, Section J - List of Attachments, Attachment 1 - Accessorial Codes, and Attachment 2 - Award Fee Plan. See the attached Summary of Changes for further details on the revisions. All other terms and conditions of the contract remain the same.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)

16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)

RICHARD T. CASSADY / CONTRACTING OFFICER

TEL: 618-622-2212

EMAIL: Rick.Cassady@ustrancom.mil

15B. CONTRACTOR/OFFEROR

15C. DATE SIGNED

16B. UNITED STATES OF AMERICA

16C. DATE SIGNED

(Signature of person authorized to sign)

BY

(Signature of Contracting Officer)

03-Apr-2008

EXCEPTION TO SF 30  
APPROVED BY OIRM 11-84

30-105-04

STANDARD FORM 30 (Rev. 10-83)  
Prescribed by GSA  
FAR (48 CFR) 53.243



## SECTION SF 30 BLOCK 14 CONTINUATION PAGE

**SUMMARY OF CHANGES**

## SECTION C - DESCRIPTIONS AND SPECIFICATIONS

The following have been added by full text:

**PWS APP B - EXCEPTION CODES**

PWS Appendix B – Accessorial Codes

Accessorial Codes and Shipment Provisions

Note: All requirements that state the responsible party as carrier will be applicable to the prime contractor and their subcontracted carriers.

The term Shipping document will be synonymous with Commercial Bill of Lading, Government Bill of Lading, Master Bill of Lading, Task Order, etc.; any paperwork or transmission that meets the requirements of 49 CFR.

The term consignor and shipper will be synonymous with the origin ordering officer or designated representative for purposes of authorizing any accessorial service contained herein.

The term consignee will be synonymous with a cognizant representative of the receiving activity for purposes of authorizing any accessorial service contained herein.

No charge will apply to any accessorial services, if done for the convenience of the contractor or carrier.

If the contractor fails to provide an accessorial service as specified in this section, when ordered, this will be a performance issue with no compensation for the accessorial service not performed and the contractor must address to the ordering officer and/or the applicable COR what measures are being taken to prevent reoccurrence.

<See Schedule> annotates to view the published Accessorial Rate Chart found in Section J as attachment 2

Other services maybe required to affect successful movements of DTIC freight to satisfy the requirements of the consignor and/or consignee or overcome infrastructure and/or equipment and manpower limitations. In instances where services that are not covered by an accessorial service below is requested or required, the contractor shall notify the DTIC PM and the Contracting Officer of the circumstances and settle upon a pre-negotiated and agreed upon rate or fee for providing the services prior to the commencement of action.

ALL MODES

**CARGO LIABILITY OF CARRIER (LIE)**

1. Except as otherwise provided in Release Value Rates Section, or in Paragraph 2 below, carriers will be liable for all loss, damage, undue delay, misdelivery, or other result occurring to freight in its possession, unless caused by acts of God, acts of the public enemy, act or default of the shipper, act of the public authority, or inherent nature or vice of the cargo.

2. Freight All Kinds (FAK)

a. For all FAK shipments weighing less than 15,000 pounds, as described in Freight All Kinds Sections, carrier liability for lost and/or damaged cargo will be limited to the lower dollar amount either of \$50,000 or the actual amount of the loss and/or damage to the article(s). Should a shipper desire to declare and establish a cargo liability for an amount greater than \$50,000, the carrier agrees to provide this increased liability coverage for LIE (I) <See Schedule> for each \$100 increase in loss and/or damaged cargo liability over the maximum liability.

b. For all FAK shipments weighing 15,000 pounds or more, as described in Freight All Kinds Sections, carrier liability for lost and/or damaged cargo will be limited to the lower dollar amount either of \$150,000 or the actual amount of the loss and/or damage to the cargo. Should a shipper desire to declare and establish a cargo liability for an amount greater than \$150,000, the carrier agrees to provide this increased liability coverage for LIE (2) <See Schedule> for each \$100 increase in loss and/or damaged cargo liability over the maximum liability.

c. All DOD motor freight FAK shipments occurring under the DTCI contract are subject to the released liabilities stated in Paragraphs 1 and 2 above. No other released liabilities, outside of this schedule or Appendix B apply.

3. In the case of shipments that will require contractor to obtain cargo liability insurance in excess of above limitations, the requesting ordering officer will make a good faith effort to give the carrier 72 hours notice prior to expected pick-up date for said shipments.

#### **FREIGHT ALL KINDS**

1. FAK consists of those commodities which carriers offer to transport at one inclusive rate or charge, regardless of their classification rating in the National Motor Freight Classification (NMFC) or their differing transportation characteristics.

2. The following commodities may not be included as FAK:

- a. Narcotics and dangerous drugs
- b. Ammunition and explosives, Class 1, Divisions 1.1, 1.2, 1.3, 1.4 (Classes A, B, and C), 1.5, and 1.6
- c. Radioactive materials
- d. Etiologic agents
- e. Live animals
- f. Bulk commodities
- g. Corpses
- h. Currency
- i. Coins
- j. Precious metals
- k. Food, fresh, frozen, or requiring refrigeration
- l. Postage stamps or stamped envelopes
- m. Any commodity assigned a DOD unique commodity code by SDDC, except code 100240, Sub No. 1
- n. Household Goods shipments, including Direct Procurement Method shipments

3. Carriers may not restrict the application of those rates by imposing any further commodity, density, or classification exclusions. Commodity description Freight All Kinds will be understood to include all commodities, except the commodities listed in paragraph 2 above.

4. Except as required by regulation or law, shipments described on Shipping Documents as Freight All Kinds will not be further described as to individual commodities contained in the shipment.

5. Shipments containing both FAK and non-FAK commodities shall be regarded as a single shipment for the purpose of assessing charges.

6. Any sensitive item shipped in accordance with the security standards in DoD 5220.22-M, National Industrial Security Program Operating Manual, or any item listed in 49 Code of Federal Regulations (CFR), Part 172.101, Hazardous Materials Table, is excluded from classification as FAK.

#### **RECONSIGNMENT OR DIVERSION (RCC)**

1. Carrier will provide Reconsignment or Diversion service upon written or oral request by the originating ordering officer or an authorized COR confirmed in writing to the contractor's designated Customer Support point of contact, subject to the following:

a. The terms "Reconsignment" and "Diversion" are considered to be synonymous, and the use of either will be considered to mean:

- (1) Change in the place of delivery within the original destination point;
- (2) Change in the original destination point; or



- (3) Any other change in delivery which requires an additional movement of the shipment.
- b. Only entire shipments, not portions of shipments, may be reconsigning.
- c. When performance of this service does not involve a change in the original destination, the carrier will be entitled to an additional charge of RCC (1) <See Schedule> per shipment
- d. When this service involves a change in the original destination, the carrier will be entitled to the charge in subparagraph c above and a reasonable rate to the point of interception and from the interception point to the final destination.
- e. If a shipment is ordered returned to the consignor, the carrier will be entitled to the charge in subparagraph c above and reasonable rates to the interception point and back to the original origin point.
- f. For the purposes of this service, reasonable rate is defined as not to exceed the prorated amount of anticipated line haul charges for the original origin / destination pair.

2. Payment of all charges for reconsigning/diversion will be the responsibility of the consignor/consignee requesting this service.

#### **REDELIVERY (RCL)**

- 1. When a DoD shipment is tendered for delivery and through fault of the consignee such delivery cannot be accomplished, no further attempt will be made except upon request of a COR, the origin ordering officer, or consignee.
- 2. Carrier will notify consignee that the shipment is on hand not later than the next business day after the day delivery was attempted and arrange for a mutually-agreeable redelivery date. Notification to the consignee will be made by telephone, where practicable, or otherwise by e-mail, fax, telegraph or mail. If redelivery is not accomplished or if forwarding instructions are not furnished to the carrier by a COR, the origin ordering officer, or consignee within 24 hours of notification that the shipment is on hand, the shipment will be subject to storage charges.
- 3. When authorized by consignee, the charge for redelivery shall be RCL (1) <See Schedule> per hundred pounds, subject to a minimum charge of RCL (2) <See Schedule> per shipment, and a maximum charge of RCL (3) <See Schedule> per shipment.
- 4. If, after being notified that the shipment is on hand, the consignee elects to pick up the shipment at carrier's terminal, no redelivery charges will apply.
- 5. If the shipment is undeliverable because the identity of both the consignee and the consignor is unknown, the provisions of astray freight and emergency notification will apply.
- 6. When instructions are furnished to the carrier by a COR, the origin ordering officer, or consignee, ordering return of the shipment to consignor at original point of origin, carrier will assess the line-haul rate applicable to the original inbound movement or a rate agreed upon, whichever is lower. Carrier shall obtain a properly executed shipping document from the party ordering the return movement.

#### **RELEASED VALUE RATES**

- 1. To induce a reduction in carrier rates for the movement of military cargo, the DoD agrees to accept the limitations in carrier liability for loss and/or damage as outlined below.  
For all shipments weighing less than 15,000 lbs, the contractor is liable for reimbursement to the DoD the lower dollar amount of \$50,000 or the actual amount of the loss and/or damage to the article(s). For all shipments weighing 15,000 lbs or more, contractor is liable for reimbursement to the DoD the lower dollar amount of \$150,000 or the actual amount of the loss and/or damage to the article(s). Shippers may elect to declare and establish a cargo liability in amounts higher than stated, under the provisions of Cargo Liability of Carrier (LIE).
- 2. This section shall take precedence over any inconsistency between coordinator statements and this section unless the DTCI PM or his designated representative have agreed in writing to different release value provisions. No other released liabilities, regardless of where they are published apply.



3. Instructions shall be sufficient to release an applicable shipment to the values established for the commodity described on the shipping document, without the necessity of the shipper providing a released value statement on the shipping document. See Title 41CFR, Subpart 101-41.302-3(e). If a value exceeding the released value is stated on the shipping document, this valuation shall take precedence; and the contractor may apply LIE charges.

#### **WEIGHT VERIFICATION (WTV)**

Carriers will verify the weight of any shipment upon request of either a COR, consignor or consignee while the shipment is still in the custody of the carrier and is practical and scales are available. When the difference between the billed weight and the actual weight is less than 2 percent, a charge of WTV (1) <See Schedule> per shipment, or per conveyance if more than one conveyance is used to transport the shipment, will be assessed for furnishing such verification. However, no charge will apply when the difference between the billed weight and the actual weight is 2 percent or more, or when facilities for weight verification are available and furnished by the consignor or consignee requesting such verification.

#### **MOTOR and AIR**

#### **PICKUP AND DELIVERY ON SATURDAYS (SAT) SUNDAYS OR HOLIDAYS (HOL) NORMAL BUSINESS DAYS BEFORE OR AFTER NORMAL BUSINESS HOURS (PUD)**

1. Pickup or delivery service provided at any time other than normal business hours of consignor/consignee will be subject to the following charges:

- a. PUD(1) <See Schedule> per hour or fraction thereof per driver before or after weekday business hours
- b. SAT(1) <See Schedule> per hour or fraction thereof per driver on Saturdays, subject to a minimum charge of SAT(2) <See Schedule> per driver.
- c. HOL (1) <See Schedule> per hour or fraction thereof per driver on Sundays and holidays, subject to a minimum charge of HOL (2) <See Schedule> per driver.

2. Hourly charges will be computed from the time driver(s) arrives at pickup or delivery facility and reports to a responsible representative of consignor/consignee that carrier's equipment is available for loading/unloading, to the time the pickup or delivery is completed and driver(s) is released by consignor or consignee. Shipper/consignee will note the time required for the pickup or delivery on the Shipping Documents.

#### **SIGNATURE AND TALLY RECORD SERVICE (675) (See NOTE)**

Carriers shall provide Signature and Tally Record Service (675) upon request of the consignor or COR, subject to the following:

- a. "675" is a service designed to provide continuous responsibility for the custody of DoD shipments in transit. It requires a Signature and Tally Record (DD Form 1907) from each person responsible for the proper handling of the shipment at specified stages of its transit from origin to destination.
- b. Consignor or his agent must place and sign the following annotation on the Shipping document:

**"Signature and Tally Record requested. DD Form 1907 furnished to carrier."**

**DATE** \_\_\_\_\_ **SIGNATURE** \_\_\_\_\_ **TITLE** \_\_\_\_\_ "

- c. Air carriers performing "675" service for the DoD may use either a DD Form 1907, their own commercial signature form (with prior approval from the DTCI PM or designee), or an electronic signature service to provide the record of continuous accountability and custody required for "675" shipments. The options are further explained below:

(1) Carrier-supplied form will provide a complete record of the chain of custody of the shipment and will have a standardized block of data pertinent to the government shipment, including all data elements contained in Section A of the DD Form 1907. It will provide a chain of custody for the shipment through each terminal handling point at origin, hub or other interline point(s) and at destination. The carrier form will be supplied to consignors by the air carrier in advance to allow for preparation of the shipment. Form will be assembled in sufficient copies to cover all handling points and provide a signed copy to the consignee.

(2) Carriers may also offer an Electronic Signature Service that shows the movement of the shipment through the carrier system as recorded by certain electronic scans. When electronic tracking scans are used, neither actual signatures of persons handling the shipment nor a manually prepared Signature and Tally Record is required. However, a hard copy printout must be presented by the carrier to the consignee within three business days of shipment receipt. This printout will show scans at pickup and delivery and will also show movement as applicable

into and out of terminals, stations, and/or hub locations. Upon request from a COR or the consignor or consignee, a carrier must be able to provide the identity of each person responsible for the scans, as reflected in the electronic records.

(3) Carriers wishing to use a commercial signature form or an electronic signature service must have their forms and procedures approved by the DTCI PM or designee.

d. In addition to all rates and charges for transportation, shipments on which "675" is provided at consignor's request will be subject to a charge of 675(1) <See Schedule> per shipment.

## MOTOR AND RAIL

### SPLIT DELIVERY (SDL)

1. At the request of the consignor or consignee by annotation on the shipping document, the carrier agrees to deliver at more than one location within the confines of the same receiving installation or facility.
2. For each Split Delivery provided, excluding the final delivery, a charge of SDL (1) <See Schedule> will apply.
3. Split Delivery may be required in conjunction with stop-off service.
4. No charge will apply if used for the convenience of the contractor.

### SPLIT PICKUP (SPU)

1. At the request of the consignor on the shipping document, the carrier agrees to pick up at more than one location within the confines of the same shipping installation or facility.
2. For each Split Pickup provided, excluding the initial pickup, a charge of SPU (1) <See Schedule> will apply.
3. No charge will apply if used for the convenience of the contractor.

## MOTOR

### CAPACITY LOADS

1. A shipment is considered a capacity load (also known as "loaded to full visible capacity", "loaded to capacity") when it occupies the **full visible capacity** of a vehicle, as defined in paragraph 2 below. In order for a shipment to be classified as a capacity load, the Shipping Document must be annotated as "Vehicle Fully Loaded" with an authorized government representative (e.g., origin ordering officer or his designee), having full knowledge of the shipment, initialing the Shipping Documents at the time of pick-up. Shipments are to be considered as capacity loads if:

- a. The shipment occupies 90% of the cargo carrying capacity of the vehicle; or
- b. Because of unusual shape or dimensions, or because of the necessity for segregation or separation from other freight, requires the entire vehicle; or
- c. Fills a vehicle so that no additional article, equivalent in size to the largest piece tendered, can be loaded in or on the vehicle.

2. For the purposes of this item, a "vehicle" is defined as:

- a. A van trailer of not less than forty-five (45) feet in length and not less than 2,900 cubic feet capacity; or
- b. An open top trailer of not less than forty-five (45) feet in length, or
- c. A flatbed trailer of not less than forty-five (45) feet in length.

3. Under no circumstances shall a carrier bill a shipment as a capacity load if the equipment requested by the shipper, or provided by the carrier, fails to meet the definitions shown in paragraph 2 above. Additionally, it is both the shipper's and carrier's (where practicable) responsibility to ensure the safe and efficient loading of freight (e.g., stacking items when appropriate, etc.) on the vehicle provided. Not more than one vehicle per shipment may be loaded to less than full visible capacity. The vehicle loaded to less than full visible capacity will be assessed charges as if it were a separate shipment.



4. The charge for each vehicle loaded to full capacity will be based on the truckload charge applicable to the equipment ordered and loaded.
5. Capacity load does not apply to straight trucks.
6. The application of capacity load will in no way restrict the contractors from adding additional freight to the equipment and should not be interpreted as a request for Exclusive Use of the vehicle.

#### **CHAINS & BINDERS (CHN)**

1. Carrier agrees that their rate includes chains and binders, etc., to protect and secure a shipment to ensure safe transportation for shipments moving on flatbed and specialized types of equipment.
2. Carrier will ensure that ten chain-and-binder sets and eight nylon straps with fasteners are included as standard equipment on all vehicles. A chain-and-binder set is defined as one chain and one binder. When a consignor requests additional chain and-binder sets and/or nylon straps with fasteners to secure a shipment, the consignor will advise carrier at the time of the request for transportation services. An additional charge of CHN(1) <See Schedule> is authorized for each additional chain-and binder set or nylon strap with fastener furnished. Consignor will annotate the shipping document with the additional number of chain-and binder sets and/or nylon straps with fasteners in excess of those required as standard equipment.

#### **DUAL DRIVER (CONTINUOUS LINE HAUL SERVICE) (EXD)**

1 Dual Driver (Continuous Line Haul Service) consists of the immediate dispatch of a shipment in continuous line-haul service within legal parameters, to meet the delivery schedule required by the consignor or consignee to include additional or team driver(s) when necessary. Dual Driver (Continuous Line Haul Service) is not of itself an expedited shipment as described in the PWS.

2. To request Dual Driver (Continuous Line Haul Service), the shipper must annotate the shipping document accordingly. Notations such as "MDD" (Mandatory Delivery Date) or "DDD" (Desired Delivery Date) will not be interpreted as a request for Dual Driver (Continuous Line Haul Service).

3. The charge for Dual Driver (Continuous Line Haul Service) will be EXD (1) <See Schedule> 1 to 500 miles  
The charge for Dual Driver (Continuous Line Haul Service) will be EXD (2) <See Schedule> over 500 miles

4. Failure to meet the MDD specified on the Shipping Document, with the exception of excusable delays identified in FAR 52.212-4 (f), will result in the contractor not being paid for Dual Driver (Continuous Line Haul Service).

#### **DETENTION: VEHICLES WITH POWER UNITS (DEP)**

1. When carrier's vehicle with power unit (straight truck, tractor-trailer combination, or dromedary box) is delayed or detained for loading or unloading on the premises of consignor, consignee, or other premises approved by them, and such delay or detainment is attributable to the consignor or consignee, the carrier shall allow free time for loading or unloading the shipment (or the combined weight of multiple shipments), as follows:

##### **TYPE OF SHIPMENT(S) FREE TIME**

(waiting time to begin loading or unloading)

- |   |                      |
|---|----------------------|
| a. Vehicles loaded on Motor Vehicle Transport Trailers                            | 1 hour               |
| b. Vehicles loaded on flat-bed equipment  | 3 hours              |
| c. Fully palletized shipments, 20,000 lbs. and over                               | 2 hours (see para 7) |
| d. Carrier power-unit, driver and one towed vehicle                               | 1 hour               |
| Actual weight in pounds per vehicle stop, not palletized, subject to paragraph 7. |                      |
| e. Less than 3,000 lbs  | 1 hour               |
| f. 3,000 lbs. but less than 10,000 lbs  | 2 hours              |
| g. 10,000 lbs. but less than 20,000 lbs.  | 3 hours              |
| h. 20,000 lbs. and over   | 4 hours              |



2. Free time shall begin from the time carrier's employee notifies a responsible representative of the consignor or consignee that the vehicle is available and ready for loading or unloading, and it is within the consignor's/consignee's normal operating hours or acceptance hours
3. The computation of time in paragraph 1 is to be made within the operational hours (shipping) at the designated premises at the place of pickup or delivery, except if a carrier or its representative is permitted to work beyond this period, such working time shall also be included. When loading or unloading is not completed at the end of the operational hours, time will be resumed at the beginning of the next work day, or when work the next day is actually begun by the carrier or its representative, if earlier.
4. When a trailer is both unloaded and scheduled for reloading, each transaction will be treated independently of the other.
5. A shipment will be considered as "fully palletized" when at least 90 percent of the shipment weight (exclusive of pallet weight) is loaded on pallets.
6. If loading or unloading extends beyond the allowable free time, the charge will be DEP (1) <See Schedule> for each hour, or fraction thereof, that the vehicle is delayed beyond the allowable free time, until released by the shipper or consignee. Detention charges provided herein will be assessed during operational hours only.
7. The provisions of DEP will also apply when shipper or consignee requires that the tractor be disconnected from the trailer during loading or unloading, and parked elsewhere on the shipper's or consignee's premises; or when shipper or consignee directs that the trailer be left overnight and the tractor be parked at other than shipper's or consignee's premises, if not done for carrier's convenience.
8. If the material (boxes, crates, pieces, parts, etc.) comprising the non-palletized shipment is unloaded or loaded by pallet jack, fork lift, or other type of material handling equipment - without use of pallets - then the free time allowed (not to exceed 2 hours) will be one-half of the free time allowed for shipments not palletized. To be eligible for this exception, at least 90 percent of the weight must be loaded or unloaded in the manner described. Fully palletized shipments weighing less than 20,000 pounds will be allowed one-half the free time in 1(e), 1(f) or 1(g).

**DETENTION: VEHICLES WITHOUT POWER UNITS (DET)**

1. Subject to the availability of equipment and carrier's approval, carriers may spot vehicles without power units (empty or loaded trailers) for loading or unloading on the premises of the consignor or consignee, or on other premises designated by them.
2. When such trailers are delayed or detained for reasons attributed to the consignor or consignee, the shipment (or the combined weight of multiple shipments) being loaded or unloaded will be allowed 24 hours of Free Time, as follows:
  - a. Free Time will commence when the trailer is spotted for loading or unloading.
  - b. When any portion of the free time extends into a Saturday, Sunday, or holiday, the computation of free time will resume at 12:01 a.m. on the next day which is not a Saturday, Sunday, or holiday.
  - c. Free time shall not begin on a Saturday, Sunday, or holiday, but at 8:00 a.m. on the next day which is not a Saturday, Sunday, or holiday.
3. When a trailer is both unloaded and reloaded, each transaction will be treated independently of the other. Free time for loading shall not begin until free time for unloading has elapsed.
4. DET will end when consignor or consignee notifies the contractor's designated Customer Support point of contact by telephone, e-mail, or fax that loading or unloading has been completed and that the trailer is available for pickup. Such notification shall constitute release of carrier's equipment; carrier shall then connect and pull the equipment in a timely manner.

5. DET will not apply if loading/unloading and carrier's being notified of same has not extended beyond the free time. Carrier's credits earned on equipment held cannot be used by the carrier to offset debits chargeable on equipment waiting to be moved.

6. Charges for detention of vehicles without power units will be:

- a. For each of the first and second 24-hour periods or fraction thereof that vehicle is detained beyond the allowable free time, the charge will be DET(1) <See Schedule> per 24-hour day or fraction thereof.
- b. For each of the third and fourth 24-hour periods or fraction thereof that vehicle is detained beyond the allowable free time, the charge will be DET(2) <See Schedule> per 24-hour day or fraction thereof.
- c. For the fifth and each succeeding 24-hour period or fraction thereof that vehicle is detained beyond allowable free time, the charge will be DET(3) <See Schedule> per 24-hour day or fraction thereof.

7. Certain Government installations have specific agreements for storing and relocating carrier equipment for loading and unloading and/or detention charges.

#### **EMPTY MOVEMENT OF EQUIPMENT (EMT)**

1. When required to support a DoD initiative and no suitable equipment is available, the consignor or an authorized COR may require a carrier to deadhead equipment immediately, regardless of its location, to a point of pickup. All deadhead miles traveled from point of dispatch to point of origin will be charged at a rate of EMT (1) <See Schedule> per deadhead mile per vehicle. Charges for deadhead miles must be supported by shipper or consignee endorsement on the shipping document identifying point of dispatch and short route mileage to point of pick up. Deadhead mileage will be based on short route miles.

2. Empty movement charges will not exceed contractor's lowest line-haul charge from the vehicle dispatch point to point of pickup for the same type of equipment. In instances when the contractor possesses a lower line-haul charge, the lower rate will supercede the EMT(1) rate on the schedule.

#### **ESCORT/FLAGMAN/TELEPHONE SERVICE (MES/MEN/MET)**

1. When an escort vehicle or a flagman is requested by the shipper or required by a regulatory agency, the charge shall be:

- a. MES (1) <See Schedule> per mile per escort vehicle/flagman, subject to a minimum charge of MES (2) <See Schedule> per escort vehicle/flagman. These charges shall apply only for the mileage for which the requirement exists which may not necessarily be the same as the mileage from the shipment's origin to its destination.
- b. When movement hours are restricted by a regulatory agency, carriers may include an overnight subsistence charge of MEN (1) <See Schedule> per night per flagman and/or escort vehicle driver, when applicable.
- c. When an escort vehicle or flagman is furnished by the state, county, or municipality, the carrier will advance the required charges for subsequent reimbursement from DOD.

2. When requested by the shipper or consignee, mobile telephone(s) or two-way radio(s) will be furnished by the carrier at a charge of MET (1) <See Schedule> for each vehicle so equipped.

#### **EXCLUSIVE USE OF VEHICLE OR DROMEDARY (EXC)**

1. Exclusive Use of Vehicle or Dromedary (EXC) requires carrier to devote the vehicle or dromedary exclusively to the transportation of the shipment, without the breaking of seals or locks and without the transfer of lading for carrier's convenience.

2. To request EXC, shipper will annotate the shipping document as follows: "Exclusive Use of Vehicle/Dromedary requested by the Government. Do not break seals except in case of emergency or upon prior approval of the consignor or consignee. If found broken or if broken for emergency reasons, carrier to apply seals as soon as possible and immediately notify both the consignor and the consignee."

3. A request for EXC should not be understood as a request for Expedited Service or Dual Driver (Continuous Line Haul Service). If the latter services are desired, it must be requested explicitly. The annotation of a Mandatory Delivery Date (MDD) shall not be interpreted as a request for EXC.



4. When a seal or lock is removed by the carrier (due to emergency or upon prior approval of the consignee or consignor) the carrier will immediately relock or reseal the vehicle or dromedary. The carrier will annotate the shipping document with the new lock or seal number and the reason for removal of the original lock or seal. No freight will be added to the vehicle or dromedary except at the instruction of the consignee or consignor.
5. When a vehicle or dromedary not in EXC is sealed by either the shipper or the carrier for carrier convenience, the carrier may remove seals or locks to add other freight.
6. Line-haul charges for shipments in vehicles requiring EXC will be billed as a truckload, subject to truckload rates, minimum weights and/or charges.
7. Dromedary shipments requiring EXC shall not be partitioned.
8. The charge for EXC will be EXC (1) <See Schedule> per mile per vehicle or dromedary. The charges for EXC will not be assessed under any of the following conditions:
  - a. When a vehicle is loaded to full visible capacity.
  - b. When the applicable line-haul charge is based on a rate for minimum weight of 45,000 pounds, or the actual weight is 45,000 pounds or greater.

**EXPEDITED SERVICE (EXP)**

1. Expedited Service consists of the immediate dispatch of a shipment in continuous line-haul service within legal parameters, to meet the delivery schedule required by the consignor or consignee. See PWS for definition of Expedited Shipments.
2. To request EXP, Shipper must annotate the BL accordingly. Notations such as "MDD" (Mandatory Delivery Date) or "DDD" (Desired Delivery Date) will not be interpreted as a request for Expedited Service. The use of Dual Driver (Continuous Line Haul Service) (EXD) shall not be requested in conjunction with EXP to meet a Mandatory Delivery Date (MDD).
3. The charge for Expedited Service will be as annotated on the NTE Rate Schedule.

**EXTRA LIGHTS - OVERDIMENSIONAL LOADS (ELS)**

When a state regulatory agency requires that lights, flashing or not flashing, be placed on an overdimensional shipment, a charge of ELS (1) <See Schedule> per vehicle will apply.

**FURNISHING OF VEHICLES AND EQUIPMENT**

1. Carriers shall furnish vehicles that are clean, odor free, and with all equipment necessary to safely transport the freight for which shipper has requested transportation, and shall be responsible for securing the cargo and protecting it from the elements.
2. If carriers furnish a vehicle that contains more equipment or exceeds the specifications necessary to safely transport the freight, this shall be considered done at carrier's convenience and at no additional cost to DoD. Freight charges will be assessed on the basis of the equipment ordered.
3. Equipment furnished for loading may be rejected by the shipper if, upon inspection, such equipment is considered unfit for the required transportation. In such cases, Vehicle Furnished Not Used (VFN) charges shall not apply.

**LOADING - UNLOADING BY CARRIER (URC)**

1. Except as otherwise provided, the rates provided do not include loading and unloading, which is ordinarily performed by the consignor and consignee. Loading and/or unloading service performed by carrier, unassisted by consignor or consignee, will be subject to a charge of:  
URC(1) <See Schedule> per hundredweight, subject to a minimum charge of URC(2) <See Schedule>.



- a. Charges will be based on actual weight handled. Consignor and/or consignee requesting the unloading service shall provide certification that the service was performed and indicate the amount of weight handled by the carrier.
- b. Contractors are required to stack unpalletized freight at the tailgate of the vehicle; tailgate pickup/delivery is pickup/delivery that enables a forklift or materials handling equipment, with operator only to remove cargo to/from the tailgate of the Contractor vehicle.

2. A variety of engines may move under this contract. If a shipper ships an engine they do not want transloaded, they will annotate Exclusive Use (EXC) on the Shipping Document.

3. Vehicles loaded and secured by the consignor will not be transloaded without prior written consent from the origin ordering officer, regardless of whether EXC was requested. Prior to the breaking of chains and/or removing of blocking and bracing material, the contractor must have approval from the origin ordering officer.

#### **MOTOR SURVEILLANCE SERVICE (MVS)**

1. Where Satellite Motor Surveillance Service (SNS) is not applicable, or inoperative, such as during carrier equipment failure, MVS may be used.

a. Carrier's driver or dispatcher will call the telephone number on the Shipping Document and provide vehicle location every eight (8) hours for MVS in addition to providing updated location to GTN and updated location on the contractor's website. Upon delivery, driver or dispatcher will call to confirm delivery in addition to providing updated status to GTN and the contractor's website.

2. To request MVS, shipper shall notify carrier in advance, and annotate the Shipping Document as follows: "Motor Surveillance Service Requested. Carrier to call 1-800-826-0794 [8] hours after shipment pickup and every [8] hours thereafter to provide shipment location. Carrier will place final call upon delivery at destination."

3 MVS is subject to a charge of MVS (1) <See Schedule> per mile, subject to a minimum charge of MVS (2) <See Schedule> per shipment.

#### **OVERDIMENSIONAL FREIGHT SERVICE (520) MOTOR**

1. A shipment is overdimensional when it contains one or more non-divisible articles, any of whose dimensions exceed:

Length 576 inches (48 feet)

Width 102 inches (8 feet 6 inches)

Height (see para 5) 162 inches (13 feet 6 inches)

2. Overlength dimensional charges will not be assessed for interstate or intrastate movements, when the gross length dimensions of the tractor and loaded semi-trailer combination are within the maximum gross length for such equipment combination on interstate and federally designated highways or other state highways and supplemental routes.

3. a. Overdimensional Charges. The overdimensional charges will apply only within those states that assess a permit fee for the overdimensional load. When a shipment is overdimensional in more than one dimension, the overdimensional charge of only one of the dimensions (the one producing the highest charge) will apply. In no case will overdimensional charges be assessed on more than one dimension.

b. Permits and Bonds. When a special permit or bond is required by any state, county, or municipality because of the overdimensional nature of the shipment, and the carrier obtains such permit or bond at the request of the shipper, the carrier will advance the charges so incurred for subsequent reimbursement from the Government.

c. Tolls and Fees. Tolls or fees for access to bridges, ferries, highways, or tunnels, which are incurred by the carrier because of the overdimensional nature of the shipment, shall be advanced by the carrier for subsequent reimbursement from the Government.

4. a. Overwidth Charges. Minimum Charge: 520(1) <See Schedule>

Article Width (in inches)		Charges per Mile
Over	Not Over	
102	108	520(2) <See Schedule>
108	120	520(3) <See Schedule>
120	132	520(4) <See Schedule>
132	144	520(5) <See Schedule>
144	156	520(6) <See Schedule>
156	168	520(7) <See Schedule>
168	180	520(8) <See Schedule>
180	204	520(9) <See Schedule>
204		520(10) <See Schedule> per foot or fraction thereof on that portion over 17 feet wide, plus the charge per mile in 520(9)

b. Overlength Charges.

Minimum Charge: 520(11) &lt;See Schedule&gt;

Article Length (in inches)		Charges per Mile
Over	Not Over	
576	600	520(12) <See Schedule>
600	660	520(13) <See Schedule>
660	720	520(14) <See Schedule>
720	780	520(15) <See Schedule>
780		520(16) <See Schedule> plus 520(17) <See Schedule> per foot for that portion over 65 feet long.

c. Overheight Charges.

Minimum Charge: 520(18) &lt;See Schedule&gt;

Article Height (in inches)		Charges per Mile
Over	Not Over	
162	168	520(19) <See Schedule>
168	174	520(20) <See Schedule>
174	180	520(21) <See Schedule>
180	192	520(22) <See Schedule>
192	204	520(23) <See Schedule>
204		520(24) <See Schedule>

5. Dimensions are measured from the ground to the top of the article after loading

**OVERDIMENSIONAL AND OVERWEIGHT PERMIT CHARGES**

This contract will not maintain the ever-changing tables containing the costs and other requirements of each state regarding permits for overdimensional and overweight shipments. DoD will reimburse carriers for the costs of such



permits. For audit purposes, carriers must retain the valid receipts and any other documentary evidence to support these claims.

#### **OVERWEIGHT PERMIT SHIPMENTS (PER)**

1. An overweight shipment consists of any non-divisible article which exceeds 48,000 pounds (45,000 pounds when loaded on lowboy equipment) which is assessed an excess weight permit charge for each state transported from, to, or through.

2. a. Line-haul charges will be determined from rates contained in the applicable agreement between contractor and carrier, but not greater than the applicable NTE rate.

b. The carrier shall advance and then claim reimbursement for the following costs incurred as a result of an overweight shipment:

(1) Tolls and fees for access to bridges, ferries, highways, or tunnels;

(2) Any special permits or bonds required by any city, county, state, or municipal agency.

3. A charge of PER (1) <See Schedule> per mile shall be allowable for overweight shipments, subject to a minimum charge of PER (2) <See Schedule>

#### **PROTECTIVE TARPING (PTS)**

1. Protective Tarping (PTS) requires the carrier to cover the shipment with tarpaulin(s) so as to protect the material.

**The tarp must be fire and water resistant.**

2. To request PTS, shipper will annotate the shipping document: "TARPS AND TARPING REQUIRED."

3. The charge for this service will be PTS (1) <See Schedule> per shipment. For shipments requiring more than one (1) vehicle, the charge shall apply to each vehicle used which requires tarping.

NOTE: For emergency situations when the contractor substitutes flatbed equipment in lieu of rollerbed trailers, tarping of each pallet must be completed. As the contractor substituted equipment of a lesser nature, at his discretion, the shipper will not be billed the tarping accessorial.

#### **RELOCATION OF VEHICLE (RLS) (Applies only to trailers dropped by carrier for loading/unloading)**

Carriers will provide RLS (trailer spotting) service, to move a vehicle from one platform doorway or shipping room to another, upon request of consignor or consignee. A charge of RLS (1) <See Schedule> will be assessed by the carrier for each relocation and must be supported by consignor's or consignee's certification on the shipping document that the service was requested and performed.

#### **RESTRICTED SPEEDS (RSS)**

The shipper or a state, county, or municipality may restrict the carrier to speeds below normal operating speeds, because of unusual characteristics of a shipment, by specifying this requirement on the Shipping Document or by other specific written instructions when offering the shipment to the carrier. The carrier will comply with such restricted speeds insofar as possible.

<u>Restricted Speed</u>	<u>Rate Per Vehicle Per Mile</u>
20 mph or less	RSS(1) <See Schedule>
21 to 25 mph	RSS(2) <See Schedule>
26 to 35 mph	RSS(3) <See Schedule>
36 to 40 mph	RSS(4) <See Schedule>
41 to 46 mph	RSS(5) <See Schedule>

#### **SATELLITE MOTOR SURVEILLANCE SERVICE (SNS)**



Satellite Motor Surveillance Service (SNS) is normally utilized as a Transportation Protective Service used in the commercial truck movement of AA&E and Other Sensitive Material (OSM), **however due to operational considerations, SNS maybe requested and required on non-sensitive FAK shipments under this contract.** The purpose of the service is to provide the Defense Transportation Tracking System (DTTS) with automatic truck location reports every fifteen minutes, in-transit movement status changes, and emergency situation notification. DTTS uses satellite technology and twenty-four hour operations to execute its primary mission of in-transit Ordnance safety and security for all DoD shipments of AA&E and OSM by commercial truck within the Continental United States and Canada. Also supports a secondary mission of providing in-transit visibility of AA&E and OSM by hourly pushing its database to USTRANSCOMs Global Transportation Network (GTN) and Intelligent Road & Rail Information Server (IRRIS)

#### PART A: Shipper Requirements

1. When SNS is required on a DoD shipment, the shipper will notify the carrier in advance (48 hours or more if possible) and annotate the Shipping Document as follows: "Satellite Motor Surveillance Service (SNS) requested. In the event of SNS system failure, driver will immediately notify dispatcher who will contact DTTS at 1-800-826-0794. Driver must subsequently provide DTTS a telephonic location/status report every two (2) hours, with a final telephonic report upon delivery at destination, or secure holding area, whichever is closer."

#### PART B: Carrier Requirements

1. New SNSV Qualification: (a) Present capabilities to DTTS Program Management Office (PMO) for review and determination of adequacy of capability for moving into a test phase, (b) Test-demonstrate ability to provide all the services specified in this rule to DTTS. Involves non-AA&E/OSM shipments in-transit from origin to destination traversing varying geographical conditions. At the discretion of DTTS, this process may entail several test movements. Test(s) will be conducted using the standard interfaces outlined in paragraph 8. below, (c) If testing is successful, DTTS PMO will immediately notify HQ SDDC Force Protection (ATTN: MTOP-JF) in writing that the newly tested carrier's SNSV is approved for use.

2. A carrier truck newly equipped with SNS capability or re-equipped for maintenance or upgrade reasons must be registered and success fully tested with the DTTS Central Site prior to being included in the DTTS Cross References File of trucks authorized to transport DoD ordnance under SNS. Registration must include: (a) power unit (tractor) number, (b) satellite transceiver identification number (not to exceed 16 upper case ASCII alphanumeric printable characters), (c) the manufacturer, model year, and color of the power unit, and any other characteristics of the power unit to help DTTS successfully identify it to police in the event of an emergency. Before installation of new technologies that operate by the use as a remote signal on a carrier's equipment, it must be tested and DoD HERO approved, prior to transporting shipments requiring DOD SNS. The carrier driver, when practicable, will position the DTTS message display unit in a manner that allows the shipping inspector or other designated shipper personnel to observe the "DTTS On" message without having to climb aboard the cab of the motor vehicle.

3. The SNSV employed by the carrier will maintain a separate mail box/transfer file to hold DTTS fifteen minute (routine) vehicle location reports and status messages. Data from all carriers utilizing the services of this vendor will be entered into one government mail box/transfer file for downloading by the DTTS. Data for any given satellite transmission destined for DTTS will be maintained on-line until successfully transferred by the DTTS central site computer. Emergency messages will be transferred immediately to DTTS in accordance with the procedures in paragraph 6. below. Data that has been successfully transferred to DTTS will be deleted from the DTTS mail box/transfer file by the SNSV.

4. SNS equipment installed on carrier vehicles, including the emergency alert feature, must provide 24-hour uninterrupted service, including two (2) means of communications, a working mobile communications unit, a citizens band (CB) radio unit or cellular telephone, between the driver and dispatcher while transporting a DoD shipment. In addition, each driver will be equipped with a remote panic button along with one receiver per vehicle (Effective July 31, 2003). An exception to this occurs when vehicles are in an authorized protected environment, such as a carrier terminal or military secure holding. Additionally, the carrier SNS monitoring station must be continually manned by a qualified individual capable of providing prompt professional assistance in response to DTTS inquiries when an SNS shipment is in-transit on one of its trucks. The carrier must also ensure that the SNSV



provides continuous messaging and positioning service, including immediate notification of emergency button activations by drivers.

#### 5. TRACKING PROCEDURES/REQUIREMENTS:

##### a. Enabling DTTS Service:

(1) Prior to beginning SNS for a shipment, normally when initially arriving at a shipment pickup point, the vehicle driver will enable DTTS tracking by transmitting a message alerting the carrier's SNSV to begin entering subsequent shipment location and status change message packets into the DTTS mail box/transfer file. Alternatively, this function may be performed by the carrier dispatcher or other carrier official.

(2) The SNSV will provide the driver with "on-screen" verification that DTTS service has been enabled. The driver will not send any other DTTS messages or depart a protected environment with a DTTS shipment until this verification has been received.

(3) The SNSV will report initialization of SNS service from the driver in the DTTS mail box/transfer file as a standard DTTS message using the "B" status message, para 7. below.

b. Loading DTTS Shipment. When loading any new shipment on the vehicle subject to DTTS tracking, the driver will send an "L" status message, para 7. below. The text portion of this message will include the shipment pickup point, shipment ID (CBL Number, etc.), trailer/drom number, origin, and destination, for each DTTS shipment being loaded.

c. Departing Protected Environment. Immediately upon departing origin or any other protected environment, the driver will provide DTTS with a "D" status message, para 7. below.

d. SNS Equipment/System Problems Enroute. In the event of SNS equipment or system failure while intransit, the driver will immediately notify his/her dispatcher, who will in turn immediately contact DTTS at 1-800-826-0794. The driver will subsequently provide DTTS a telephonic location/status report every two (2) hours, with a final telephonic report upon delivery at destination or an activity offering secure holding, whichever is closer. The defective transceiver will be removed from the DTTS database and will not be reinstated until repairs or replacements are made and the system tested (including emergency alerts) by contracting DTTS to verify the system is operational.

e. Changes in Shipment Status. After departing origin with a shipment, the driver will report any change in the shipment in-transit status (e.g., in carrier terminal, transferring the shipment to another vehicle, on a military installation, etc.) using one of the standard messages, para 7. below. Whenever a DTTS shipment is physically removed from a tractor while enroute, e.g., disconnecting a trailer from a tractor while in a military secure holding area, the driver will send a "C" status message, para 8 below.

f. Fifteen Minute Updates. At least one fifteen minute position report, which may include automatic status "P" reports, para 8. below, must be received whenever the shipment is departed from a protected environment, i.e., in "D" shipment status. While in authorized protected environments, it is the carrier's option whether to continue providing vehicle updates. SDDC has the right to request more frequent updates when operational requirements dictate.

g. In case of hi-jacking, DTTS has the capability and will change the positioning updates to five (5) minutes versus fifteen (15) minutes.

h. Carrier Terminal. Driver will send a "T" status message when entering a carrier terminal. DTTS assumes shipments that enter a terminal on a given vehicle may not depart on that same vehicle. Prior to departing a terminal with DTTS shipments, drivers will utilize the same procedures, above, as when picking up and departing origin. This includes:

(1) Enabling DTTS service.

(2) Sending an "L" status message listing the terminal location and the shipment ID of all shipments on the vehicle, to include the BOL, trailer/drom number, origin and destination, subject to DTTS tracking.

(3) Sending a "D" status message immediately upon departing the terminal.

i. Awaiting Offload. Upon arriving at the destination for a DTTS shipment, the driver will send an "A" status message, para 8. below.

j. Offload at Destination. When a DTTS shipment has been physically offloaded at destination, the driver will send an "O" status message, para 7. below.

k. Disable DTTS Service.

(1) After the last DTTS shipment has been offloaded, the driver will immediately send a message alerting the carrier's SNSV to stop entering subsequent shipment location and status change message packets into the DTTS mail box/transfer file. Alternatively, this function may be performed by the carrier dispatcher or other carrier official.



- (2) The SNSV will provide the driver with "on-screen" verification that DTTS service has been disabled.
- (3) The SNSV will report this discontinuance of SNS service in the DTTS mail box/transfer file as a standard DTTS message using the "S" message status, para 7. below.

6. EMERGENCY MESSAGES. The driver will immediately report an emergency by pressing (with a single stroke) a vehicle equipped emergency button or remote panic button. This button must be located within easy reach of the vehicle driver or remote panic button located on their person. Total elapsed time, from pressing of the emergency button by the driver to SNSV notification to DTTS, shall not exceed 2 minutes.

a. The SNSV will immediately transfer any driver emergency message received to DTTS via automatic computer interface. Notification of the incoming emergency and attempted transfer to DTTS will simultaneously be passed to SNSV staff. As a back-up step, SNSV staff will immediately notify DTTS via telephone at 1-800-826-0794 if they determine the attempted automatic computer interface transfer was unsuccessful.

(1) The DTTS Operations Center IT staff will provide necessary login, password, and telephone numbers for computer interface.

(2) Computer interface will be accomplished using dialup line, async communication, meeting or exceeding 19.2k bps or a mutually agreed upon methodology. Messages will be transferred using, protocol that is mutually agreed upon.

(3) The cost of connecting to the DTTS computer by dial-up line will be borne by the SNSV.

a. Emergency messages will use the standard interface record layout, para 8. below, with a status code of "E".

If phone interface is used, the SNSV must provide all of the data elements specified in the standard record layout.

b. The carrier has primary responsibility for notifying POLICE in the event of an emergency.

c. If a driver wishes to test an emergency button, a "U" status message advising DTTS of the intended test should be sent to DTTS at least twenty (20) minutes prior to the emergency button being pressed. Alternatively, a telephone call may be made to the DTTS Operations Center, just prior to the button being pressed.

7. STANDARD INTERFACE. The SNSV will use the following standard interface structure to transfer driver messages and position reports to DTTS.

a. Communication. The SNSV will provide the capability for the DTTS computer to connect to the SNSV computer using a dialup line meeting or exceeding 19.2k bps asynchronous communication, or a mutually agreeable methodology. The cost of connecting to the SNSV computer by dial-up line will be paid by the government, except in cases where the SNSV elects to provide access via a toll-free line.

b. Handshaking. At SNSV discretion, preliminary handshaking may be required after DTTS has connected to the SNSV computer. This may include verification of a login/password provided by the SNSV and passing of a request to transfer data in the DTTS mail box.

c. File transfer protocol. Data will be transferred using transfer protocol, or such other protocol as that is mutually agreed upon.

d. Record layout. Status/position messages will be transferred as variable length records delimited by an ASCII LF (decimal 10). The field delimiter is a pipe ("|"). Following transfer of the last record in the mail box/transfer file, which will also be delimited by an LF, the SNSV will transmit an end of file marker (decimal 26). With the exception of record and end of file delimiters, all data elements will consist of ASCII printable characters. Each record will use the following format:

Field Offset Length Picture Remarks

Transmitter ID 0 16 16X

Latitude 16 7 6N1A NOTE 1

Longitude 23 8 7N1A NOTE 2

Date/Time 31 14 14N NOTE 3

Reserved 45 12 12X NOTE 4

Shipment Status 57 1 1A NOTE 5

Text 58 60 60X NOTE 6

NOTE 1: First 6 bytes use format DDDMMSS. Last alpha character indicates either "N" (North) or "S" (South)

Latitude, e.g., 390108N.

NOTE 2: First 7 bytes use format DDDMMSS. Last alpha character indicates "W" (West) or "E" (East) Longitude, e.g., 0960803W.

NOTE 3: Data (Greenwich Mean Time) of position report expressed in the format MMDDYYYYHHMMSS, e.g., 08151988091533 = August 15, 1988, 09 hours, 15 minutes, 33 seconds (GMT).



NOTE 4: Reserved for future use, e.g., sensor status readings.

NOTE 5: Current status using following codes:

B = Begin Tracking (Text message not permitted) This packet provides an audit trail of the date/time the driver implements the requirement in Part D, paragraph 5 above to begin sending data to the DTTS mailbox. L = Loading New DTTS Shipment. The text portion of this message will include the shipment pickup point, shipment ID (BOL, etc.), trailer/drom number, origin, and destination, for each DTTS shipment being loaded. data packet, If this exceeds space provided for one text message, submit as many additional status "L" message packets as necessary. D = Departing Protective Environment. Used to provide notice of departure from a military/commercial activity, carrier terminal, or other protected environment where the previous shipment status would have been L, T, M, A or O. Status code D places the shipment into a movement status for DTTS tracking purposes, and hourly position reports are required (Text message optional).

P = Current Position. (No text message) This packet may be preprogrammed by the SNSV to automatically generate location data at the required 1 hour interval. The position reported must be within one quarter mile of the actual vehicle location.

T = Carrier Terminal. In text portion of data packet, provide location of terminal, area code, and phone number the DTTS staff can use to obtain further information, if necessary.

C = Changing Equipment. Whenever DTTS shipments are transferred to (a) different tractors(s), provide the identification number(s) of the new tractor(s) and each Shipping Document (CBL, etc.) transferred to that (these) new tractor(s). Example: "800, C22222201." If this exceeds space provided for one text message, submit as many additional status "C" message packets as necessary. (The driver of a tractor receiving a DTTS shipment will follow procedures in paragraph 4. (a) (1) above, while the driver of a tractor terminating a DTTS shipment will follow procedures in paragraph 4. (j) above.)

U = Unusual Delay/Other.

(1) Unusual Delay - explain reason in text portion of message packet and give exact location – truck stop, shop name, etc.

(2) Other - provide information such as estimated time of arrival at destination which is not covered under other status message packets, or explain an emergency situation message.

M = Military Secure Holding. In text portion of data packet, provide activity name, area code and phone number the DTTS staff can use to obtain further information, if necessary. Indicate whether the load remains with the vehicle or is offloaded. Upon departure, enter number on the Shipping Document that are still on the vehicle.

A = Arrived at Activity and Awaiting Off load. This status code should be sent only if the arriving truck already has a DOD ordnance shipment on it being transported under SNS. In text portion of data packet, provide activity name and, if a commercial activity, an area code and phone number through which the driver can be reached.

O = Offload. In text portion of data packet, provide activity name and each GBL delivered to that activity. If this exceeds space provided for one text message, submit as many additional status "O" message packets as necessary.

E = EMERGENCY Situation. No text message. This message packet is automatically generated when the single stroke emergency button is pressed in the truck. When the SNSV receives the message, it will immediately be passed to the DTTS using procedures in paragraph 5. above.

S = Stop Tracking. (text message not permitted) This packet provides an audit trail of the date/time the driver implements the requirement in paragraph 4. (j) above to stop sending data to the DTTS mailbox.

NOTE 6: If there is no text field, record should be terminated by a record delimiter or end of file delimiter, as appropriate, at this offset. If the text message is less than 60 characters, trailing spaces should be truncated and the record delimiter should follow the last valid character.

Legend: A = Alpha character, A to Z (upper case ASCII printable character). Left justified, space (decimal 32) filled.

N = Numeric character, 0 to 9, (ASCII printable character). Right justified, zero filled.

X = Alpha numeric character, 0 to 9/A to Z (upper case ASCII printable character). Left justified, space (decimal 32) filled.

8. Message packets with status of B, L, D, T, C, U, M, A, O or S will be accumulated in the DTTS mail box/transfer file as they occur. Message packets with status of P will be entered hourly, with no more than one per hour - the most recent. Message packets with status of L, T, M, A or O place the shipment in a non-movement status in a protected environment. Fifteen minute updates with status of P are not required again until after the driver sends a status of D, Departing Protected Environment.



9. Normal message traffic (i.e., all records with status not equal to status of E) will be entered into the SNSV DTTS file which will be downloaded by the DTTS every 15 minutes, or more often if mutually agreeable. This will be accomplished using XMODEM file transfer protocol, or such other protocol as may be mutually agreeable. Transmission will be at a minimum of 2400 BPS. Communications cost of data transfer to the DTTS will be borne by the Government, unless the SNSV elects to pay for such transmissions in order to improve services.

10. Driver initiated messages other than those identified in paragraph 6. above will not be placed in the SNSV DTTS mail box/transfer file.

11. Dedicated Lines. When the number of vehicles being actively tracked by DTTS through a single SNSV consistently averages in excess of 100, the SNSV will be responsible for procuring, installing, and paying usage costs for a conditioned, dedicated line of at least 2400 bps between the DTTS central site computer and the SNSV computer. At such time, the SNSV and the DTTS Program Manager may mutually agree to establish a non-standard interface in an effort to speed up processing of data received, as long as this interface provides the same message information as would be received using the standard interfaces for new SNSVs in paragraph 6. above. Neither party is obligated to agree to a custom interface. Such interfaces must be agreed upon in writing and thoroughly tested prior to implementation.

12. The charge for this service will be SNS (1) <See Schedule> per mile, subject to a minimum charge of SNS (2) <See Schedule>.

#### **STOP-OFF IN TRANSIT (SOC)**

1. Stop-off in transit service (SOC) consists of stops between origin and destination to complete loading and/or to partially unload DOD shipments. SOC used for contractor or carrier convenience will not be subject to any additional charge.

2. When requested by the shipper, the carrier will provide stop off service to partially load/unload.

3. For a SOC directed by the shipper that is contraire to the contractor's optimal transportation solution, the contractor may charge for:

- a. Circuitous Routing. The contractor is entitled to: SOC(1) <See Schedule> for excess mileage when the mileage traveled to support the shipment exceeds the direct applicable mileage from origin to destination.
- b. Stop-off Charges. The charge for SOC will be SOC(2) <See Schedule> for each stop, excluding the initial pickup and the final delivery.

#### **STORAGE (SRG)**

1. Freight held in Contractor's possession because of an act or omission of the consignor or consignee, or for customs clearance, or inspection, or for any reason attributed to action by consignor or consignee, must be stored by the Contractor, subject to the following provisions and rates. The Contractor must not apply storage rates to astray and/or damaged freight. The Contractor may not apply storage rates for shipments presented for delivery prior to the Mandatory Delivery Date, unless the receiving activity was notified in advance of the availability for early delivery and agreed to accept the shipment on a specific earlier date.

2. Before Contractor can start assessing storage rates he must contact the shipper/receiver for redelivery or reconsignment of the shipment. Storage rates may not be assessed sooner than 24 hours after the Contractor has contacted the receiver for redelivery instructions. Storage rates under this item must end when the consignor or consignee, or customs official advises the Contractor to deliver or transport the freight.

3. The Contractor must notify shipper and receiver in writing of the commencement of storage rates for shipments in the possession of the Contractor.

4. Follow-up written notification must be made after the 30th day of storage, and every 30 days afterwards, until the shipment is delivered.

5. No storage rates will be assessed when delivery cannot be accomplished due to riots, acts of God, the public enemy, the authority of law, the existence of violence or such possible disturbance, as may tend to create reasonable apprehension of danger to persons or property.
6. The Contractor must not sell DOD freight to satisfy storage or other transportation charges nor must the Contractor place DOD freight in a public warehouse.
7. Seizure of Cargo: The Contractor agrees that it shall not assert any type of lien on any property shipped under this contract. The Contractor further agrees that it shall not take any action to seize, arrest, hold, or otherwise detain any shipment through any judicial process in the United States or through any other means whatsoever.
8. Freight stored in the Contractor's possession, until such time as Contractor has been notified as specified above, will be subject to the following charges:
  - a. Shipments weighing less than 10,000 pounds will be subject to SRG of SRG(1) <See Schedule> per day per shipment, subject to a minimum charge of SRG(2) <See Schedule> per shipment.
  - b. Shipments weighing 10,000 pounds or more will be subject to SRG of SRG(3) <See Schedule> per day per shipment, subject to a minimum charge of SRG(4) <See Schedule> per shipment.
9. Rates for storage must be billed and submitted separately, and not included on the Shipping Document. Rates for storage must be billed directly to shipper or receiver responsible for ordering services.
10. No storage charges are allowable for freight held for the convenience of the contractor.

**VEHICLES FURNISHED BUT NOT USED (VFN)**

1. When a carrier, upon shipper's request, furnishes a vehicle and through no fault of the carrier the shipper cancels loading/movement of the vehicle, the carrier will be entitled to a charge of VFN(2) <See Schedule> per incident for each vehicle furnished and not used. This flat charge may not exceed the line-haul transportation charges applicable from the scheduled loading point to scheduled destination.
2. Claim for collection of charges under VFN shall be supported by shipper's certification of cancellation.
3. VFN charges will not apply when:
  - a. A vehicle is rejected by the shipper upon inspection that such equipment is considered unfit for the required transportation.
  - b. Notice of cancellation is received by the carrier prior to actual dispatch of vehicle from carrier's terminal.
  - c. Carrier is inbound with a loaded trailer which is scheduled for outbound loading from the same installation.
4. Claim for collection of rates under this item must be supported by shipper's certification of cancellation. Charges and documentation must be submitted within 5 working days after receipt of shipper's certification of cancellation.

**AIR****AIR OVERSIZED FREIGHT (520)**

1. Consignor must make advance arrangements with the contractor to transport the following oversized shipments:
  - a. Piece(s) which exceed 125 inches in length and/or prevent other freight from being loaded on the same pallet(s) because of special tie-down requirements.
  - b. Piece(s) which exceed 88 inches in width but are less than 125 inches in length and/or prevent other freight from being loaded on the same pallet(s) because of special tie-down requirements.
  - c. Piece(s) which exceed 59 inches in height.
  - d. Shipments which exceed 300 inches in length and girth combined shall be defined as an oversized shipment.
2. If transportation for such shipments will be provided on pallets (width 88 inches, length 125 inches), carrier will not assess a rental charge for the use of the pallets.
3. Charges: (stated in whole percents only)
  - a. On shipments of oversized freight, as described in paragraph 1a-1d above, carriers will be entitled to a surcharge of 520(1) <See Schedule>.



### RAIL

Other services maybe required to affect successful rail movements of freight to satisfy the requirements of the consignor and/or consignee or overcome infrastructure and/or equipment and manpower limitations. Such other services may include but are not limited to the contractor providing a switch engine at origin and/or destination, providing portable ramps at origin and/or destination, securing and releasing loads, etc. In instances where services such as these are requested or required, the contractor shall notify the DTCI PM and the Contracting Officer of the circumstances and settle upon a pre-negotiated and agreed upon rate or fee for providing the services prior to the commencement of action.

### DEMURRAGE (STRAIGHT) (DEM)

The following demurrage rules and charges apply on all traffic at all points of participating carriers.

a. NOTICE OF ARRIVAL. Notice of arrival shall be sent or given by the railroad to the consignee or party entitled to receive same within 24 hours, exclusive of Saturday, Sunday or holidays, of arrival of shipment at destination or hold point. The notification shall include car initials and number, commodity, points of shipment, and hold point if car is constructively placed short of the billed destination. When the required notice of arrival is not sent or given within the prescribed 24 hours after arrival, time will be computed from the first 7:00 AM after such notice was actually sent or given.

b. FREE TIME. Free time will be computed from the first 7:00 AM after actual or constructive placement has been made. Computation of free time will not begin until after the MDD as stated on the shipping document. Saturday, Sunday and holidays will be excluded in computing free time. Free time will be allowed for each car as follows:

DEM (1) <See Schedule> hours for loading.

DEM (2) <See Schedule> hours for unloading.

c. DEMURRAGE CHARGES. After expiration of free time, the following charges per car per day or fraction thereof will be assessed until car is released.

DEM (3) <See Schedule> for each of the first four days.

DEM (4) <See Schedule> for each of the next two days.

DEM (5) <See Schedule> for each subsequent day.

d. END OF DEMURRAGE.

(1) Demurrage will end when the consignor or consignee notifies authorized personnel of the railroad, either by telephone or electronic message, that the car has been loaded or unloaded and available to the railroad. Information given must include the identity of the consignor or consignee, party furnishing the data and car initial and number, with recording of such information being maintained by the railroad, including date and time of receipt and identity of party receiving the information. This recorded date and time will govern the release of the car.

(2) When the consignor or consignee cannot furnish the required information because of authorized personnel of the railroad not being on duty to accept the information, the consignor or consignee will have until 9:00 AM of the next day on which the railroad has such personnel on duty to furnish advice as to when the car was made available and the car will be considered released at the date and time it was loaded or unloaded and made available to the railroad.

e. UNLOADING AND RELOADING OF SAME CAR. When the same car is unloaded and reloaded, each transaction will be treated as independent of the other. Free time for reloading shall not begin until the first 7:00AM after unloading is completed and notification is given the railroad in accordance with paragraph d of this item.

f. GOVERNMENT SWITCHING OF CARS PLACED ON INTERCHANGE TRACKS. On loaded or empty cars for delivery on interchange tracks where the Government or contractors for the Government perform the switching service, time will be computed from the first 7:00 AM after actual or constructive placement on such tracks and continue until the cars are returned to the same or another interchange track and advice is given in accordance with paragraph d of this item.

g. RAILROAD FURNISHED CAR (S) IN LIEU OF CAR (S) ORDERED. When two or more cars are furnished by a railroad for its convenience in lieu of the car(s) ordered, demurrage will be applied only on the basis of the car(s) ordered.

h. GOVERNMENT CARS ON PRIVATE TRACKS. Government owned or leased cars on government owned tracks or government owned or leased cars on government contractor owned tracks will not be subject to demurrage charges.

i. GOVERNMENT CARS ON RAILROAD TRACKS. When Government owned cars are kept on railroad owned tracks for the convenience of the railroads, the detention directly chargeable thereto will be eliminated in computing



demurrage. Government owned cars kept on railroad owned tracks at the request of the shipper or consignee will be subject to demurrage charges provided in this item.

j. **STRIKE INTERFERENCE.** When it is impossible to load or unload or receive cars from or make available to a railroad because of strike interference at the point where loading or unloading is to be accomplished, the following will apply:

(1) Detention from the first 7:00 AM after such interference begins until the first 7:00 AM after interference ceases will be excluded from computing time and charges, provided a written claim is submitted to the railroad within 30 days of the date the interference ceases.

(2) The detention both before and after the period of interference will be consolidated into one period of detention.

k. **BUNCHING.**

(1) A situation when railcars are accumulated in excess of those ordered for the purpose of loading or unloading, or when railcars are gathered in quantities that exceed the capacity of the tracks and unloading facilities, it creates a condition known as bunching.

(2) When by reasons of delay or irregularity in filling orders, or as the result of an act or neglect of the railroad or because of weather interference described in paragraph l below, cars are bunched and placed for loading or unloading in accumulated numbers in excess of the daily placing as ordered or in excess of the number daily received, the Government will be allowed such free time for loading or unloading as it would have been entitled to had the cars not been bunched.

(3) A claim in writing within thirty days (30) of receipt of demurrage bill must be presented to the railroad, certifying initial and number for each car in the bunching claim.

l. **WEATHER INTERFERENCE.** When because of severe weather conditions, floods, earthquakes, hurricanes or tornadoes and conditions in the area are such that it is impossible to load or unload, the detention directly chargeable thereto will be eliminated in computing demurrage, provided the consignor/consignee advises the railroad of the nature and duration of the weather interference at or prior to the time car is released.

#### **EMPTY CARS ORDERED BUT NOT USED (ECS)**

1. Where empty cars are placed or spotted on orders but not used in transportation service, a charge of ECS (1) <See Schedule> per car will be assessed and this charge will be in addition to all other charges.

2. The provisions of this item are not applicable on cars placed for the convenience of the carrier, or on cars refused, or due to the defective or unfit condition of cars for loading.

#### **IDLER CAR (IDC)**

Shipments which because of length require one or more idler cars will be subject to a charge of IDC (1) <See Schedule> per idler car, in addition to all other applicable transportation charges.

#### **LOADING AND UNLOADING**

1. Consignors must load all cars, trailers, and containers in accordance with the loading rules contained in Association of American Railroads "Open Top Car loading Manual;" AAR Circular 42-G, Loading of Carload Shipments in closed cars, or other appropriate AAR commodity loading publications and revisions thereof (see TEA PAM 55-19 edition 6 or most current version, available at: <http://www.tea.army.mil/pubs/Deploy.asp> ); or as approved by rail carriers involved. All unused secure devices must be returned to and stored in the same car from which removed and devices must be secured.

2. Consignee, to complete unloading, must remove all lading, non-railroad owned dunnage, blocking, bracing, strapping, and any other non-railroad owned material that was part of the inbound shipment and secure interior equipment. Consignee is required to return and secure to same car all railroad owned secure devices removed to complete unloading, securely lock all bulkhead doors, and close all exterior doors and hatches.

#### **MILEAGE ALLOWANCE**

The mileage allowances set forth in Mileage Allowances and Rules Tariff, STB RPS 6007-Series (PHJ Series), issued by RAILINC, agent will be the minimum allowances accepted by the Government from the contractor for use of Government owned rail cars, with the following exception:

If cars lettered DODX, USAX, USNX, or DAFX are used the following provisions apply to cars in the listed number series:



- a. Mileage allowances shall be paid for all movements, loaded or empty, which generate revenue for the carrier.
  - b. Mileage allowances shall be paid at the specified rate in US dollars, regardless of where the mileage is accumulated.
  - c. Mileage allowance shall be paid per actual revenue mile as follows:
- | CAR SERIES  | \$ Per Mile | Type of Cars                         |
|-------------|-------------|--------------------------------------|
| 900-905     | \$0.50      | Cabooses                             |
| 20000-29499 | \$0.30      | Box Cars                             |
| 29500-29508 | \$1.00      | Refrigerator Cars                    |
| 29509-29999 | \$0.30      | Box Cars                             |
| 30000-35999 | \$0.50      | Flat Cars, Varied                    |
| 36000-36999 | \$1.00      | Flat Cars, Refrigerated Containers   |
| 37000-39999 | \$0.50      | Flat Cars, Varied                    |
| 40000-40999 | \$0.376     | 68 ' Flat Cars, chain tie-down, COFC |
| 41000-49999 | \$0.30      | Flat Cars, Chain tie-down, COFC      |

#### **SUBSTITUTION OF FREIGHT CARS**

1. When a car order is placed by transportation officer and the contractor and/or rail carrier is unable to furnish a car of the length and/or capacity ordered, the contractor and/or rail carrier, for its own convenience, may substitute a car of greater length and/or capacity; or may substitute two or more cars which equal or exceed the length and/or capacity of the car ordered. The cars replacing those ordered must contain the same equipment, i.e., with chain tie-down devices, as the cars originally ordered. For example, if a transportation officer orders two (2) 89-foot flatcars with chain tie-down devices, a rail carrier, for its own convenience, may substitute three (3) 60-foot flatcars with chain tie-down devices; or, as another example, a rail carrier may substitute two (2) 89-foot flatcars in lieu of one (1) bi-level car ordered. The freight charges will be assessed on the basis of the car(s) ordered.

2. In order to differentiate between cars which are furnished for substitution and cars which are furnished to order, the consignor will annotate on the Shipping Documents both the size of the car(s) ordered and the size of the car(s) furnished. When shipments are to be made in closed cars exceeding 4,150 cubic feet capacity, both the length and cubic capacity of the car(s) ordered and the car(s) furnished will be shown on the Shipping Documents. The substituted cars will be designated on the bill of lading by car numbers.

#### **WEIGHT ALLOWANCES - RAIL**

##### **1. Dunnage.**

- a. The term "Dunnage" includes any temporary blocking, flooring, lining, racks, standards, strips, stakes or similar bracing or supports which do not constitute a shipping package or container and which is not part of the conveyance. Dunnage, when required to protect and secure shipments for transportation, must be furnished and installed by the shipper at shipper's expense.
- b. The gross weight of the shipment and the actual dunnage weight must be stated separately on the SHIPING PAPERS by the shipper.
- c. When shipments are loaded in closed rail cars or on open rail cars (other than shipments in MILVANS, trailers or containers), an allowance will be made for actual weight of the dunnage, but not to exceed 2,000 pounds per each car in the shipment.
- d. When shipments are loaded in MILVANS, or in trailers/containers on flat cars (TOFC/COFC), an allowance will be made for actual weight of the dunnage, but not to exceed 500 pounds per each MILVAN, trailer, or container.
- e. Any weight of dunnage in excess of that stated in paragraphs 1c and 1d above will be assessed at the rate applicable to the article being transported. If mixed shipment, the weight of any excess dunnage will be assessed at the rate applicable to the lowest rated article in the shipment.
- f. The term "Dunnage" does not include excelsior, hay, sawdust, shavings, shredded paper, straw, packing cushions or pads or similar packing material.
- g. No allowance will be made for dunnage used in connection with bulk freight in closed cars.

##### **2. Pallets.**

- a. The term "Pallets" includes pallet sides, platforms, risers, runners, skids, fillers, separators, shrouds, covers, deck boards, metal braces, collapsible shipping bins, racks or shipping devices, used, iron or wood or iron and wood combined.
- b. The gross weight of the shipment and the actual pallet weight must be stated separately on the Shipping Documents by the shipper.
- c. When shipments are loaded in closed rail cars or on open rail cars (other than shipments in MILVANS, trailers, or containers), an allowance will be made for actual weight of the pallets, but not to exceed 2,000 pounds per each car in the shipment.
- d. When shipments are loaded in MILVANS, or in trailers/containers on flat cars (TOFC/COFC), an allowance will be made for actual weight of the pallets, but not to exceed 800 pounds per each MILVAN, trailer or container, subject to a maximum weight allowance of 2,000 pounds per each car in the shipment.
- e. Any weight of pallets in excess of that stated in paragraphs 2c and 2d above will be assessed at the rate applicable to the article being transported. If mixed shipment, any weight in excess thereof will be assessed at the rate applicable to the lowest rated article in the shipment.
- f. When material not part of the pallet is used to protect top of lading or secure the load of the pallet, allowance will be made for the weight of the pallet, but not for the weight of such material.

PWS APP D - EXCEPTION CODES

Defense Transportation Coordination Initiative

Performance Work Statement

Appendix D

Exception Codes

28 March 2008



For quality assurance measurement purposes, the time clock for measuring “on-time pick up and delivery” will not be considered to automatically stop for any reason. Exceptions not addressed in this appendix, will not be recognized by the government.

DTCI provides for a standard set of eight EDI exception codes (below) will be used for instances where the DTCI Coordinator cannot perform because of factors beyond its control. The DTCI Coordinator will electronically notify (e.g., e-mail, web notification) the affected site(s), Service/Agency COR (associated with the site), and the DTCI PMO that an exception code(s) is used within 24 hours of the event and providing the required documentation listed below. The assigned site representative (TO, OO) at the affected site will evaluate the circumstances surrounding the situation, and either approve or deny the request for exception within 24 hours from the DTCI Coordinator’s initial request. TOs will indicate denial of the exception code via an electronic forum (web-based and/or e-mail). The TO will provide the coordinator (copy COR) the reason for the denial (e.g., exception code used: AM – site closed for pickup at 1000L. Denied: Gate closed for 15 minutes due to security alarm. Gate re-opened at 1015L. Driver should have waited or called prior to departing.)

The DTCI Coordinator will have the opportunity to appeal the denied exception code directly with the Service/Agency COR. Coordinator will provide its justification why the exception code should be allowed. Service/Agency COR will contact affected site TO requesting its justification for denial (if not previously copied). Service/Agency CORs will accept or reject the exception.

Access to these reports should be provided via the contractor’s web-based application that allows the government to view, download, and print such reports as needed. Reports must be retained on file for the same amount of time as required of the basic shipment record and history file.

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**Pick-up and Delivery Exception Codes****Code****Appointment required at delivery site****HB**

Contractor will be expected to comply with the pre-appointment policies of the receiving activity. Only exceptions allowed will be if the delivery site refuses to grant an appointment that was made in accordance with the receiving location’s standard policies on advance notice and normal delivery hour requirements. Minimum documentation required must include mandatory delivery date, actual delivery date, date & time the initial request was made, name, title, and phone number of delivery location receiving official that refused to grant an appointment and reason given for not making the appointment. In addition, the name of driver or contractor’s representative that requested the appointment shall be included.

**Appointment required at pick-up site****HB**

Contractor will be expected to comply with the pre-appointment policies of the shipping activity. Only exceptions allowed will be if the shipping activity refuses to grant an appointment that was made in accordance with the shipper's standard policies on advance notice and normal pick-up hour requirements. Minimum documentation required must include required pick-up date, actual pick-up date, date & time the initial request was made, name, title, and phone number of shipping official that refused to grant an appointment and reason given for not making the appointment. In addition, the name of the driver or contractor's representative that requested the appointment shall be included.

**Installation closed when delivery was attempted during normal business hours**

B1

Contractor will be expected to comply with normal business hours, or pre-appointment policies (if applicable) of the receiving activity. Only exceptions allowed will be if the carrier met the pre-appointment rules of the receiving activity, made the proper appointments, and arrived at the receiving activity's site at the appointed date and hour - and found the activity to be closed. Minimum documentation required must include mandatory delivery date and time, actual attempted delivery date & time, and the name, title, and phone number of anyone at the receiving installation, such as a gate guard, that can verify that the receiving activity was closed at the time the attempt was made. In addition, the name of the driver or contractor's representative that attempted to make the delivery shall be included.

**Installation closed when pick-up was attempted during normal business hours**

AM

Contractor will be expected to comply with normal business hours, or pre-appointment policies (if applicable) of the shipping activity. Only exceptions allowed will be if the carrier met the pre-appointment rules of the shipping activity, made the proper appointments, and arrived at the shipper's activity's site at the appointed date and hour - and found the activity to be closed. Minimum documentation required must include required pick up date and time, actual attempted pick up date & time, and the name, title, and phone number of anyone at the shipper's installation, such as a gate guard, that can verify that the receiving activity was closed at the time the attempt was made. In addition, the name of the driver or contractor's representative that attempted to make the delivery shall be included.

**Holiday – installation was closed**

AN

This exception situation should not occur since contractor is normally required to comply with the normal operation hours of the pick up and delivery locations. In the event the required pick up date or mandatory delivery date falls on a Holiday, the contractor is expected to point that out to the shipper before accepting the load and request that the date of pick-up and delivery be adjusted accordingly. Failure to do this will result in the exception report being considered invalid. Minimum documentation required must include scheduled pick up date and time or delivery date and time, the date and name of the Holiday that conflicted with either of those dates, and the name, title, and phone number of the person at either location that would not adjust the pick up or delivery date when the Holiday schedule conflict was made known to the shipper's location. In addition, the name of the driver or contractor's representative that attempted to resolve the pick up and delivery date conflict, in advance, with the government official shall be included.

**Local emergency/Act of God**

AU

These exception reports will be judged on a case by case basis. Minimum documentation required must include the scheduled pick up date and time or delivery date and time and a written narrative explanation that describes the local emergency or Act of God that prevented meeting the scheduled pick up or delivery.

**Customer wouldn't accept delivery until after mandatory delivery date**

AD



Contractor will be expected to comply with the pre-appointment policies (if applicable) of the receiving activity. Carrier must contact the DTCT coordinator (contractor) immediately for resolution if instructed to delay delivery after an appointment has been scheduled and the movement is in progress. Coordinator will make a reasonable attempt to resolve the issue with the receiving activity and avoid a re-delivery charge. If, at the time of making the delivery appointment, the receiving activity request delivery be made after the mandatory delivery date, the shipment delivery date will be adjusted to the new date, provided the following minimum documentation is provided; mandatory delivery date, new, requested delayed delivery date, actual delivery date, date & time the coordinator or carrier was requested to delay the delivery, name, title, and phone number of delivery location receiving official that made the request, and name of driver or contractor's representative that received the requested delay.

**Weather conditions prohibited pick up or delivery**

AO

Severe weather conditions that prohibited the safe operation of the DTCT coordinator or its carriers' equipment from making pick up or delivery of a shipment will be considered valid if caused by ice, snow, or floods that rendered the route to or from a pick up or delivery location impassable or prevented access into or out of a DoD installation. Required documentation should include the driver's name, carrier, scheduled pick up and delivery date, the date and time the driver determined the situation to be unsafe to continue movement of the freight, and the reason (icy roads, snow, or flooding). And the date the shipment was finally completed.

The following have been modified:

**PERFORMANCE WORK STATEMENT**

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**SUMMARY OF CHANGES**

SECTION C - DESCRIPTIONS AND SPECIFICATIONS

**PART I – THE SCHEDULE**

**SECTION C**

**DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**

# **Defense Transportation Coordination Initiative (DTCT)**

# Performance Work Statement

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**Performance Work Statement  
Defense Transportation Coordination Initiative (DTCI)**

**1. Description of Services**

**1.1 General Description.**

**1.1.1 Goals.** The contractor shall perform transportation coordination services in a manner that will improve the reliability, predictability, and efficiency of Department of Defense (DoD) materiel moving within the Continental United States (CONUS). It is the goal of the government to:

- 1.1.1.1 Improve operational effectiveness
- 1.1.1.2 Support strong small business participation
- 1.1.1.3 Improve customer confidence
- 1.1.1.4 Reduce cycle times (defined as time from request for movement to delivery)
- 1.1.1.5 Increase efficiencies
- 1.1.1.6 Develop a partnership to integrate commercial best practices
- 1.1.1.7 Enable process improvements
- 1.1.1.8 Achieve cost savings
- 1.1.1.9 Integrate seamlessly with the DoD Strategic Distribution System
- 1.1.1.10 Protect operational capability like a DoD critical infrastructure asset

**1.1.2 Transportation Coordination Services.** Transportation coordination services include, but are not limited to (for specific tasks refer to paragraph 1.4 below):

- 1.1.2.1 Arranging, coordinating, monitoring, and controlling freight shipments from receipt of shipment request through final delivery
  - 1.1.2.1.1 Actual freight transportation from pickup to delivery
- 1.1.2.2 Determining appropriate mode of transportation based on shipper requirements (i.e., freight characteristics, equipment type) and mandatory delivery date (MDD)
- 1.1.2.3 Performing shipment optimization, consolidation, and routing services as applicable
- 1.1.2.4 Performing pre-audits, processing and making payments to sub-contractors and carriers for services provided
- 1.1.2.5 Accepting, processing, and facilitating the resolution of claims resulting from loss or damage
- 1.1.2.6 Managing carriers, carrier quality and performance
- 1.1.2.7 Assisting in identification and delivery of astray freight
- 1.1.2.8 Interfacing with appropriate government systems for information exchange
- 1.1.2.9 Providing in-transit visibility (ITV) and real-time access to shipment information
- 1.1.2.10 Providing management information reports and access with download capability of customer data for all shipment information
- 1.1.2.11 Providing continuous process improvement recommendations and implementation of approved process changes as directed by government
- 1.1.2.12 Partnering with diverse stakeholders to enhance the readiness of DoD's Strategic Distribution System
- 1.1.2.13 Protecting the operational capability of critical transportation infrastructure for essential DoD requirements

**1.1.3 Exclusions.** The following shipment types are excluded from this contract:

- 1.1.3.1 OCONUS freight movements beyond Port of Embarkation
- 1.1.3.2 Vendor shipments (except when requested under the provision of 1.1.4 below)
- 1.1.3.3 OCONUS Unit Moves
- 1.1.3.4 Universal Services Contract and Regional Domestic Contract ocean carrier contracts
- 1.1.3.5 Household goods to include Direct Procurement Method (DPM) shipments
- 1.1.3.6 Movements using DoD organic equipment (unless otherwise identified in this PWS)
- 1.1.3.7 Shipments under on-site local drayage contracts and/or agreements

- 1.1.3.8 Bulk and missile fuels
- 1.1.3.9 Shipments moved under existing Small Package contracts (less than 150 pounds)
- 1.1.3.10 Privately owned vehicles (POV) moved via any conveyance
- 1.1.3.11 Sensitive and/or classified shipments
- 1.1.3.12 Arms, Ammunition and Explosives (AA&E)
- 1.1.3.13 Cash/Collect on Delivery (C.O.D) Shipments

1.1.4 **Optional Services.** Government shippers are not required to utilize the DTCI under this contract for CONUS unit movements or vendor shipments. However, if requested, the contractor shall provide transportation services for requested portions of a CONUS Unit Move (for cargo not exempted under paragraph 1.1.3 above) or vendor shipments.

1.2 **Implementation.** The DTCI will be implemented through a spiral phased approach. Spiral I, the only spiral to be implemented under this contract, will include three phases. Phase I will include 18 Defense Distribution Centers (DDC's) as identified in Figure 1. Phase II will include selected DoD shippers within close proximity of the DDC's and selected aerial ports. Phase III will include additional selected Service shipper locations.

1.2.1 **Changes to Implementation Schedule.** Shipper locations may be revised dependent on DoD structural changes, alignments, operational tempo, and business process changes. In support of any such changes to the implementation schedule, the CO may negotiate an equitable adjustment in accordance with FAR 52.243-1, Changes-Fixed Price and FAR 52.243-2, Changes-Cost Reimbursement.

1.2.2 **Implementation Expectations.** The Government *requires* that the contractor be able to receive, acknowledge, process and support all DTCI shipments for all locations as identified in Table 1. The Government *desires* that the contractor be able to receive, acknowledge, process and support all DTCI shipments at each location identified in Table 2 by the last day of the month indicated per location. Note: The contractor shall begin implementation at the first location identified below and work successively through the remainder of all locations in the order given below:

Figure 1: DDC's Locations

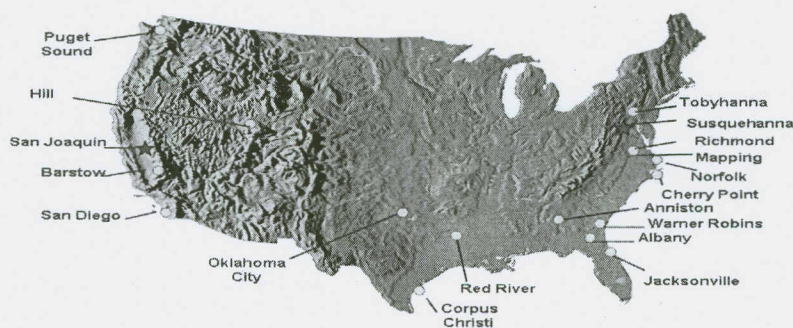


Table 1. Phase I Required Implementation Schedule

<u>Location</u>	<b>Required Implementation</b>
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	<u>Complete Dates</u>
DDPW – Puget Sound, WA DDDC – San Diego, CA DDCT – Corpus Christi, TX	Contract restart + 165 days
DDRT – Red River, TX DDBC – Barstow, CA DDJC – San Joaquin, CA	Contract restart + 285 days
DDOO – Oklahoma City, OK	Contract restart + 12 months
DDHU – Hill AFB, UT	Contract restart + 13 months
DDSP – Susquehanna, PA	Contract restart + 14 months
DDNV – Norfolk, VA	Contract restart + 15 months
DDAG – Albany, GA	Contract restart + 16 months
DDJF – Jacksonville, FL	Contract restart + 17 months
DDAA – Anniston, AL	Contract restart + 18 months
DDTP – Tobyhanna, PA	Contract restart + 19 months
DDWG – Warner Robins, GA	Contract restart + 20 months
DDCN – Cherry Point, NC	Contract restart + 21 months
DDRV – Richmond, VA	Contract restart + 22 months
Defense Mapping Agency Richmond, VA	Contract restart + 22 months

NOTE: Refer to PWS definition for “Contract Restart.”

- 1.2.3 Program Management Reviews.** The contractor shall conduct two Program Management Reviews (PMRs) during the Phase I implementation as follows: The first PMR shall be held within 20 days after completion of the DDCT – Corpus Christi TX location. The second PMR shall be held within 20 days after completion of the DDJC – San Joaquin, CA location. These PMRs will be conducted to evaluate current progress of the DTIC implementation to determine necessary changes or adjustments to schedules, identify areas of improvement, evaluate enhanced readiness and critical infrastructure protection, and develop lessons learned to ease/speed implementation at future locations. After completion of the second PMR, the contractor shall then conduct subsequent monthly PMRs. These meetings will be scheduled as far in advance as possible to facilitate preparation and travel arrangements. All PMRs will be held at or in the vicinity of Scott AFB IL. All PMRs will include review and discussion of the government assessment and a contractor self-assessment. The contractor shall prepare and distribute a PMR agenda and supporting documentation to attendees NLT 3 days prior to each scheduled PMR. The contractor shall complete and distribute PMR minutes within 10 days following each PMR.

- 1.2.4 Phase I.** Phase I will include DDCs as shown in Figure 1 above. The Phase I Desired Implementation Schedule is listed below in Table 2.

**Table 2. Phase I Desired Implementation Schedule**

Order Number	Depot	Desired Implementation Complete Date
1	DDPW Puget Sound, WA	Contract restart + 105 days
2	DDDC San Diego, CA	Contract restart + 135 days
3	DDCT Corpus Christi, TX	Contract restart + 165 days
	<i>Program Management Review</i>	
4	DDRT Red River, TX	Contract restart + 225 days
5	DDBC Barstow, CA	Contract restart + 255 days
6	DDJC San Joaquin, CA	Contract restart + 285 days
	<i>Program Management Review</i>	
7	DDOO Oklahoma City, OK	Contract restart + 12 months
8	DDHU Hill AFB, UT	Contract restart + 13 months
9	DDSP Susquehanna, PA	Contract restart + 14 months
10	DDNV Norfolk, VA	Contract restart + 15 months
11	DDAG Albany, GA	Contract restart + 16 months
12	DDJF Jacksonville, FL	Contract restart + 17 months
13	DDAA Anniston, AL	Contract restart + 18 months
14	DDTP Tobyhanna, PA	Contract restart + 19 months
15	DDWG Warner-Robins, GA	Contract restart + 20 months
16	DDCN Cherry Point, NC	Contract restart + 21 months
17	DDRV Richmond, VA	Contract restart + 22 months
18	Defense Mapping Agency Richmond, VA	Contract restart + 22 months

NOTE: Refer to PWS definition for "Contract Restart."



- 1.2.5 Phase II and III.** Phase II (Table 3) and Phase III (Table 4) sites have been determined by Service headquarters. Phase II co-located site implementations will not precede implementation at the co-located DDCs. Required rollout dates are the last day of the month as listed below in Tables 3 and 4.

**Table 3. Phase II Required Implementation Schedule**

	<b>Co-located Depot Location</b>	<b>Phase II Co-located Sites and Aerial Port Locations</b>	<b>Co-located Site Required Implementation Complete Date</b>
1	DDCT Corpus Christi, TX	NAS Corpus Christi, TX	Contract restart + 10 months
		NAS Kingsville, TX	Contract restart + 10 months
2	DDPW Puget Sound, WA	Naval Undersea Warfare Center Division, Keyport, WA	Contract restart + 11 months
		FISC Puget Sound DET, Everett, WA	Contract restart + 11 months
		FISC Puget Sound, Bremerton, WA	Contract restart + 11 months
		TRIDENT REFIT FAC Bangor, Silverdale, WA	Contract restart + 11 months
		Fort Lewis, WA	Contract restart + 11 months
		USPFO, Camp Murray, WA	Contract restart + 11 months
3	DDDC San Diego, CA	MCAS Miramar, CA	Contract restart + 12 months
		SPAWAR SYSCEN, San Diego, CA	Contract restart + 12 months
		FISC North Island, San Diego CA	Contract restart + 12 months
		USPFO, San Luis Obispo, CA	Contract restart + 12 months
4	SUU Travis AFB, CA	Travis AFB, CA	Contract restart + 14 months
5	DDHU Hill AFB, UT	Air Force Logistics Center (OO-ALC/LMSS) Hill AFB, UT	Contract restart + 15 months
		Hill AFB, UT	Contract restart + 15 months
		USPFO Draper, UT	Contract restart + 15 months
6	DDSP New Cumberland, PA	Navy NAVICP Code OSM, Mechanicsburg, PA	Contract restart + 16 months
		Naval Nuclear Propulsion Program, Naval Reactors Office, Mechanicsburg, PA	Contract restart + 16 months

		Charles E Kelly Support Center, Annville, PA	Contract restart + 16 months
7	DDNV Norfolk, VA	FISC Norfolk DET NSY, Portsmouth, VA	Contract restart + 17 months
		NAS Oceana, Virginia Beach, VA	Contract restart + 17 months
		FISC Ocean Terminal, Norfolk, VA	Contract restart + 17 months
		NAVAIRTERM, Norfolk, VA	Contract restart + 17 months
		SUPSHIP CONV Repair, Newport News, VA	Contract restart + 17 months
		SPAWARSYSCEN CHAS DET, Norfolk, VA	Contract restart + 17 months
		Military Sealift Fleet Support Command, Norfolk, VA	Contract restart + 17 months
		Langley AFB, VA	Contract restart + 17 months
		Fort Eustis, VA	Contract restart + 17 months
8	DDRV Richmond, VA	Ft. Lee, VA	Contract restart + 24 months
9	DDJF Jacksonville, FL	NAS Jacksonville, Jacksonville, FL (Includes FISC Jacksonville and Naval Station Mayport)	Contract restart + 19 months
		USPFO Florida, Melbourne, FL	Contract restart + 19 months
10	DOV Dover AFB, DE	Dover AFB, DE (Host Base Logistics Readiness Squadron and AMC Aerial Port Squadron traffic Management Operations)	Contract restart + 20 months
11	CHS Charleston, SC	Charleston AFB, SC (Host Base Logistics Readiness Squadron and AMC Aerial Port Squadron traffic Management Operations)	Contract restart + 21 months

NOTE: Refer to PWS definition for "Contract Restart."

**Table 4. Phase III Required Implementation Schedule**

Service	Service Activity/Location	Required Implementation Complete Date
USA	Fort Hood, TX	Contract restart + 23 months
	Fort Knox, KY	Contract restart + 23 months
	Fort Bliss, TX	Contract restart + 23 months
	Fort Leonard Wood, MO	Contract restart +



		23 months
	Fort Bragg, NC	Contract restart + 23 months
USN	FISC ATAC San Diego, CA	Contract restart + 24 months
	NAS LeMoore, CA	Contract restart + 24 months
	NAVWPNSCEN China Lake, China Lake, CA	Contract restart + 24 months
	NAS Whidbey Island, Oak Harbor, WA	Contract restart + 24 months
	NAV OCEANOGRAPHIC OFC, Stennis Space Center, MS	Contract restart + 24 months
	Portsmouth Naval Shipyard, Portsmouth, NH	Contract restart + 24 months
	Naval Operational Logistics Support Center, Norfolk, VA	Contract restart + 24 months
USAF	Davis Monthan AFB, AZ	Contract restart + 25 months
	Nellis AFB, NV	Contract restart + 25 months
	Eglin AFB, FL	Contract restart + 25 months
	McGuire AFB, NJ	Contract restart + 25 months

NOTE: Refer to PWS definition for "Contract Restart."

#### 1.2.6 Reserved.

#### Figure. 2 (Reserved)

1.2.7 **Phase Completion.** Phase I will be completed within 22 months of site implementation start. Phase II will be completed within 24 months of site implementation start. Phase III will be completed within 1 month of Phase II completion.

#### 1.2.8 Implementation Approach.

1.2.8.1 **Implementation Plan.** The contractor shall submit a detailed implementation plan (contractor developed format) to the PMO within 15 days of contract restart. The implementation plan shall address, at a minimum, establishing information systems communications; the joint test plan finalization; training of government personnel; and equipment availability required to move DoD freight, to include specialized equipment. The implementation plan shall identify the detailed chronological sequence of events which will be accomplished starting at contract award through assumption of responsibility by the contractor at each location. The PMO in turn will have 10 days from the latter of the due date or the date provided to the PMO to review and approve or return the implementation plan to the contractor for clarification or changes. The contractor shall accomplish implementation activities in a manner that will result in minimal disruption to existing operations at each location.

1.2.8.2 **Location Unique Requirements.** Due to the unique requirements of many of the shipping locations, the contractor and DoD shall partner to tailor the implementation approach to achieve the appropriate level of support at each location. The collaboration and partnership between the contractor and DoD will result in

documented "as is" business processes that pertain to the performance of this contract (there may be significant variations in operating processes by installation).

**1.2.8.3 Implementation Expectations.** During implementation, and prior to initiating shipments for the government under this contract, the contractor shall:

- 1.2.8.3.1** Establish information systems communications integration to meet DoD Information Assurance requirements (refer to paragraph 1.4.6.1) as specified in DoD Directive 8500.1, "Information Assurance."
- 1.2.8.3.2** Finalize and successfully complete a joint test plan to fully implement and operationally test/validate IT interoperability and integration. Integration must be successfully demonstrated before shipments start (refer to paragraph 1.2.8.4).
- 1.2.8.3.3** Provide training to government personnel on the use of the contractor's systems.
- 1.2.8.3.4** Provide required equipment

As implementation progresses through Phase I and the contractor achieves the system integration (including testing and validation) and performance parameters expected during implementation, the early planning and collaboration for Phase II with the contractor and the Services will begin. Phase III will follow a similar pattern as Phase II.

**1.2.8.3.5** The DTCI-PMO is planning to produce an informational video to describe roles and responsibilities within the DTCI program and cover DTCI day-to-day operations. The contractor shall allow video production crews to film on-site representatives (at the first two sites) and customer support center personnel (contractor's call center) in order to highlight the partnership between the DoD and the contractor. The video will be distributed to follow-on sites as part of DTCI's Change Management and Communications effort.

**1.2.8.4 Joint Test Plan.** The contractor shall prepare and deliver (NLT 15 days after contract restart) a draft DTCI test plan that details the development, integration, and operational testing approach. The DTCI test plan shall identify the testing strategy, schedule, procedures, failure tracking/resolution, and required resources (both government and contractor) to achieve the site rollout implementation time-line of this PWS. The test plan shall define the critical success criteria for development, integration, and operational test readiness. The PMO in turn will have 7 days from the latter of the due date or the date provided to the PMO to review and approve or return the draft test plan to the contractor for clarification or changes. The contractor shall prepare and deliver a final test plan 30 days after contract restart. The PMO will have 14 days from the latter of the due date or the date provided to the PMO to review and approve. To accommodate any site specific differences, the contractor shall deliver a site specific addendum to the DTCI test plan no later than 30 days prior to roll-out at each location. Upon conclusion of operational testing, the contractor shall prepare and deliver a test report that captures test results for each site no later than 14 days from the conclusion of site operation testing.

**1.2.9 Additional Sites.** The government may add and the contractor shall be required to implement additional sites throughout the period of performance of this contract. The contractor will be given 90 days advance notice in writing by the CO of the Government's intent to have additional site(s) implemented and the required implementation schedule. The government may require the Contractor to implement an additional 50 sites per year after successful Phase II implementation. In no event shall the number of sites under this contract throughout the total life cycle exceed 260.

**1.2.9.1 Additional Site Equitable Adjustment.** Additional sites may be subject to an equitable adjustment in accordance with FAR 52.243-1, Changes-Fixed Price and FAR 52.243-2, Changes-Cost Reimbursement. The contractor shall submit to the CO within 30 days after notification, a proposal for the proposed price adjustment and any required updates to the previously government-approved Implementation Plan based on the implementation of the new sites. The contractor shall not begin performance of the added site(s)



requirements until the CO has negotiated the price adjustment and issued a modification to the contract and respective task order authorizing and funding the additional workload.

**1.3 Specific Tasks Overview.** The following is the process flow of a typical shipment and the accompanying responsibilities of each party to the contract:

- 1.3.1 The DDC shipping activity will electronically provide the contractor all potential shipping requirements after weight and dimension determination.
- 1.3.2 The shipper will notify the contractor that a shipment is available.
- 1.3.3 The contractor shall electronically acknowledge shipment request.
- 1.3.4 The contractor shall arrange transportation services to meet shippers MDD.
- 1.3.5 The contractor shall electronically communicate transportation arrangements to the shipper.
- 1.3.6 The contractor shall telephonically, electronically, or by most timely means available, notify the shipper when pick-up will not be made as scheduled.
- 1.3.7 The shipper's Ordering Officer (See G-7) will complete and provide supporting shipment documentation, to include known accessorial charges, electronically to the contractor representative. This shipment documentation shall be in the form of a Bill of Lading (BoL) which will be considered the Task Order for transportation services under this contract.
- 1.3.8 The contractor shall ensure all equipment arrives operable, clean, safe, and odor-free for freight pickup.
- 1.3.9 The contractor's carrier shall make on-time pick up of the shipment defined as "within 8 operational hours of the request" unless a specific time is established during the implementation planning at each shipping location, i.e. dedicated/scheduled trucks. Rail (boxcar/flatcar) pick up will be coordinated with the shipper. Over dimensional /overweight permitted loads shall be picked up within 6 operational hours from receipt of permit. For scheduled trucks, pickup times shall be specifically agreed to and documented by the contractor and the government and will vary by site. Any changes to scheduled truck routes must be approved by the government.
- 1.3.10 The contractor shall manage all shipments to be free from loss and damage.
- 1.3.11 The government will deliver claims for loss or damage to the contractor for the purpose of facilitating resolution of the government claims with carriers. The contractor will facilitate the resolution of all government claims within 120 days from the time the contractor receives the claim and supporting documentation from the government.
- 1.3.12 The contractor shall provide pick-up confirmation electronically as prescribed by the government.
- 1.3.13 The contractor shall manage and electronically report exceptions affecting MDD.
- 1.3.14 The contractor shall provide track and trace capability of materiel in-transit via the contractor's web-based system and via transmission to government shipper systems in accordance with Table 6. Data Exchanges for DTCL.
- 1.3.15 The contractor shall arrange on-time deliveries to the consignee no later than the MDD.
- 1.3.16 The contractor's carrier shall make on-time delivery of the shipment, defined as "by the MDD" unless otherwise specified (for example: scheduled truck service with specified delivery window or expedited

service outside of normal delivery cycle.) If the contractor believes an MDD is unrealistic, the contractor shall notify the shipping site TO for resolution. If the contractor and the shipping site TO are unable to resolve the matter, the matter shall be referred to the DTIC Contracting Officer for final resolution.

- 1.3.17 The contractor shall electronically report delivery information to the government.
- 1.3.18 The contractor shall process and make timely and accurate payments to contractors/carriers for services provided.
- 1.3.19 The contractor shall provide electronic invoices to the government for transportation services performed. Reference specific invoicing procedures in Section G of the contract.
- 1.3.20 The contractor shall make performance measures and management information queries, to include ad hoc and canned reports, available electronically to all government stakeholders.

#### 1.4 Specific Tasks-Contractor Responsibilities

- 1.4.1 **Post-Award Conference.** Within 21 days after contract award, the government will host a contract post-award meeting at the PM office. This meeting will be held to: facilitate introduction of the key members of the PMO and contractor staffs; to review contract requirements, clarify the requirements for the implementation plan/schedule; and to address any other areas deemed necessary.

- 1.4.2 **Cost Savings.** Upon award, the Government will share historical baseline cost data with the contractor. The Government's established goal for costs savings under this contract is 19.1% below the baseline costs for the last 6 month increment of year 3 not for the entire period of performance. The Government expects the contractor to show significant annual progress toward that goal. At the end of Year 4, if the first option period is exercised, and throughout the remainder of the contract performance, the Government's established goal for cost savings under this contract is 23.2%. The Government expects the contractor to continue to seek additional savings opportunities and communicate these efforts with the Government. The baseline will be calculated as:

Baseline cost=Total baseline direct freight costs/total baseline weight/total baseline miles

Actual costs=(Actual direct freight costs + management services)/actual weight/actual miles

Savings=(Baseline cost-Actual cost)/Baseline cost

The savings will be calculated for the implemented locations. Total freight costs exclude accessorial and fuel surcharges. The contractor will report these actual costs and savings percentages on a semi-annual basis at least 10 days before the award fee evaluation period on an aggregate and per location basis.

#### 1.4.3 **Contractor Liability.**

- 1.4.3.1 **Confidentiality.** The contractor shall ensure confidentiality of all Government information obtained as a result of performance of this contract by ensuring such information is not released to any other party without specific Government approval.

#### 1.4.3.2 **Carrier Insurance.**

- 1.4.3.2.1 **Public Liability and Cargo Liability Insurance.** Ensure interstate transportation providers maintain the acceptable level of public liability and cargo liability insurance as required by Title 49 of the Code of Federal Regulations (CFR).



- 1.4.3.2.2 State Requirements.** For transportation providers that operate solely as intrastate carriers, public liability and cargo insurance shall be required at the level required by the state, except for deregulated states, for which public and cargo liability shall be the same as that required of interstate carriers.
- 1.4.3.2.3 In Force.** Ensure the insurance carried will be in force at all times during this contract or until such time as the transportation provider ceases providing service(s) under the DTIC contract. Insurance policy(s) must cover all equipment used to transport freight provided under the DTIC contract.
- 1.4.4 Carrier Management.** The contractor shall manage all facets of carrier management, to include carrier selection, and ensure that all carriers operating under the DTIC contract meet all requirements of Title 49 of the CFR.
- 1.4.4.1 Carrier Contracts.** The contractor shall establish, maintain, and manage all necessary subcontracts with carriers that move freight under this contract. The contractor shall manage needs for capacity due to seasonality within the established rates in the NTE rate tables in the contract. In the event of surge requirements as described in paragraph 1.4.5.27, an interim adjustment to the NTE rates may be authorized by the CO in advance of performance IAW Section H, paragraph H-9.
- 1.4.4.2 Seizure of Cargo.** Neither the contractor, nor any of its sub-contractors moving DoD freight shall assert any type of lien on any property shipped under this contract. The contractor further agrees that it shall not take any action to seize, arrest, hold, or otherwise detain any shipment through any judicial process in the United States or through any other means whatsoever. Additionally, the Government (or designated agents) reserves the right to retrieve/seize DoD freight from the contractor and its contractors' facilities and conveyances when such freight has been frustrated, or otherwise delayed due to labor unrest, work stoppages, bankruptcy, disasters, and other abnormal events beyond the contractor's operational control.
- 1.4.4.3 Freight Payment.** The contractor shall receive, process, and pay carriers and other sub-contractors efficiently and promptly, and as otherwise required by the terms of the contract.
- 1.4.4.4 Freight Payment Terms.** The contractor shall pay its subcontract carriers in a timely manner comparable to current DoD payment standards as established in the current DoD approved Third Party Payment Contract (usually within 3 to 5 days of confirmation of delivery and proper invoice receipt; however payment times vary.), and as otherwise required by the terms of the contract.
- 1.4.4.5 Subcontractor Carrier Freight Bill Pre-Audit.** The contractor shall complete a freight bill pre-audit of all carrier invoices. Carrier invoices must be audited accurately for the following:
- 1.4.4.5.1 Duplicate invoices.** Duplicates shall not be paid. This includes reviewing bills submitted for additional costs due the carrier and ensuring such invoices do not contain duplicate charges.
- 1.4.4.5.2 Rates.** Establishment of the carrier's invoiced rate must be through an effective rating engine that can accurately establish a rate within the confines of the contract for the following:
- 1.4.4.5.2.1** The contractor's contracted rates
- 1.4.4.5.2.2** Spot bid rates, if necessary
- 1.4.4.5.2.3** Begin and end dates on rates
- 1.4.4.5.2.4** Accessorial charges (e.g., fuel surcharge, detention, etc.)
- 1.4.4.5.3 Billing information.** Ensure carrier invoices identify the correct shipper or Service. This function must include the following:

**1.4.5.29.2** As directed in a time of national need, the contractor shall comply with efforts of the Secretary of Transportation to assist in planning, coordinating and executing movements in support of DoD missions.

**1.4.6 Information Technology (IT).** The contractor's enterprise transportation management technology capabilities shall meet the IT requirements outlined in this PWS. In addition, the contractor is solely responsible for operating and maintaining all IT requirements for execution of this contract with the exception of contract or government systems specified in this PWS.

**1.4.6.1 Security.** The contractor's enterprise technology shall maintain an appropriate level of confidentiality, integrity, authentication, non-repudiation, and availability that reflects a balance among the importance and sensitivity of the information and information access; threats and vulnerabilities; the trustworthiness of users and interconnecting systems; and the impact of impairment or destruction to the achievement of DoD goals and objectives. Additional detail on DoD Information Assurance (IA) requirements can be found in DoD Directive 8500.1, Information Assurance (IA), October 24, 2002; DoD Instruction 8500.2, Information Assurance (IA) Implementation, February 6, 2003; and Interim Department of Defense (DoD) Certification and Accreditation (C & A) Process (DIACAP) Guidance, 06 July 2006. These documents and additional information regarding IA can be found at the DoD Information Assurance Support Environment website: <http://iase.disa.mil/policy.html#DoD>. In some cases, PWS requirements may be more stringent than those specified in the 8500 series documents, e.g., System Availability. In those cases, the PWS shall have precedence.

**1.4.6.1.1 Outsourced IT-based process.** For DoD IA purposes, the contractor's enterprise technology will be categorized IAW DoDI 8500.2, Enclosure 3, as an outsourced IT-based process. This is a general term used to refer to outsourced business processes supported by private sector information systems, outsourced information technologies and outsourced information services.

**1.4.6.1.2 Mission Assurance Category (MAC) and Confidentiality Level (CL).** IA requirements are established in DoDI 8500.2 in the form of two sets of graded baseline IA controls – the Mission Assurance Category (MAC) and Confidentiality Level (CL). The MAC defines the basic IA controls for Integrity and Availability, while the CL rates the sensitivity of the information associated with the information system. For DTCl, the MAC will be Level III, and the CL will be Sensitive.

**1.4.6.1.3 Baseline IA Controls.** The combination of the MAC and CL determines the baseline IA control which the contractor's enterprise must achieve. For DTCl, compliance with the IA controls listed in Table 6 is required. Each IA control describes an objective IA condition achieved through the application of specific safeguards, or through the regulation of specific activities. The objective condition is testable, compliance is measurable, and the activities required to achieve the objective condition for every IA control are assignable, and thus accountable. The IA controls specifically address availability, integrity, and confidentiality requirements, but also take **into consideration the requirements for non-repudiation and authentication.**

Table 6 below describes in detail the MAC III and CL Sensitive IA Controls required for DTCl. Additional detail regarding the IA controls can be found in DoDI 8500.2, Enclosure 4, Attachments 3 and 5.

<b>Table 6. DTCl-required Information Assurance Controls</b>		
<b>Mission Assurance Category (MAC) III Controls for Integrity and Availability for DTCl</b>		
Subject	Control Number, Name	IA Service Area
Security Design and Configuration		



DCAR-1 Procedural Review	Availability
DCBP-1 Best Security Practices	Integrity
DCCB-1 Control Board	Integrity
DCCS-1 Configuration Specifications	Integrity
DCCT-1 Compliance Testing	Availability
DCDS-1 Dedicated IA Services	Integrity
DCFA-1 Functional Architecture for AIS Applications	Integrity
DCII-1 IA Impact Assessment	Integrity
DCIT-1 IA for IT Services	Integrity
DCMC-1 Mobile Code	Integrity
DCNR-1 Non-repudiation	Integrity
DCPD-1 Public Domain Software Controls	Availability
DCPP-1 Ports, Protocols, and Services	Availability
DCPR-1 CM Process	Integrity
DCSD-1 IA Documentation	Availability
DCSL-1 System Library Management Controls	Integrity
DCSQ-1 Software Quality	Integrity
DCSS-1 System State Changes	Integrity
DCSW-1 SW Baseline	Availability
Identification and Authentication	
IAKM-1 Key Management	Integrity
Enclave and Computing Environment	
ECAT-1 Audit Trail, Monitoring, Analysis and Reporting	Integrity
ECCD-1 Changes to Data	Integrity
ECND-1 Network Device Controls	Integrity
ECPA-1 Privileged Account Control	Integrity
ECPC-1 Production Code Change Controls	Integrity
ECRG-1 Audit Reduction and Report Generation	Integrity
ECSC-1 Security Configuration Compliance	Availability
ECSD-1 Software Development Change Controls	Integrity
ECTM-1 Transmission Integrity Controls	Integrity
ECTP-1 Audit Trail Protection	Integrity
ECVI-1 Voice over IP	Availability
ECVP-1 Virus Protection	Availability
Mission Assurance Category (MAC) III Controls for Integrity and Availability for DTCl (continued)	
Subject Control Number, Name IA Service Area	
Enclave Boundary Defense	
EBVC-1 VPN Controls	Availability
Physical and Environmental	
PEEL-1 Emergency Lighting	Availability
PEFD-1 Fire Detection	Availability
PEFI-1 Fire Inspection	Availability
PEFS-1 Fire Suppression System	Availability
PEHC-1 Humidity Controls	Availability
PEMS-1 Master Power Switch	Availability

	PESL-1 Screen Lock	Integrity
	PETC-1 Temperature Controls	Availability
	PETN-1 Environmental Control Training	Availability
	PEVR-1 Voltage Regulators	Availability
Personnel		
	PRRB-1 Security Rules of Behavior or Acceptable Use Policy	Availability
Continuity		
	COAS-1 Alternate Site Designation	Availability
	COBR-1 Protection of Backup and Restoration Assets	Availability
	CODB-1 Data Backup Procedures	Availability
	CODP-1 Disaster and Recovery Planning	Availability
	COEB-1 Enclave Boundary Defense	Availability
	COED-1 Scheduled Exercises and Drills	Availability
	COEF-1 Identification of Essential Functions	Availability
	COMS-1 Maintenance Support	Availability
	COPS-1 Power Supply	Availability
	COSP-1 Spares and Parts	Availability
	COSW-1 Backup Copies of Critical SW	Availability
	COTR-1 Trusted Recovery	Availability
Vulnerability and Incident Management		
	VIIR-1 Incident Response Planning	Availability
	VIVM-1 Vulnerability Management	Availability
<b>Confidentiality Controls for DoD Information Systems Processing Sensitive Information for DTCI</b>		
Subject	Control Number, Name	IA Service Area
Security Design and Configuration		
	DCSR-2 Specified Robustness - Medium	Confidentiality
Identification and Authentication		
	IAGA-1 Group Identification and Authentication	Confidentiality
	IAIA-1 Individual Identification and Authentication	Confidentiality
Enclave and Computing Environment		
	ECAN-1 Access for Need-to-Know	Confidentiality
	ECAR-2 Audit Record Content	Confidentiality
	ECAT-1 Audit Trail, Monitoring, Analysis and Reporting	Integrity
	ECCT-1 Encryption for Confidentiality (Data in Transit)	Confidentiality
	ECIC-1 Interconnections among DoD Systems and Enclaves	Confidentiality
	ECLO-1 Logon	Confidentiality
	ECLP-1 Least Privilege	Confidentiality
	ECMT-1 Conformance Monitoring and Testing	Confidentiality
	ECNK-1 Encryption for Need-To-Know	Confidentiality
	ECRR-1 Audit Record Retention	Integrity
	IAAC-1 Account Control	Confidentiality
Enclave Boundary Defense		



EBBD-2 Boundary Defense	Confidentiality
Physical and Environmental	
PECF-1 Access to Computing Facilities	Confidentiality
PECS-1 Clearing and Sanitizing	Confidentiality
PEDI-1 Data Interception	Confidentiality
PEPF-1 Physical Protection of Facilities	Confidentiality
PEPS-1 Physical Security Testing	Confidentiality
PESP-1 Workplace Security Procedures	Confidentiality
PESS-1 Storage	Confidentiality
PEVC-1 Visitor Control to Computing Facilities	Confidentiality
Personnel	
PRAS-1 Access to Information	Confidentiality
PRMP-1 Maintenance Personnel	Confidentiality
PRNK-1 Access to Need-to-Know Information	Confidentiality
PRTN-1 Information Assurance Training	Integrity

**1.4.6.1.4 Information Assurance (IA) Certification and Accreditation (C&A).** To ensure that baseline IA controls have been achieved, the contractor's enterprise technology shall be certified and accredited by the Government in accordance with the Interim Department of Defense (DoD) Certification and Accreditation (C & A) Process (DIACAP) Guidance, 06 July 2006. DIACAP is the process used to identify, implement, validate, certify and manage IA capabilities and services, expressed as IA Controls, and authorize the operation of DoD information systems in accordance with statutory, Federal and DoD requirements. The DIACAP is designed to certify that the IT system meets the IA requirements and that the system will continue to maintain the accredited security posture throughout the system life-cycle. Since DTCI will involve a contractor-owned and operated technology, compliance with a highly abbreviated and tailored DIACAP will be followed; specifically, the MAC III and CL Sensitive Information Assurance Controls identified in Table 6 will be required. Certification and accreditation of the contractor's system will be a collaborative effort between the contractor and the government. The security accreditation will be a joint agreement between the DAA and the contractor's Corporate Information Officer (CIO).

**1.4.6.1.4.1** The accreditation decision always applies to an operationally ready instance of a DoD information system (as defined in DoDI 8500.2, Enclosure 3) and is a balance of mission or business need, protection of personal privacy, protection of the information being processed, and protection of the information environment, and thus, by extension, protection of other missions or business functions reliant upon the shared information environment. An accreditation decision is expressed as Authorization to Operate (ATO), Interim Authorization to Operate (IATO), Interim Authorization to Test (IATT), or Denial of Authorization to Operate (DATO). Absent an accreditation decision, a system is considered Unaccredited.

**1.4.6.1.4.1.1** The contractor must deliver a draft Security Policy document which outlines the implementation of the applicable baseline IA controls identified in section 1.4.6.1.3, Table 6, and a detailed description of the System/Security Architecture no later than (NLT) 15 days after contract restart to support an IATT accreditation decision. If there are any deficiencies, a correction plan must be developed to address the identified weaknesses. Before an IATT will be granted, the contractor may be responsible for taking corrective action based upon the impact and severity of the identified weaknesses.

**1.4.6.1.4.1.2** The contractor must authorize a network and system validation test of the applicable IA controls by DoD representatives NLT 60 days after contract restart to support an IATO accreditation

decision. The IATO accreditation decision will specify an Authorization Termination Date (ATD) that is within 180 days of the authorization date. A DoD information system may not be granted more than two consecutive 180-day IATO's. A request for IATO must be accompanied by a Plan of Action and Milestones (POA&M) for correcting or satisfactorily mitigating any identified weaknesses. Before an IATO will be granted, the contractor will be responsible for taking corrective action based upon the impact and severity of identified weaknesses.

**1.4.6.1.4.1.3** The contractor must authorize a network and system verification test of the applicable IA controls by DoD representatives no earlier than 180 days and no more than 360 days (if necessary) after the IATO accreditation decision to support an ATO accreditation decision. The verification test will ensure that the weaknesses identified in the contractor's Information System during the IATT and IATO reviews have been corrected or satisfactorily mitigated. The ATO is valid for 3 years from the authorization date. Continued authorization to operate is contingent upon the sustainment of an acceptable IA posture. To ensure that an acceptable IA posture is sustained, the contractor must authorize annual network and system validation and/or verification tests of the applicable IA controls by DoD representatives. Updates to security documentation to support the continued certification will be required prior to any major system changes.

**1.4.6.2 Data Interchanges.** The contractor shall establish a secure primary connection through a value added network (VAN) with DoD systems via the Global Exchange (GEX) service operated by the Defense Automatic Addressing System Center (<https://www.daas.dla.mil>) and/or DoD Business Transformation Agency (<http://www.dod.mil/bta>). Figure 3 illustrates the DoD technical architecture with which the coordinator will interface. Additional detail about VANs connected to the DAASC GEX site can be found at: <https://www.daas.dla.mil/daashome/edi-vanlist-dla.asp>.

**1.4.6.2.1 Interoperability.** The contractor shall comply with security and interoperability requirements specified for data exchanges with the GEX. Additional detail regarding GEX's Electronic Commerce Interoperability Process can be found at <http://ec.ogden.disa.mil/ecip.htm>.

**1.4.6.3 DoD Third Party Payment System.** The contractor shall establish an electronic trading partner relationship with the DoD's third party payment system (currently US Bank's PowerTrack<sup>®</sup>) to submit electronic invoices to and receive payment from the government. The details of the relationship will be defined through a separately negotiated agreement between US Bank and the contractor which is outside the scope of this contract. As part of this relationship, the contractor shall comply with the interoperability and certification requirements of the Freight Carrier Certification Program (<http://www.sddc.army.mil/Public/Global%20Distribution/Domestic/Carrier%20Registration%20Instructions?summary=fullcontent>) sponsored by SDDC. The coordinator shall electronically invoice the government in a manner agreed to between it and the DoD's designated third party payment system.

**Figure 3.**



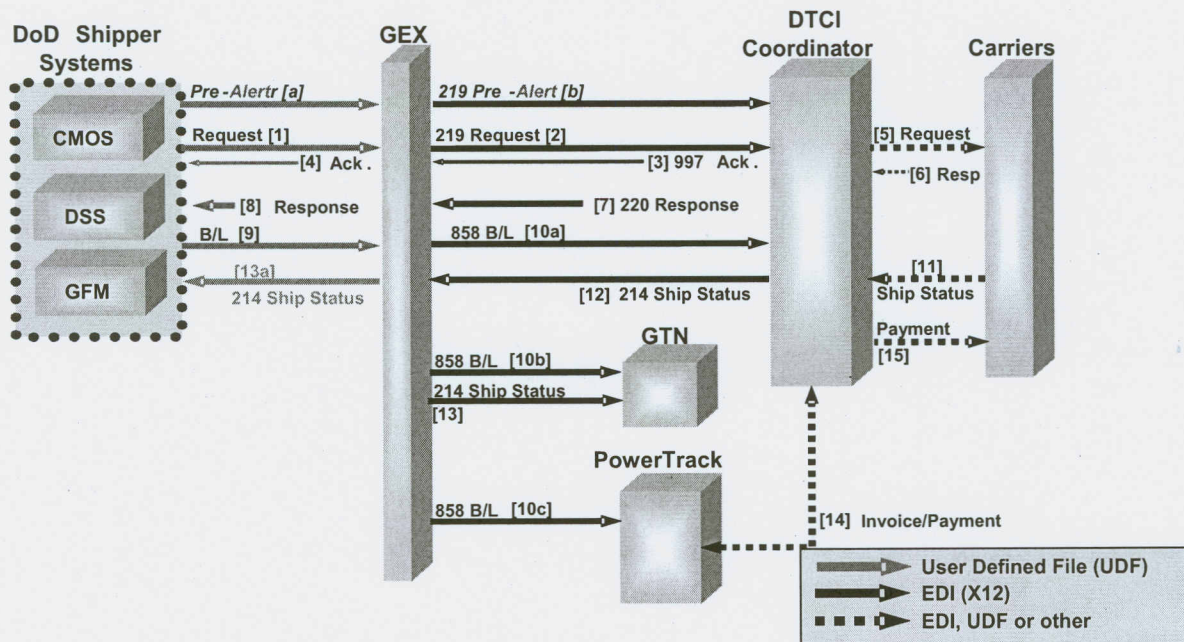


Table 7 below describes in detail the trading partner data exchanges for DTCI. Additional detail regarding the EDI exchanges can be found at the Defense Transportation Electronic Business committee's web site located at <https://dteb.lmi.org>.

**Table 7. Data Exchanges for DTCI**

Step	Sending Party	Receiving Party	Data Format	Description
a	DDC Shipper System (DSS)	GEX	UDF pre-alert	A DDC shipper generates a pre-alert, and forwards it to GEX. Note: does not apply to Service shippers..
b	GEX	DTCI Coordinator	ASC X12 219	GEX receives the pre-alert, converts it to an ASC X12 219 EDI set and forwards it to the coordinator. The coordinator, if able, conducts early shipment optimization planning while awaiting the formal request for transportation.
1	DoD Shipper System	GEX	UDF transportation request	A DoD shipper system generates a request for transportation for the coordinator and forwards it to GEX.
2	GEX	DTCI Coordinator	ASC X12 219	GEX converts the request into an ASC X12 219 EDI set and forwards it to the coordinator.
3	DTCI Coordinator	GEX	ASC X12 997	Upon receipt of the 219 transportation request from GEX, the coordinator shall respond with an ASC X12 997 functional acknowledgment.

4	GEX	DoD Shipper System	UDF acknowledgment	GEX receives the 997 acknowledgment from the coordinator, converts it into the appropriate UDF, and forwards it to the shipper system instance that generated the request. (GEX also may forward the untranslated 997 directly to the shipper system if desired.)
5	DTCI Coordinator	Carriers	UDF transportation response	After receiving the 219 transportation request, the coordinator engages its network of carriers to secure transportation arrangements in accordance with the shipper's request. Where possible, the coordinator conducts shipment optimization and consolidation among several requests it receives from shippers.
6	Carriers	DTCI Coordinator	UDF transportation arrangement acceptance	The carrier confirms its arrangements with the coordinator, including any special equipment requests.
7	DTCI Coordinator	GEX	ASC X12 220	Within 4 hours of receiving the 219 transportation request from GEX, the coordinator shall respond with an ASC X12 220 transportation response, containing the carrier and equipment details, and a not-to-exceed (NTE) rate for the shipment.
8	GEX	DoD Shipper System	UDF transportation response	GEX receives the 220 response from the coordinator, converts it into the shipper system's UDF, and passes it to the requesting shipper location.
9	DoD Shipper System	GEX	UDF bill of lading	When freight is picked up at the shipper location, the shipper closes out the shipment record, generating a bill of lading UDF, which it forwards to GEX.
10a, b, c	GEX	DTCI Coordinator, GTN, Commercial Bank (Currently US Bank's Powertrack)	ASC X12 858	GEX receives the bill of lading UDF, converts it into an ASC X12 EDI bill of lading, and forwards copies to a) the coordinator, b) USTRANSCOM's Global Transportation Network, and c) Commercial Bank system.
11	Carrier	DTCI Coordinator	UDF status message	The carrier shall provide the coordinator with the following In-Transit Visibility event information: <ul style="list-style-type: none"> <li>➤ Shipment pickup</li> <li>➤ Shipment delivery</li> <li>➤ Any event which will cause the carrier to miss its scheduled/required delivery</li> </ul>
12	DTCI Coordinator	GEX	ASC X12 214	The coordinator shall convert this notification into an ASC X12 EDI 214 shipment status message and shall forward it to GEX within 2 hours of the shipment status event.
13	GEX	GTN	ASC X12 214	GEX forwards the 214 status message to GTN, which it appends to the 858 bill of lading it received from the DoD shipper system.



13a	GEX	DoD Shipper System	UDF status message	If desired by the shipper, GEX will convert the 214 into a UDF and forward it to the appropriate shipper system location.
14	DTCI Coordinator	Commercial Bank	EDI invoice, EFT payment	The coordinator shall bundle shipment movement data, at the bill of lading and TCN level of detail, and shall invoice the Commercial Bank for the transportation costs. Upon web-based validation by the shipper, Commercial Bank pays the coordinator via electronic funds transfer (EFT).
15	DTCI Coordinator	Carrier	EFT payment	When paid by the Commercial Bank, the coordinator shall in turn pay its carriers for shipments they transported.

**1.4.6.4 On-Line Web Access.** The contractor shall provide a secure web site for stakeholders to access DoD shipment information and performance data.

**1.4.6.4.1 Query Capability.** The contractor shall maintain shipment data so that information is available for query within the margins described below. The contractor shall display the most recent shipment data to ensure in-transit visibility is provided. Appendix C - Required Data provides a listing of possible data elements to query. The query capabilities shall include at a minimum the following:

**1.4.6.4.1.1** Simple queries completed in less than one minute (REQUIRED), 12 seconds (DESIRED).

**1.4.6.4.1.2** Complex queries completed in less than 5 minutes (REQUIRED), 1 minute (DESIRED).

**1.4.6.4.1.3** Data manipulation capabilities to include formatting, sorting, and filtering.

**1.4.6.4.1.4** Standard "canned" and ad hoc queries. Available canned queries shall include daily reports of inbound shipments by consignee, shipments with exception codes (defined in Appendix D), metrics reports as defined in Table 5, and others as agreed to between the PMO and contractor.

**1.4.6.4.1.5** Data output capabilities to include export/download to Microsoft Excel, Microsoft Access, and standard report format for printing.

**1.4.6.4.2 Track and Trace.** To enhance in-transit visibility, the contractor shall allow the DoD shipper systems to link to their shipment tracking system through a carrier-identified or coordinator identified Uniform Resource Locator (URL) with tracking by single or multiple BoL number(s) or TCN(s).

**1.4.6.4.3 Customer Feedback.** The contractor shall provide a web-based tool to be used by all parties to report, manage, and track concerns, complaints, or comments (positive or negative) related to contract performance.

**1.4.6.4.4 Claims Reporting.** The contractor shall provide a web-based tool to support the claims management requirements identified in paragraph 1.4.5.23.

**1.4.6.4.5 Exception Reporting.** The contractor shall provide a web-based tool to support exception reporting requirements identified in Table 5. Transportation Reports, Item 9.

**1.4.6.5 User Accounts and Passwords.** The contractor shall provide a means for authorized government users (including shippers, consignees, PMO staff, and other appropriate stakeholders) to submit user account requests for access to its Web site. The contractor shall collect all required fields (see Appendix G) and

electronically forward the requests to the DTCI PMO for review and approval. Once approved, the contractor shall provide the requestor with a password to access its system.

- 1.4.6.6 Delivery of Reports.** The contractor shall provide the capability to deliver canned queries and reports outlined in subparagraph 1.4.6.4.1.4 to a stakeholder's designated DTCI electronic mailbox.
- 1.4.6.7 Web-based Shipment Request Tool.** The contractor shall provide a web-based tool to support manual entry of Transportation Service Requests for those government locations that do not have ready access to a DoD shipper system. Data entry fields shall be similar to those defined for the ASC X12 219 EDI Transportation Service Request set. Screen design shall promote ease of use and reduce data entry errors. For web-based transportation requests, data exchanges beginning with Step 5 in Table 6, Data Exchanges for DTCI, shall apply. The contractor shall determine the appropriate DoD Shipper system based on the origin's Department of Defense Activity Address Code (DODAAC). In addition to the ASC X12 220 EDI Transportation Service Response, the contractor shall provide an email with data similar to the transportation service response to the originator of the manual transportation request.
- 1.4.6.8 Data Storage and Disposition.** The contractor shall provide on-line storage and access to the government as requested for all data collected in relation to DoD shipments under this contract for a period of 120 days from the date of final financial settlement (freight payment or freight claims payment). The Contractor shall retain the complete shipment records in offline electronic storage for the length of the contract and provide the government free access to these files when notified by the DTCI COR or their designate for possible historical analysis. At the end of the contract period, the contractor shall transfer the data to the Government in a mutually agreed to media format.
- 1.4.6.9 DPO Integration.** As directed by the PMO, the contractor shall participate in DPO development teams and DoD Supply Chain improvements to ensure DTCI processes are in concert with DPO efforts. The contractor shall ensure compliance with and connectivity to DoD Supply Chain systems and provide recommendations to maintain interoperability as DoD IT architecture evolves. At such time when the DPO IT architecture is further defined, the contractor shall negotiate any cost impact with the CO at that time in accordance with FAR 52.243-1, Changes-Fixed Price.
- 1.4.6.10 System Performance and Availability.** The contractor shall meet a system performance threshold of 99%. Scheduled downtime for maintenance will not be included in determining system availability threshold. Mean Down Time (MDT) shall not exceed 14.4 minutes in a 24-hour period. MDT will be calculated on events that are global rather than events that affect only individual branches or users. In addition, the tracking will be from midnight to midnight. The contractor shall submit a quarterly system availability report to the PMO beginning 90 days after initial site implementation. The contractor architecture shall incorporate disaster (both man-made and natural) recovery capabilities to mitigate degradations in system performance. Information Assurance (IA) Implementation (DoD Instruction 8500.2 enclosures 3 and 5) provides guidance on alternate site designation and disaster recovery planning. DTCI IA Controls, Table 6, lists the tailored controls required for certification. For DTCI, these controls require: an alternate site that permits partial restoration of essential functions; physical and technical protection of backup and restoration hardware, firmware, and software; a disaster plan that provides for the partial resumption of essential functions; enclave boundary defense at the alternate site equivalent to the primary site; annual exercise of the continuity of operations or disaster recovery plan; and backup copies and other critical software stored in a fire rated container or otherwise not collocated with the operational software.
- 1.4.6.10.1** System performance is the ratio of time (A0) that information is available to the customer compared to total time. A0 is calculated as follows:

$$A0 = \text{MTBDE} / (\text{MTBDE} + \text{MDT}).$$

MTBDE is the Mean Time Between Downing Events over the previous six months.

MDT is the (duration) over the previous six months. A "Downing Event" is any contractor system event



(this does not include planned maintenance) that prevents minimum operational performance requirements from being met.

- 1.4.6.11 Technical Support.** The contractor shall provide technical support 24 hours a day, 7 days a week (to include holidays) to assist in resolving system and technical issues that may arise between the contractor and DoD interface systems. The contractor shall have the ability to accept both telephone and email incident reporting and shall immediately acknowledge receipt of the issue with the customer via telephone or email response.

**1.4.7 Small Business Programs.**

- 1.4.7.1 Small Business Sub-Contracting Goals.** In accordance with FAR 19.201, it is the policy of the Government to provide maximum practicable opportunities to small business, veteran-owned small business, service-disabled veteran-owned small business, HUB-Zone small business, small disadvantaged business, and women-owned small business concerns. Such concerns must also have the maximum practicable opportunity to participate as subcontractors in the contracts awarded by the government. Based on this policy, the following small business subcontracting goals have been established for DTIC:

- 1.4.7.1.1** The target subcontracting goals are as follows: 20% of all subcontract dollars awarded go to small business in Year 1 of the Base Period; 23% in Year 2 of the Base Period; 25% in each year of Year 3 of the Base Period through Year 7 of contract performance. 1.10% of all subcontract dollars awarded go to HUBZone businesses in Year 1 of the Base Period; 1.20% in Year 2 of the Base Period; 1.30% in Year 3 of the Base Period; 1.40% in Year 4; 1.50% in Option Year 5 through 7. 1.50% of all subcontract dollars awarded to Service-disabled-veteran-owned businesses in Year 1; 2.00% in Year 2; 2.50% in Year 3; 3.00% in Year 4 through 7. 5.40% of all subcontract dollars awarded go to small-disadvantaged business in Year 1; 5.90% in Year 2; 6.40% in Year 3; 7.00% in Year 4; 7.60% in Year 5 through 7. 1.60% of all subcontract dollars awarded go to Woman-owned small business in Year 1; 1.80% in Year 2; 1.90% in Year 3; 2.10% in Year 4; 2.30% in Year 5 through 7.

The contractor shall make a good faith effort to utilize all categories of small business subcontractors in an effort to meet or exceed the goals identified above.

- 1.4.7.2 Small Business Sub-Contract Reporting.** In accordance with FAR Clause 52.219-9, Small Business Subcontracting Plan, incorporated into Section I of the contract, the contractor shall submit Standard Form 294, Subcontracting Report for Individual Contracts, and Standard Form 295, Summary Subcontract Report, on a semi-annual basis to the Government. Semi-annual reports are due 30 days after the semi-annual reporting period ends, March 31 and September 30.
- 1.4.7.3 Small Business Interaction.** The contractor shall submit a quarterly report to the DTIC CO describing the specific efforts the contractor has made to meet the small business subcontracting goals established in the contractor's approved subcontracting plan. The first quarterly report is due 90 days after contract restart. As a result of contract restart on November 2, 2007, quarterly small business reports are due February 1, May 1, August 1, and November 1 of each year. Reports shall describe the following at a minimum: (1) efforts the offeror has made to ensure all categories of small businesses have been given an equitable opportunity to compete for subcontracts; (2) outreach efforts undertaken to identify various categories of small businesses to facilitate their participation as subcontractors; and (3) assistance provided to various categories of small businesses to facilitate their participation as subcontractors.

**2. Service Delivery Summary**

- 2.1** The performance thresholds for on time pickup and delivery identified in Table 8 apply to each individual shipping location, the remainder apply to the entire DTIC-wide effort.

**Table 8. Performance Thresholds**

Performance Objective	PWS Para	Performance Threshold
On-Time Pickup	1.3.9	96% for Years 1 and 2 and 97% for Years 3 through 7 for on-time pickup. The percentage of shipments (individual TCN) picked up on time (defined as within 8 operational hours of the request unless a specific time is requested by the shipper) or as promised in the case of a special request or unique move. For scheduled trucks, pickup times shall be specifically agreed to during site implementation and will vary by site.
On-Time Delivery	1.3.16	96% for Years 1 and 2 and 97% for Years 3 through 7 for on-time delivery. The percentage of shipments (individual TCNs) delivered by the Mandatory Delivery Date (MDD) required by the shipper's request unless otherwise specified (for example, scheduled truck service with specified delivery window or expedited service outside of normal delivery cycle).
Loss and Damage Free Shipments	1.3.11	98% of shipments shall be damage free
Process Loss and Damage Claims in a timely manner	1.4.5.23.7	99% of all claims closed within 120 days. Remaining 1% shall be closed within 180 days.
IT Systems Available for use	1.4.6.10	99% system availability (minus approved scheduled downtime)



**Table 8. Performance Thresholds**

Performance Objective	PWS Para	Performance Threshold
Meet or exceed Small Business subcontracting goals	1.4.7.1	20% of all subcontract dollars awarded went to small business in Year 1 of the Base Period; 23% in Year 2 of the Base Period; 25% in each year of Year 3 of the Base Period through Year 7 of contract performance. 1.10% of all subcontract dollars awarded went to HUBZone businesses in Year 1 of the Base Period; 1.20% in Year 2 of the Base Period; 1.30% in Year 3 of the Base Period; 1.40% in Year 4; 1.50% in Option Year 5 through 7. 1.50% of all subcontract dollars awarded to Service-disabled-veteran-owned businesses in Year 1; 2.00% in Year 2; 2.50% in Year 3; 3.00% in Year 4 through 7. 5.40% of all subcontract dollars awarded went to small-disadvantaged business in Year 1; 5.90% in Year 2; 6.40% in Year 3; 7.00% in Year 4; 7.60% in Year 5 through 7. 1.60% of all subcontract dollars awarded went to Woman-owned small business in Year 1; 1.80% in Year 2; 1.90% in Year 3; 2.10% in Year 4; 2.30% in Year 5 through 7.

NOTE: The government will not start reviewing metrics to determine contract compliance until after 6 months following each site implementation.

### **3. Government Furnished Property (GFP) and Services**

**3.1 General Provisions.** The Government will provide work space, office equipment, desktop computer with standard software suite, internet connectivity, and telephone to permanent on-site personnel and to other on-site personnel during implementation as identified in Para 1.4.5.11. These items will be provided as GFP and the Government will be accountable and responsible for all maintenance and upgrades.

**3.2 Specialized Equipment.** The Government may provide required specialized transportation equipment for movement of military unique items. This may include, but may not be limited to, rail cars for transport of armored vehicles. The government will not be billed for services or equipment it provides.

**4. Contractor Furnished Items.** Except for those items or services specifically stated in Paragraph 3 as Government Furnished, the contractor shall provide everything needed to perform the tasks specified in the PWS.

### **5. General Information.**

**5.1 Contractor Employees.** The contractor shall identify their senior primary and alternate employees responsible for the performance of the work under this contract. Contractor employees filling both of these positions shall be designated in writing to the CO.

- 5.2 Security Requirements.** Contractor provided on-site personnel must comply with local installation policies and security requirements.
- 5.3 Identification Badges.** Contractor personnel assigned to on-site support shall obtain all necessary base passes. Contractor employees shall wear an identification badge visible at all times while on government property.
- 5.4 Vehicle Registration.** All vehicles operated in support of this contract shall be registered, insured, licensed, and safety-inspected in accordance with all Federal, State, and local requirements. A government furnished vehicle decal or pass may be required in accordance with local installation policy.
- 5.5 Controlled Gates.** Some shipment locations may be limited-access military posts with controlled gate openings and closures. All vehicles entering and leaving military installations are subject to being searched. Unscheduled gate closures by the Military Police may occur at any time, and personnel entering or exiting the installation may experience a delay. Under these circumstances, the contractor shall contact the shipper, if pick up, or consignee, if delivery, for instructions. Redelivery provisions are defined in Accessorial Services at Appendix B - Accessorial Codes. The contractor shall not be held liable for missing the specified delivery date because of an unscheduled gate closure. (See Appendix A, Shipper Unique Requirements).
- 5.6 Safety.** The contractor shall comply with all Federal and State laws and regulations having jurisdiction, and with safety and fire regulations promulgated by the Department of Labor Office of Safety and Health Administration (OSHA) under Title 29, Section 1910 of the CFR. The contractor is solely responsible for compliance and cost of compliance with Federal, State, and local laws and regulations pertaining to environmental protection; occupational health and safety; and the transportation, storage, and disposal of hazardous materials and hazardous waste.
- 5.7 Calendar Days.** All references to "day(s)" within this contract means "calendar day(s)". Any due date that falls on a Saturday, Sunday, or holiday as defined in PWS Para 1.4.5.10 is moved to the next normal business day.

**6. Contract Deliverables.**

Deliverable	PWS Reference	Draft Schedule	Final Schedule
Pre-Program Management Review (PMR) Agenda and Briefings	1.2.3	N/A	NLT 3 days prior to scheduled PMR
Post-Program Management Review (PMR) minutes	1.2.3	N/A	NLT 10 days following PMR
Implementation Plan	1.2.8.1	Draft plan due 15 calendar days after contract restart	7 days after receipt of government comments
Transportation Reports	Table 5.	Draft skeleton reports due within 60 days after contract restart	Once a month (date to be determined) after implementation start
Draft DTCI Test Plan	1.2.8.4	NLT 15 calendar days after contract restart	N/A



Final DTCI Test Plan	1.2.8.4	N/A	NLT 30 calendar days after contract restart
Site Specific Test Plan Addendum	1.2.8.4	N/A	NLT 30 calendar days prior to implementation
Test Report	1.2.8.4	N/A	NLT 14 calendar days from conclusion of site operational testing
Inspection System Documentation	1.4.5.4.4	NLT 30 days after contract restart	NLT 10 days following receipt of government comments
Training Plan	1.4.5.20	NLT 30 Days after contract restart	7 days after receipt of government comments
Draft Security Policy	1.4.6.1.4.1.1	N/A	NLT 15 days after contract restart
System/Security Architecture Diagram	1.4.6.1.4.1.1	N/A	NLT 15 days after contract restart
System Availability Report	1.4.6.10	N/A	Due every 90 days following initial site implementation
Small Business Interaction Report	1.4.7.3	N/A	Due every 90 days following contract restart

NOTE: Refer to PWS definition for "Contract Restart."

7. **Appendices.** The following is a list of all appendices for this PWS. The contractor shall implement the most current version as technical directives are updated.

Appendix A: Shipper Unique Requirements

Appendix B: Accessorial Codes

Appendix C: Required Data

Appendix D: Exception Codes

Appendix E: Training Events

Appendix F: Technical Directives

Appendix G: User Account Request Fields for Web Access to Contractor Transportation Management System

Appendix H: Shipping and Receiving Hours for DDC Locations

### Acronyms

AA&E	Arms, Ammunition & Explosives
AOG	Aircraft on the ground
BoL	Bill of Lading
CASREP	Casualty Report
CBT	Computer Based Training
CCP	Containerization and Consolidation Point
CFR	Code of Federal Regulations
CM	Configuration Management
CO	Contracting Officer
COFC	Container on Flatcar
CONUS	Continental United States
COR	Contracting Officer's Representative
DDC	Defense Distribution Center
DLA	Defense Logistics Agency
D-PIT	DTCI- Process Improvement Team
DPM	Direct Procurement Method
DPO	Distribution Process Owner
DoD	Department of Defense
DTCI	Defense Transportation Coordination Initiative
EDI	Electronic Data Interchange
FAR	Federal Acquisition Regulations
FTP	File Transfer Protocol
GEX	Global Electronic Exchange



GTN	Global Transportation Network
GFE	Government Furnished Equipment
GFS	Government Furnished Software
IA	Information Assurance
IT	Information Technology
ITV	In-Transit Visibility
MDD	Mandatory Delivery Date
MDT	Mean-Down-Time
MICAP	Mission Impaired Capability Awaiting Parts
MTBDE	Mean Time Between Downing Events
NETOPS	Network Operations
NISPOM	National Industry Security Program Operating Manual
OCONUS	Outside Continental United States
OPM	Office of Personnel Management
PM	Program Manager
PMO	Program Management Office
POV	Privately Owned Vehicle
PWS	Performance Work Statement
QCP	Quality Control Plan
SCP	Secure Copy Protocol
SDP	Strategic Distribution Platform
SFT	Secure File Transfer
TCN	Transportation Control Number
TFG	Transportation Facilities Guide
TOFC	Trailer on Flatcar
URL	Uniform Resource Locator
3PL	Third Party Logistics

### Definitions

**463L pallet** - An 88" x 108" aluminum flat base used to facilitate the upload and download of aircraft.

**463L System** - Aircraft pallets, nets, tie down and coupling devices, facilities, handling equipment, procedures, and other components designed to interface with military and civilian aircraft cargo restraint systems which accept pallets 88" x 108".

**AA&E** - Small arms, ammunition, and explosives that are a potential danger to public safety and can be used by militant, revolutionary, criminal, or other elements for civil disturbances, domestic unrest, or criminal actions, to include Ordnance as defined in the DOD 5100.76M, Physical Security Of Conventional Arms, Ammunition And Explosives.

**Accessorial Service** - A service performed by a carrier in addition to the carrier freight rate.

**Aircraft on Ground (AOG)** - Term used by military services when aircraft is grounded waiting for a part.

**Bulk (freight)** - That which is generally shipped in volume where the transportation conveyance is the only external container.

**Carrier Business Allocation** - The amount of freight the contractor allocates to its subcontractors.

**Casualty Reports (CASREP)** - Military term predominantly used by the U. S. Navy to report a casualty.

**Contract Restart** - The effective date of Modification P00004 to Task Order 0001 under this contract. This is the date that the stop work order was cancelled due to the withdrawal and closure of the post-award protest by the Government Accountability Office.

**Contracting Officer Representative (COR)** - Appointed in writing by the CO. Responsible for, but not limited to, the following: monitors the contractor's performance in accordance with the terms and conditions of the contract, ensures contractor's compliance with reporting requirements, provides data for government reports, verifies/certifies services and conducts initial review of contractor's claims.

**Consignee** - The recipient (unit, depot, or person) to whom cargo is addressed or consigned for final delivery. An activity receiving the product.

**Consignor** - The person or activity that is the supplier or shipper of a product.

**Conveyance** - A truck, trailer, railcar, aircraft, vessel, freight container, or compartment used for transporting or carrying freight by highway, rail, air, or waterway.

**Cube Utilization** - For purposes of determining the cubic utilization of motor conveyances; 48 feet trailer length will be assumed.

**Dedicated Truck** - Trucks that service a single customer or a route composed of two or more customers. These trucks shall have specific delivery windows for multiple delivery locations.

**Delivery** - the date/time when a conveyance arrives at the first documented entry point at destination location.



**Demurrage** - A charge made on rail cars or vessels (including barges) held by or for a consignor or consignee beyond the allowable free time for loading and unloading, for forwarding directions, or for any other purpose. Charges for demurrage are in addition to all other lawful transportation charges.

**Detention** - A charge made on trailers or containers held by or for a consignor or consignee beyond the allowable free time for loading or unloading, for forwarding directions, or for any other purpose. Charges for detention are in addition to all other lawful transportation charges.

**Dimensional Weight** - Dimensional weight is a standard formula used throughout the air freight industry that considers density when determining charges. See the method below for calculating dimensional weight for DTIC shipments:

**Calculate dimensional weight for air shipments:**

Multiply length X width X height. Divide by 194. Round all calculations up to the nearest pound. Multiply then by the quantity of applicable pieces.

**Example:** 2PCS - 24" X 36" X 48"/194 = 214 lbs X 2 PCS = 428 lbs.

**Direct Procurement Method (DPM)** - A method of shipment in which the government manages the shipment throughout. Packing, containerization, local drayage, and storage services are obtained from commercial firms under contractual arrangements or by the use of government facilities and personnel.

**Distribution Process Owner (DPO)** - The DPO is charged with improving overall efficiency and interoperability of distribution-related activities: deployment, sustainment, and redeployment support during peace and war. DPO serves as single entity to direct and supervise execution of the strategic distribution system.

**Drayage** - Movement that terminates within 30 miles of origin.

**Driveaway** - A mode of transportation of DoD freight when the cargo is of itself a self-propelled conveyance and the freight is moved under its own power not loaded in or on carrier equipment.

**Dromedary** - A freight box carried on and securely fastened to the chassis of a truck tractor, step-deck or flatbed trailer. A dromedary is demountable and can be handled with a forklift truck. It is protected by a plymetal shield and is equipped with doors on each side that can be locked with a padlock and sealed.

**DTIC Process Improvement Team (D-PIT)** - The D-PIT will serve as the forum to review and approve proposed process improvements, authorize rollout of process improvement plans, and act as an advocate within DoD for initiative changes. The members of the D-PIT are representatives from all stakeholders.

**Equipment** - When relating to transportation equipment, vehicles (trailers, railcars, etc.) that are operable, clean, odor free, and with all equipment necessary to safely load, unload, or transport the freight for which the shipper has requested transportation.

**Expedited** - Shipments requiring same day delivery or before normal delivery hours the following day.

**Free Time** - Time allowed by tender, tariff, or contract to load and/or unload carrier's equipment before detention or demurrage is charged.

**Freight All Kinds (FAK)** - consists of those commodities which carriers offer to transport at one inclusive rate or charge regardless of their differing transportation characteristics or their classification rating except for excluded freight classifications.

**Idler Railcar** - An idler railcar is an empty car placed between overweight or oversized government freight and the next load. Idlers are required for shipments that overhang the end sills of a railcar and/or are of excessive weight.

**Loss and damage** - Loss and damage is caused by one party to another party's property, either with the intent of harm, negligence and carelessness, or by inevitable accident, resulting in reduction of value or the impairment of usefulness.

**Mandatory Delivery Date (MDD)** – The date and or date/time (as applicable) the material is required to be delivered.

**Mission Impaired Capability (MICAP)** – Military term predominantly used by the U. S. Air Force to report a mission impaired capability that is awaiting parts.

**National Agency Check (NAC)** – A national agency check (NAC) consists of a check of the files of a number of government agencies for pertinent facts bearing on the loyalty and trustworthiness of the individual. Examples agencies checked are Security/Suitability Investigations Index (SII), Defense Clearance Investigation Index (DCII), FBI Name Check, FBI National Criminal History Fingerprint check.

**NTE** - Not-to-exceed rate is the rate established at contract award by mode/route. This rate will be part of the preliminary response that includes the estimated shipment charge, comprised of the carrier freight rate and any required accessorial charges known at time of acceptance. The contractor will submit a NTE rate for anticipated carrier freight costs based on the shipment offering without assumption of risk for subsequent optimization opportunities.

**Operational Hours** – the hours an activity is available to conduct the required tasks to effect shipping, receiving, planning, packaging, storing, etc. of freight and freight operations.

**Pick-up** - defined as picking up cargo within 8 operational hours of a request for movement unless a specific time is requested by the shipper. For scheduled trucks, pick-up times shall be specifically agreed to during site implementation and will vary by site. The pick-up times agreed to during implementation shall apply for the duration of the contract.

**Regional Domestic Contract (RDC)** - the contract(s) prepared by SDDC for movements utilizing a vessel-operating ocean carrier, to provide all resources necessary to perform regularly scheduled liner term service between CONUS points and ports to the ports of San Juan, Puerto Rico, and the U.S. Virgin Islands and points and ports in Alaska, and all other ancillary services required for movement of freight.

**Released Value Rate** - A rate applied to a shipment that specifically limits carrier liability in case of loss or damage.

**Scheduled Delivery** – Any shipments prearranged during collaboration that must be picked up at an agreed upon time such as rollerbed shipments. Shipments will occur on a daily basis.

**Sensitive / Classified shipments** - Items that require additional control and security as prescribed in various regulations and statutes. Also, items designated as having characteristics requiring them to be identified, accounted for, secured, segregated, or handled in a special manner to ensure their safety or integrity.

**Shipment** - A quantity of freight tendered for transportation by one shipper at one point, on one day, on one BoL, for delivery to one consignee, at one site, at one destination.

**Shipper** – A DoD authorized agent responsible for the movement of cargo and material for their respective organization. Shippers are commonly referred to as Installation Transportation Officer(s) (ITOs) and Traffic Management Officers (TMO).

**Strategic Distribution Platforms (SDPs)** – Large facilities that serve as the primary source for the majority of material shipped to customers within their areas of responsibility. Defense Distribution Susquehanna PA (DDSP) has primary responsibility for all DLA customers east of the Mississippi River, in Europe, Southwest Asia, South



America, the Caribbean, Canada, Africa and Antarctica. Defense Distribution San Joaquin CA provides this same support to customers west of the Mississippi River, in Asia, the Pacific and Australia.

**Towaway** – A mode of transportation for DOD freight when cargo is towed by truck-tractor, but is not loaded in or on carrier equipment.

**Transaction** - EDI 219 electronic submissions that have a purpose code of "00" will be counted as a shipping transaction. The DDC's use of "pre-alerts" via an initial 219 shall not be counted as a transaction for billing purposes.

**Transportation Account Code (TAC)** – TACs are used to identify the appropriation associated with the movement of material within the Defense Transportation System.

**Transportation Control Number (TCN)** – 17-character data element assigned to control and manage every shipment unit throughout the transportation pipeline. The TCN for each shipment is unique and not duplicated. Except for a misdirected shipment, a retrograde shipment will not be re-shipped using the original TCN. A new TCN will be created each time a shipment enters the transportation pipeline. In many cases, the TCN begins with a DoD Activity Address Code (DODAAC).

**Transportation Facilities Guide (TFG)** – TFG is a web accessible database that contains information on CONUS and OCONUS DOD, Coast Guard, DLA, and other Agency transportation facilities. It is used to determine the proper routing for DOD freight and passenger movements.

**Universal Services Contract (USC)** - Contract(s) prepared by SDDC to provide international cargo transportation services using ocean common or contract carriers offering regularly scheduled commercial liner service for requirements in any part of the world and involve ocean movement.

**SECTION G - CONTRACT ADMINISTRATION DATA**

The following have been modified:

**CONTRACT ADMINISTRATION DATA****PART I – THE SCHEDULE****SECTION G****CONTRACT ADMINISTRATION DATA****CONTRACT TYPE/TASK ORDERING PROCEDURES****G-5. Applies to all CLINs.**

This is an indefinite-delivery, requirements-type contract which includes fixed-price, cost-reimbursement, award fee, and award term option provisions. There is no guarantee for any services to be ordered under this contract. There is no minimum task order obligation under this contract. The purpose of this contract is to obtain transportation coordination services for DoD freight, not just transportation. Therefore, the requirements-type nature of task orders for specific transportation movements within the scope of this contract exists only for the duration of any task order for Management Services (CLINs 0001/1001/2001/3001/4001/5001/6001). All transportation requirements within the scope of this contract will be acquired under this contract. Requirements will be phased in to this contract IAW the implementation dates and implementation schedule listed in Part I, Section C, PWS, Tables 1 through 4. Each shipping location will become a mandatory user of this contract upon successful completion of implementation at that location. Two exceptions to the mandatory ordering requirements apply IAW Part I, Section C, PWS, para 1.1.4 Optional Services regarding CONUS unit moves or vendor shipments which may be ordered under this contract at the government's discretion. No work will be authorized or funded under the basic contract. Performance of all contract requirements must be authorized by the Contracting Officer through the issuance of separate task orders for Management Services (CLINs 0001/1001/2001/3001/4001/5001/6001), Management Services—Surge (CLINs 0004/1004/2004/3004/4004/5004/6004), Award Fee (CLINs 0003/1003/2003/3003/4003/5003/6003), and Contract Deliverables (0005/1005/2005/3005/4005/5005/6005). This contract includes a 3-year base ordering period of performance for all requirements from 17 Aug 07 – 16 Oct 10. This 3-year base ordering period is separated by CLINs into three 12-month ordering periods from 17 Aug 07 – 16 Oct08, 17 Oct08 – 16 Oct09, and 17 Oct09 through 16 Oct10. Performance of each of the three 1-year base ordering periods must be authorized and funded via task orders authorizing performance. All transportation under this contract (CLINs 0002/1002/2002/3002/4002/5002/6002) will be ordered electronically by the shipper's authorized ordering officer IAW Part I, Section C, PWS, paragraph 1.3.7. The BoL will serve as the task order obligating funds and authorizing performance.

**INVOICE AND PAYMENT****G-6. Management Services (CLINs 0001, 1001, 2001, 3001, 4001, 5001, 6001)**

The contractor shall invoice for Management Services on a monthly fixed-price basis. The contractor shall submit monthly invoices in accordance with DFARS 252.232-7003, Electronic Submission of Payment Requests. The Contractor shall utilize Wide Area WorkFlow (WAWF), <https://wawf.eb.mil/>, for the creation of electronic receiving reports (DD Form 250) and electronic invoices. The WAWF routing information will be provided on the individual task orders. The contractor should utilize the "Combo" document generation option in WAWF.



Payment is to be made in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. In connection with any discount offered for early payment, time shall be computed from the date of a properly executed invoice. Contractors shall submit invoices with contract number, invoice date and an invoice or identification number on each invoice.

The monthly fixed price established for Management Services CLINs 0001/1001/2001/3001/4001/5001/6001 in Section B is based on a historical range of shipping data transactions for all DoD shippers paid via PowerTrack® as follows: CLIN 0001 in Section B includes a range of 700 through 21,600 shipping data transactions per month as the basis for establishing the fixed monthly price; CLIN 1001 in Section B includes a range of 29,000 through 48,000 shipping data transactions per month as the basis for establishing the fixed monthly price; CLIN 2001 and CLINS 3001/4001/5001/6001 in Section B include a range of 40,000 through 48,000 shipping data transactions per month as the basis for establishing the fixed monthly price. Note that historical ranges of shipping data transactions may not be representative of the actual shipping data transactions that will be experienced under this contract. Transactions are discussed in Part I, Section C, PWS, Table 6, Step 2. For clarification purposes only, the DDC's use "pre-alerts" via an initial 219 and follow-up with a final offer, if ordered. Pre-alerts shall not be counted as a transaction for billing purposes. Only the final 219 can be counted as a transaction.) Only 219s that have a purpose code of "00" will be counted as a shipping transaction.

Throughout contract performance, the number of shipping transactions processed will be reviewed on a quarterly basis. The average number of shipping transactions for each quarter (defined as a 3 month period, with the first quarter established as the first three months after contract restart, i.e., Nov – Jan, Feb – Apr, May – Jul, Aug - Oct) will be determined. If the average number of shipping transactions for the quarter falls below the low end of the range identified above, the Government will evaluate workload projections and determine if a long-term workload reduction is envisioned. If in fact a reduced scope of work under this CLIN is anticipated governing future performance, the Contracting Officer will take action to request a price reduction under the applicable Management Services CLIN 0001/1001/2001/3001/4001/5001/6001. Such price adjustments will be handled IAW Section I, FAR 52.243-1, Changes- Fixed Price Alternate I. A modification will be issued adjusting the fixed price in Section B of the basic contract as well as the range of transactions identified in this paragraph. A modification to the appropriate task order under the respective Management Services CLIN governing future performance, invoicing and payment will also be issued.

Surge requirements which exceed the fixed price parameters of this CLIN fall under G-9, Management Services—Surge (CLINs 0004/1004/2004/3004/4004/5004/6004)

#### **G-7. Transportation (CLINs 0002, 1002, 2002, 3002, 4002, 5002, 6002)**

The authorized ordering officer will submit requests for transportation to the contractor electronically (see Part I, Section C, PWS, Table 6). The contractor will respond to the request for shipment electronically. The response will include the estimated shipment charge, comprised of the appropriate transportation not-to-exceed (NTE) rate established at contract award by mode/route (Attachment 1), and any required accessorial charges (Attachment 2 and Appendix B of the PWS). The contractor will submit a NTE rate for anticipated carrier freight costs based on the shipment offering without assumption of risk for subsequent optimization opportunities. The accessorial charges will be based on the government-established fixed-price rates established in the contract IAW Part I, Section C, PWS, paragraph 1.4.5.16 and Part III, Section J, Attachment 2. The government shipper will then use this information to generate the BoL. The BoL obligates funding and is considered the task order authorizing performance. The Not-to-Exceed (NTE) rates established in the contract based upon the applicable mode of transportation represent the maximum allowable costs under this contract. If any shipment requirements are subsequently changed by the shipper's authorized ordering officer (i.e., mode change, equipment change, change in Mandatory Delivery Date, etc.) the contractor will reflect the modified NTE rate based on the changed performance requirements on the invoice submitted for approval by the certifying officer.

NTE rate applicability for the rate and equipment categories containing 5-zip, 3-zip, and/or State-to-State NTE rates will be determined based upon the following considerations:



Truckload and Driveaway-Towaway NTE Rate Categories: Where 5-zip, 3-zip, and/or State-to-State NTE rates are available within the TL and Driveaway-Towaway NTE rate categories (no weight breaks), the lowest NTE rate (rate per mile) applies, as does minimum charges when applicable.

Less-than-Truckload and Air NTE Rate Categories: Where 5-zip, 3-zip, and/or State-to-State NTE rates are available within the LTL and Air NTE rate and equipment categories containing weight breaks, the lowest NTE will apply and will be based upon the lowest calculated shipment line haul charge using the most advantageous weight break and CWT rate. Under no circumstances will the NTE rate associated with the applicable weight break result in a higher line haul charge when an NTE rate associated with another weight break offers a lower overall shipment line haul charge. Minimum charges apply when applicable.

Truckload and Less-than-Truckload NTE State-to-State Rate Categories: State-to-State NTE rate categories for Truckload and Less-than-Truckload modes should assume van as the equipment type (size dependent upon freight offered).

Interim NTE rate establishment process for Less-than-Truckload and Truckload special equipment NTE rate categories: In cases where a surface shipment is ordered requiring special equipment and there is not an applicable LTL or TL 3-zip special equipment NTE rate on contract, the following interim NTE rate establishment process applies: Upon receipt of a 219 shipment request where there is no applicable NTE rate on contract, the contractor will advise the shipper and the DTCI Contracting Officer immediately that there is not an applicable NTE rate on contract to generate a 220 shipment response. The contractor will then submit a request to the Contracting Officer for approval of an interim NTE rate and include justification for this interim NTE rate based upon current market based transportation rate conditions. This justification shall include documentation (e.g., copies of carrier transportation quotes in response to the contractor's electronic spot bid process) sufficient for the Contracting Officer to evaluate the NTE rate for reasonableness based upon current market based transportation pricing and comparison to other available Government transportation pricing as necessary (e.g., TTC-II rates; SDDC Tender rates on file). The supporting documentation shall clearly indicate that the contractor sought adequate competition within the timelines and parameters of the shipment. The Contracting Officer will negotiate and/or approve the interim NTE rate and notify the contractor in writing immediately. If the contractor and the government fail to reach a mutual agreement, the government reserves the right to unilaterally establish the interim NTE rate by notifying the contractor in writing and subsequently issuing a modification pursuant to FAR 52.243-2, Alternate I. The Contractor will be required to comply with the unilaterally established NTE rate until such time that a final NTE rate is agreed upon. If a subsequent final NTE rate differs from the unilateral rate the government shall make appropriate adjustments to the contract and any affected task order(s). If an agreement cannot be reached, the provisions of FAR 52.233-1, Dispute, Alternate I will apply.

During the period of rate negotiation and interim NTE rate authority, the contractor may be relieved of the 220 response and/or pick-up times outlined in this contract in the event the NTE rate approval process exceeds the established timelines. Additionally, the carrier may seek relief from meeting the MDD in the event that unforeseen rate negotiations prevent the contractor from meeting its delivery requirements. The Contracting Officer shall evaluate the circumstances surrounding any such delay and determine whether or not performance relief is warranted.

NTE rates for rail shipments that are not Trailer on Flatcar/Container on Flatcar (TOFC/COFC) will be negotiated prior to issuance of a task order for services. When a rail movement is required, the appropriate Installation Transportation Officer will provide the requirements for the movement, to include a description of the services to be performed, to the coordinator and to the DTCI CO (Note: some services may not be identified in Appendix B, Accessorial Services). The coordinator will then submit a NTE rate for the movement that includes all services required, along with substantiating pricing documentation, to the DTCI CO, with a copy provided to the requesting Installation Transportation Officer. The DTCI CO will then negotiate a NTE rate with the coordinator for each specific rail movement in accordance with FAR 52.243-2, Alternate I.

If the contractor and the government fail to reach a mutual agreement, the government reserves the right to unilaterally establish the interim NTE rail rate by issuing a modification pursuant to FAR 52.243-2, Alternate I. The Contractor will be required to comply with the unilaterally established NTE rail rate until, and if, the interim NTE



rail rate can later be agreed to and modified to the contract to include any appropriate cost adjustments to any task order issued and performed under the unilaterally established NTE rail rate. If an agreement cannot be reached, the provisions of FAR 52.233-1, Dispute, Alternate I will apply.

The Contracting Officer will make available within 60 days of contract restart a listing of authorized ordering officers who have been delegated authority for ordering transportation under this contract. Updated listings will be provided throughout the life of the contract.

After a transportation requirement is completed, the contractor will notify the Third Party Payment System (TPPS) provider (currently U.S. Bank's PowerTrack® system) of delivery and submit an invoice to PowerTrack® electronically (see Part I, Section C, PWS, Figure 3, and Table 6). The contractor shall invoice for the actual cost of transportation, taking into consideration any achieved optimization opportunities, up to the transportation NTE rate established in the BoL or the revised transportation NTE rate if a mode change results. In addition, any applicable accessorial charges will be invoiced at the fixed-price accessorial charges established in the contract. The Third Party Payment System (TPPS) provider (currently U.S. Bank's PowerTrack® system) will pay the invoice via EFT, in accordance with the business rules established by the applicable shipper for payment approvals (see Defense Transportation Regulation Chapter 212 on payment approval) and in accordance with the terms and conditions of the "seller agreement" established between the contractor and the TPPS provider (NOTE: TPPS transaction fees may apply and are typically deducted from the EFT payment). If the invoice does not meet the pre-set business rules, the Transportation Office has 3 government business days to manually approve the invoice, have the contractor adjust the price and then approve, place the invoice on "hold" and request additional information from the contractor, or deny payment and record the reason in a PowerTrack® note.

PowerTrack® will generate an on-line monthly Summary Invoice, not later than 3 business days after the end of the billing cycle for each government Transportation Officer account. This billing cycle is typically from the 15th to the 14th of the month. The government Certifying Officer will certify the Summary Invoice data electronically and send to DFAS within 5 calendar days of availability. (See Defense Transportation Regulation Chapter 212 for PowerTrack® Summary Invoice Certification procedures). DFAS will pay U.S. Bank 15 days from the date the Summary Invoice was made available to the government Certifying Officer or prompt payment interest accrues in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. In connection with any discount offered for early payment, time shall be computed from the date of the invoice.

Payment/billing disputes will utilize the PowerTrack® eBill process – contractor has up to 16 months to submit an eBill after contractor payment has been made. If not resolved, the procedures at FAR 52.233-1, Disputes – Alternate I (Dec 1991) will apply.

All transportation costs will be paid through PowerTrack®. The NTE rates established in the BoL based upon the applicable mode of transportation represent the maximum allowable costs under this contract and will be considered **Contingent Liabilities** subject to final audit by the Defense Contract Audit Agency. (Ref: Section H-10, Allowable Cost and Payment). Accessorial charges will be IAW the fixed rates established IAW Part III, Section J, Attachment 2. Fuel surcharges will be IAW Part I, Section C, PWS, paragraph 1.4.5.15.

The contractor is required to separately submit a completed Standard Form (SF) 1034, Public Voucher, with attachment containing the certified monthly Summary Invoice detail for DTIC shipment transactions paid via PowerTrack® for each applicable shipper location. Interim vouchers will be submitted monthly and on an annual basis, with a final voucher upon contract completion for final contract payment and closeout purposes. Detailed instructions for submission requirements related to the SF 1034 voucher process shall be provided by the Contracting Officer within 60 days of contract restart.

#### **G-8. Award Fee (CLINs 0003, 1003, 2003, 3003, 4003, 5003, 6003)**

Performance evaluation in accordance with the award fee plan will occur semiannually. The Fee Determining Official (FDO) will determine the amount of award fee the coordinator has earned, if any, under the award fee criteria and a unilateral modification issued to the applicable Task Order authorizing payment for that amount. Any



unearned award fee will be deobligated by the Contracting Officer and cannot be recouped in subsequent award fee evaluation periods.

The contractor may invoice for the amount of Award Fee earned on a semiannual basis in accordance with DFARS 252.232-7003, Electronic Submission of Invoices. The Contractor shall utilize Wide Area WorkFlow (WAWF), <https://wawf.eb.mil/>, for the creation of electronic receiving reports (DD Form 250) and electronic invoices. The WAWF routing information will be provided in individual Task Orders. The contractor should utilize the "Combo" document generation option in WAWF. Payment is to be made in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment.

#### **G-9. Management Services--Surge (CLINs 0004, 1004, 2004, 3004, 4004, 5004, 6004)**

In accordance with Part I, Section C, PWS, paragraph 1.4.5.27, the contractor shall support surge requirements. This CLIN covers transportation coordination services for surge not covered under CLINs 0001/1001/2001/3001/4001/5001/6001. Refer to Part I, Section C, PWS Table 6, Step 2 for definition of a shipping transaction. Transactions are discussed in Part I, Section C, PWS, Table 6, Step 2. For clarification purposes only, the DDC's use "pre-alerts" via an initial 219 and follow-up with a final offer, if ordered. Pre-alerts shall not be counted as a transaction for billing purposes. Only the final 219 can be counted as a transaction.) Only 219s that have a purpose code of "00" will be counted as a shipping transaction. Historical shipping data is provided per Part III, Section J, Attachment 3. This data represents all DoD shippers (600+ locations) DTIC-eligible freight, paid via PowerTrack® for the 3 year period from June 2002 through May 2005. Note that historical ranges of shipping data transactions identified in Para G-6 above may not be representative of the actual shipping data transactions that will be experienced under this contract.

Throughout contract performance, the number of shipping transactions processed will be reviewed by the government on a quarterly basis. The average number of shipping transactions for each quarter (defined as a 3 month period, with the first quarter established as the first three months after contract restart) will be determined. If the average number of shipping transactions for the quarter exceeds the high end of the ranges of shipping data transactions identified in Section G-6 above, a modification to the applicable task order will be issued to authorize surge support and payment of those monthly transactions that exceed the high end of the range IAW the fixed price rates per transaction shown in Section B. The Contractor will invoice for the actual number of shipping transactions exceeding the high end of the range in any one month period during the quarter being reviewed, as authorized in the modification, so long as the quarterly average exceeds the high end of the range for the period being reviewed. Two examples follow:

First example: Year one:	Oct = 18,000 shipping transactions
(CLIN 0001)	Nov = 22,000 shipping transactions
700-21,600 Range	Dec = <u>19,700</u> shipping transactions
	Total: 60,300

60,300 shipping transactions divided by 3 months = 20,100 average shipping transactions during the quarter = no adjustment because the average did not exceed 21,600 even though one month, Nov, included in excess of 21,600 shipping transactions. In order to receive an adjustment, the quarterly average must exceed the high end of the range as identified in Section G-6 above (21,600 for this example)

Second example: Year one:	Oct = 24,800 shipping transactions
(CLIN 0001)	Nov = 21,000 shipping transactions
700-21,600 Range	Dec = <u>25,000</u> shipping transactions
	Total: 70,800

70,800 divided by 3 months = 23,600 average shipping transactions during the quarter = adjustments for October and December because the average did exceed 21,600. A total of 3,200 shipment transactions in October will be paid (the number over 21,600) multiplied by the fixed-priced rates per transaction shown in Section B. A total of 3,400 shipping transactions for December will be paid.



The contractor shall invoice for Management Services--Surge IAW DFARS 252.232-7003, Electronic Submission of Payment Requests. The Contractor shall utilize Wide Area WorkFlow (WAWF), <https://wawf.eb.mil/>, for the creation of electronic receiving reports (DD Form 250) and electronic invoices. The WAWF routing information will be provided on the individual task orders. The contractor should utilize the "Combo" document generation option in WAWF. Payment is to be made in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment.

**G-10 Contract Deliverables (CLINs 0005, 1005, 2005, 3005, 4005, 5005, 6005)**

Unless this line item reflects "NSP" in Section B for not-separately priced, the contractor shall invoice for Contract Deliverables on a fixed-price basis. The contractor shall submit an invoice in accordance with DFARS 252.232-7003, Electronic Submission of Payment Requests. The Contractor shall utilize Wide Area WorkFlow (WAWF), <https://wawf.eb.mil/>, for the creation of electronic receiving reports (DD Form 250) and electronic invoices. The WAWF routing information will be provided on the individual task orders. The contractor should utilize the "Combo" document generation option in WAWF.

Payment is to be made in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. Contractors shall submit invoices with contract number, invoice date and an invoice or identification number on each invoice.

**G-11. Reduction of Payment – Applicable to All CLINs**

IAW Section I, FAR 52.246-4, Inspection of Services-Fixed Price, and FAR 52.246-5, Inspection of Services-Cost Reimbursement, services provided under this contract shall meet all contractual requirements in order for full payment IAW Section B pricing. If any of the services do not conform with the performance thresholds identified in Section C, PWS, paragraph 2, the government will be entitled to a price reduction for the reduced value of the services as performed. The determination as to the amount of price reduction will be determined as follows:

**Reductions.** Quarterly, the government will calculate the amount of reductions to be taken for services not performed at or above the Performance Thresholds. These calculations will not be taken sooner than 6 months after DTIC operations are complete and the associated performance data is available per each site. Such reductions will be taken against the contractor's next invoice for Management Services. The formula outlined below will apply to site-specific calculations as well as enterprise wide. As outlined below, when the DTIC Program office receives the agency/Service data it will be analyzed for evaluation and adjudication.

**Performance Objective Percentage:** A Performance Objective Percentage (POP) shall be allocated to the following Performance Objectives. The POP percentage represents the respective value of each category to the government at this phase of the program. The PWS contains requirements that are not specifically measured in this QASP by performance objective or threshold. For purpose of the QASP we will call these requirements "All Other Requirements Contained in PWS." A POP is also assigned to "All Other Requirements Contained in PWS" to reflect the percentage of value of the requirements contained in the PWS that are not specifically measured in this QASP by performance objective or threshold. The POP shall be applied against the transaction fee to determine the value of each Performance Objective or requirement for each individual transaction. The transaction fee is determined based on the monthly management fee per quarter divided by the average quarterly number of transactions when all sites are activated. See the formula below for a detailed calculation. The POP is allocated as follows:

On-Time Delivery Performance Objective – 40%  
On-Time Pickup Performance Objective – 20%  
System Availability Performance Objective – 20%  
All Other Requirements Contained in the PWS– 20%

**Transaction Fee.** The transaction fee is the estimated dollar value of each individual transaction.

**Enterprise-Wide.** Enterprise-wide refers to all shipper locations.

**Site-Specific.** Site-specific refers to an individual shipper location.

**Reduction Calculation.** This reduction will be taken on a quarterly basis from the monthly Management Services CLIN. In most cases the reductions will be calculated based on a per transaction fee basis as follows:

**Cost per transaction rate** = Value of the monthly management services fee per quarter divided by 132,000 (determined to be the average number of transactions per quarter when all sites are implemented). **NOTE: The management fee and reduction amounts used throughout the assumptions and examples in this paragraph are notional and do not reflect the actual management fee or reduction amounts that will be used to calculate reductions under the contract. The actual management fee, based upon the successful offeror's proposal, and reduction amounts will be incorporated into this paragraph upon contract award.**

Assumption: Monthly Management Services Fee = \$3,124,998 per quarter (notional)

\$3,124,998 divided by 132,000 (average number of transactions when all sites are implemented) = \$23.67 per transaction

The performance threshold for on-time delivery is 96% of 132,000 = 126,720 (transactions). This percentage is for Years 1 and 2 of the contract. The performance threshold for Years 3 through 7 is 97%.

Therefore, 5,280 transactions can be late without reduction for Years 1 and 2 and 3,960 for Years 3 through 7. Any late transactions exceeding 5,280 in years 1 and 2 will have the price reduced to reflect the actual services received by the government for that performance objective.

**Example:** Coordinator completes a quarter with a 95% on time rate (125,400 of 132,000 transactions on time). This equates to 6,600 late transactions. The coordinator is permitted to have up to 5,280 late transactions (4%) late without a price reduction.

6,600 late transactions – 5,280 allowed late transactions = 1,320 late transactions subject to price reduction

1,320 late transactions subject to price reduction X \$23.67 (transaction fee) = \$31,244.40 gross quarterly reduction

The POP is 40% for On-Time Delivery.

\$31,244.40 X 40% On-Time Delivery POP = \$12,497.76

The total reduction for the quarter for failure to meet the On-Time Delivery Performance Threshold would be \$12,497.76.

NOTE: This formula will also apply when reviewing site-specific measures for the On-Time Pick-up and On-Time Delivery Performance Thresholds.

**Price Reductions.** The applicable price reduction percentage is applied against those transactions that fail to meet the performance threshold(s) when determining the dollar amount to be subtracted from the contractor's next invoice for CLIN 0001.

**Table 1. DTCl Performance Objectives and Thresholds**



Performance Objective	PWS Para.	Performance Threshold	Performance Objective Percentage
On-Time Pickup	1.3.9	96% for Years 1 and 2 and 97% for Years 3 through 7 for on-time pickup. The percentage of shipments (individual TCN) picked up on time (defined as within 8 operational hours of the request unless a specific time is requested by the shipper) or as promised in the case of a special request or unique move. For scheduled trucks, pickup times shall be specifically agreed to during site implementation and will vary by site.	20%
On-Time Delivery	1.3.16	96% for Years 1 and 2 and 97% for Years 3 through 7 for on-time delivery <u>The percentage of shipments (individual TCNs) delivered by the Mandatory Delivery Date (MDD) required by the shippers request unless otherwise specified (for example: scheduled truck service with specified delivery window or expedited service outside of normal delivery cycle.)</u>	40%
IT Systems available for use	1.4.6.10	99% system availability (minus scheduled down time).	20%
Meet or exceed Small Business subcontracting goals	1.4.7.1	20% of all subcontract dollars awarded went to small business in Year 1 of the Base Period; 23% in Year 2 of the Base Period; 25% in each year of Year 3 of the Base Period through Year 7 of contract performance. 1.10% of all subcontract dollars awarded went to HUBZone businesses in Year 1 of the Base Period; 1.20% in Year 2 of the Base Period; 1.30% in Year 3 of the Base Period; 1.40% in Year 4; 1.50% in Option Year 5 through 7. 1.50% of all subcontract dollars awarded to Service-disabled-veteran-owned businesses in Year 1; 2.00% in Year 2; 2.50% in Year 3; 3.00% in Year 4 through 7. 5.40% of all subcontract dollars awarded went to small-disadvantaged business in Year 1; 5.90% in Year 2; 6.40% in Year 3; 7.00% in Year 4; 7.60% in Year 5 through 7. 1.60% of all subcontract dollars awarded went to Woman-owned small business in Year 1; 1.80% in Year 2; 1.90% in Year 3; 2.10% in Year 4; 2.30% in Year 5 through 7.	N/A

**Performance Objectives.****1. On-Time Pickup.**

Performance Objectives	PWS Para.	Performance Threshold	Performance Objective Percentage
On-Time Pickup	1.3.9	96% for Years 1 and 2 and 97% for Years 3 through 7 for on-time pickup.  The percentage of shipments (individual TCN) picked up on time (defined as within 8 operational hours of the request unless a specific time is requested by the shipper) or as promised in the case of a special request or unique move. For scheduled trucks, pickup times shall be specifically agreed to during site implementation and will vary by site.	20%

**Performance Threshold:** The contractor shall perform all work required in a satisfactory manner in accordance with the appropriate PWS paragraph listed above. The 98 percent on-time pickup performance threshold and reduction is applied on an enterprise-wide standard as well as a site-specific standard.

**Procedures:**

The enterprise-wide performance threshold for on-time pickup during Years 1 and 2 is 96% (97% for Years 3 through 7) of 132,000 (avg. transactions) = 126,720 on-time pickup transactions per quarter.

Therefore, 5,280 enterprise-wide transactions can be late pickups without reduction in Years 1 and 2 and 3,960 in Years 3 through 7. Any enterprise-wide late pickup transactions exceeding 5,280 in Years 1 and 2 will have the price reduced to reflect the actual services received by the government for that enterprise-wide performance objective.

**Example:** Coordinator completes a quarter with a 95% enterprise-wide on-time pickup rate (125,400 of 132,000 transactions on time). This equates to 6,600 enterprise-wide late pickup transactions. The coordinator is permitted to have up to 5,280 enterprise-wide late pickup transactions late (4%) for Years 1 and 2 (3% for Years 3 through 7) without an enterprise-wide price reduction.

6,600 enterprise-wide late pickup transactions – 5,280 allowed enterprise-wide late pickup transactions = 1,320 enterprise-wide late pickup transactions subject to price reduction.

1,320 enterprise-wide late pickup transactions subject to price reduction X \$23.67 (transaction fee) = \$31,244.40 gross quarterly reduction for enterprise-wide late pickup.

The POP is 20% for On-Time Pickup.

\$31,244.40 X 20% On-Time Pickup POP = \$6,248.88.

The total reduction for the quarter for the failure to meet the enterprise-wide On-Time Pickup Performance Threshold is \$6,248.88



The site-specific performance threshold for on-time pick-up for Years 1 and 2 is 96% (97% for Years 3 through 7) of the transactions for that individual shipper location. The number of transactions will vary depending on the volume of the individual shipper locations.

Therefore, 4% of the site-specific transactions can be late pick-ups without reduction. Any site-specific late pick-up transactions exceeding 4% will have the price reduced to reflect the actual services received by the government for that site-specific performance objective.

**Example:** Fort Smith has a total of 1000 transactions per quarter. Coordinator completes a quarter with a 95% on-time pick-up rate for Fort Smith (950 out of 1000 site-specific transactions on-time). This equates to 50 site-specific late pick-up transactions. The coordinator is permitted to have up to 40 site-specific late pick-up transactions (4%) without a site-specific price reduction during Years 1 and 2.

50 site-specific transactions – 40 allowed site specific pick-up transactions = 10 site-specific late pick-up transactions subject to price reduction.

10 site-specific late pick-up transactions subject to price reduction X \$23.67 (transaction fee) = \$236.70 gross quarterly reduction for site-specific late pick-up.

The POP is 20% for On-Time Pick-up.

\$236.70 X 20% On-Time Pick-up POP = \$47.34

The total reduction for the quarter for the failure to meet the site-specific On-Time Pick-up Performance Threshold is \$47.34.

**Site-Specific Transactions.** Any site-specific late pick-up transactions subject to price reduction for failing to meet the site-specific performance threshold will be deducted from, i.e., not included in, the enterprise-wide late pick-up transactions subject to price reduction for not meeting the enterprise-wide performance threshold.

## **2. On-Time Delivery.**

Performance Objectives	PWS Para.	Performance Threshold	Performance Objective Percentage
On-Time Delivery	1.3.16	96% for Years 1 and 2 and 97% for Years 3 through 7 for on-time delivery.  The percentage of shipments (individual TCNs) delivered by the Mandatory Delivery Date (MDD) required by the shippers request unless otherwise specified (for example: scheduled truck service with specified delivery window or expedited service outside of normal delivery cycle.)	40%

**Performance Threshold:** The contractor shall perform all work required in a satisfactory manner in accordance with the appropriate PWS paragraph listed above. The 96 percent on-time delivery performance threshold and reduction is applied on an enterprise-wide standard as well as a site-specific standard for Years 1 and 2. The performance threshold for Years 3 through 7 is 97%.

**Procedures:**

The enterprise-wide performance threshold for Years 1 and 2 for on-time delivery is 96% of 132,000 (avg. transactions) = 126,720 on-time delivery transactions per quarter.

Therefore, 5,280 enterprise-wide transactions can be late deliveries without reduction. Any enterprise-wide late delivery transactions exceeding 5,280 will have the price reduced to reflect the actual services received by the government for that enterprise-wide performance objective.

**Example:** Coordinator completes a quarter with a 95% enterprise-wide on-time delivery rate (125,400 of 132,000 transactions on time). This equates to 6,600 enterprise-wide late delivery transactions. The coordinator is permitted to have up to 5,280 enterprise-wide late delivery transactions (4%) for Years 1 and 2 (3% for Years 3 through 7) without an enterprise-wide price reduction.

6,600 enterprise-wide late delivery transactions – 5,280 allowed enterprise-wide late delivery transactions = 1,320 enterprise-wide late delivery transactions subject to enterprise-wide price reduction

1,320 enterprise-wide late delivery transactions subject to price reduction X \$23.67 (transaction fee) = \$31,243.80 gross quarterly reduction for enterprise-wide late delivery.

The POP is 40% for On-Time Delivery.

$\$31,244.40 \times 40\% \text{ On-Time Delivery POP} = \$12,497.76$

The total reduction for the quarter for failure to meet the enterprise-wide On-Time Delivery Performance Threshold would be \$12,497.76.

The site-specific performance threshold for on-time delivery is 96% of the transactions for that individual shipper location for Years 1 and 2 (97% for Years 3 through 7). The number of transactions will vary depending on the volume of the individual shipper locations.

Therefore, 4% of the site-specific transactions can be late deliveries without reduction in Years 1 and 2 (3% in Years 3 through 7). Any site-specific late delivery transactions exceeding 4% will have the price reduced to reflect the actual services received by the government for that site-specific performance objective.

**Example:** Fort Smith has a total of 1000 transactions per quarter. Coordinator completes a quarter with a 95% on-time delivery rate for Fort Smith (950 out of 1000 site-specific transactions on-time). This equates to 50 site-specific late delivery transactions. The coordinator is permitted to have up to 40 site-specific late delivery transactions (4%) without a site-specific price reduction.

50 site-specific transactions – 40 allowed site specific delivery transactions = 10 site-specific late delivery transactions subject to price reduction.

10 site-specific late delivery transactions subject to price reduction X \$23.67 (transaction fee) = \$236.70 gross quarterly reduction for site-specific late delivery.

The POP is 20% for On-Time Delivery.

$\$236.70 \times 20\% \text{ On-Time Delivery POP} = \$47.34$

The total reduction for the quarter for the failure to meet the site-specific On-Time Delivery Performance Threshold is \$47.34.



**Site-Specific Transactions.** Any site-specific late delivery transactions subject to price reduction for failing to meet the site-specific performance threshold will be deducted from, i.e., not included in, the enterprise-wide late delivery transactions subject to price reduction for not meeting the enterprise-wide performance threshold.

### **3. System Availability.**

Performance Objectives	PWS Para.	Performance Threshold	Performance Objective Percentage
IT Systems Available for Use	1.4.6.10	99% system availability	20%

**Performance Threshold:** The contractor shall perform all work required in a satisfactory manner in accordance with this section and the appropriate PWS paragraph listed above. The 99% system availability is an enterprise-wide standard.

#### **Procedures:**

The performance threshold is 99% system availability.

Average number of hours per quarter = 2,190 hours

1 % of the number of total hours in a quarter = 21.9

Total number of average transactions per quarter = 132,000 (avg. transactions).

Average number of transactions per hour  $(132,000/2,190) = 60.27$  per hour

Therefore, the contractor's system may be unavailable no more than 21.9 hours each quarter – not including approved systems maintenance time. Every hour above 21.9 hours will have a price reduction to reflect the actual services received by the government for that performance objective.

**Example:** Coordinator completes a quarter with only 95% system availability. This equates to 109.5 hours of system unavailability. The coordinator is permitted to have 21.9 hours of system unavailability (1%) without a price reduction.

109.5 hours of system unavailability – 21.9 hours of allowed system unavailability = 87.6 hours of system unavailability subject to price reduction.

87.6 hours of system unavailability X 60.27 transactions per hour = 5,280 transactions subject to price reduction.

5,280 transactions X \$23.67 (transaction fee) = \$124,977.60 gross quarterly reduction for system unavailability.

The POP is 20% for System Availability.

$\$124,977.60 \times 20\%$  (System Availability POP) = \$24,995.52

The total reduction for the quarter for the failure to meet the System Availability Performance Threshold is \$24,995.52.

### **Small Business Subcontracting.**

Performance Objective	PWS Para.	Performance Threshold
Meet or exceed Small Business subcontracting goals	1.4.7.1	20% of all subcontract dollars awarded went to small business in Year 1 of the Base Period; 23% in Year 2 of the Base Period; 25% in each year of Year 3 of the Base Period through Year 7 of contract performance. 1.10% of all subcontract dollars awarded went to HUBZone businesses in Year 1 of the Base Period; 1.20% in Year 2 of the Base Period; 1.30% in Year 3 of the Base Period; 1.40% in Year 4; 1.50% in Option Year 5 through 7. 1.50% of all subcontract dollars awarded to Service-disabled-veteran-owned businesses in Year 1; 2.00% in Year 2; 2.50% in Year 3; 3.00% in Year 4 through 7. 5.40% of all subcontract dollars awarded went to small-disadvantaged business in Year 1; 5.90% in Year 2; 6.40% in Year 3; 7.00% in Year 4; 7.60% in Year 5 through 7. 1.60% of all subcontract dollars awarded went to Woman-owned small business in Year 1; 1.80% in Year 2; 1.90% in Year 3; 2.10% in Year 4; 2.30% in Year 5 through 7.

**Performance Threshold:** The contractor shall achieve the individual small business subcontracting goals in accordance with the PWS Para 1.4.7.1.

**Procedures:** The CO will evaluate both the SF 294's and SF 295's submitted semi-annually by the contractor to determine if the contractor has achieved the required subcontracting goals as identified in the PWS. The CO will document the results of the evaluation in writing and place a copy of the documented evaluation in the contracting file. In the event the contractor fails to achieve any of the required subcontracting goals, the contractor will be given the opportunity to address the actions taken or attempts made to achieve the goals. If the CO determines at contract completion, or at the end of the fiscal year in the case of a commercial plan, that the contractor has not made a good faith effort to achieve the required goals, the contractor shall pay the Government liquidated damages as assessed by the CO in accordance with FAR Clause 52.219-16, Liquidated Damages – Subcontracting Plan.

#### **Payment Reduction Procedures.**

The CO will issue a written notice to the coordinator of its failure to meet the applicable Performance Threshold(s) and the amount of the payment reduction. In response to the written notice, the coordinator has seven working days to submit any written justification to the CO that that might excuse its non-compliance with the Performance Threshold.

If the CO determines that the coordinator's non-compliance with the identified Performance Threshold(s) was beyond its reasonable control, the CO may elect to forgo the payment reduction. If the CO determines the payment reduction clause will be enforced, the coordinator will be notified in writing of the amount that will be deducted from the contractor's next submitted invoice for CLIN 0001.

Any decision by the CO not to enforce this paragraph shall not be considered a waiver of the Government's right to subsequently enforce if the contractor fails to meet the Performance Objectives and Thresholds listed in Table 1.



## SECTION I - CONTRACT CLAUSES

The following have been added by full text:

## 52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (SEP 2007)

(a) The Contractor shall comply with agency personal identity verification procedures identified in the contract that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24, and Federal Information Processing Standards Publication (FIPS PUB) Number 201.

(b) The Contractor shall insert this clause in all subcontracts when the subcontractor is required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.

(End of clause)

## SECTION J - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

The following have been added by full text:

ATTACHMENT 1- ACCESSORIAL RATE

DTCI	28 March 2008	Accessorial Rate Table			
Accessorial Service	Code	Unit of Issue	Rate		
All Modes					
			TL / RAIL / Air	LTL	
Fuel Surcharge	405	determined per the current SDDC Fuel Surcharge Policy and current USTRANSCOM Air Fuel Adjustment Policy	See Fuel Surcharge Policy		
Cargo Liability of Carrier	LIE				
	LIE(1)	for each \$100 increase for shipments less than 15,000lbs	\$0.50	\$0.66	
	LIE2	for each \$100 increase for shipments more than 15,000lbs	\$0.50	\$0.66	

Reconsignment	RCC			
	RCC(1)	per shipment	\$200.00	\$100.00
Redelivery	RCL			
	RCL(1)	per hundred weight	\$2.00	\$6.50
	RCL(2)	minimum charge (enter whole dollars)	\$200.00	\$45.00
	RCL(3)	maximum charge (enter whole dollars)	\$600.00	\$500.00
Weight Verification	WTV			
	WTV(1)	per shipment or per conveyance if more than one conveyance is used	\$85.00	\$30.00
<b>Motor and Air</b>				
Pickup After Normal Business Hours	PUD			
	PUD(1)	per hour or fraction thereof	\$43.00	\$68.00
Saturday Pickup or Delivery	SAT			
	SAT(1)	per hour or fraction thereof	\$35.00	\$100.00
	SAT(2)	minimum charge	\$120.00	\$500.00
Sunday or Holiday Pickup or Delivery	HOL			
	HOL(1)	per hour or fraction thereof	\$35.00	\$100.00
	HOL(2)	minimum charge	\$120.00	\$500.00
Signature and Tally Record Service	675			
	675(1)	per shipment	\$25.00	\$45.00
Expedited Service	EXP	See contract.	See NTE Rate structure bid by Menlo.	Not Applicab
<b>Motor and Rail</b>				
Split Delivery	SDL			
	SDL(1)	per incident	\$70.00	Not Applicab
Split Pickup	SPU			
	SPU(1)	per incident	\$76.00	Not Applicab
<b>Motor</b>				
Chains & Binders	CHN			
	CHN(1)	per each additional sets	\$68.00	Not Applicab



Dual Drivers (Continuous Line Haul Movement)	EXD			
	EXD (1)	1-500 miles: Per mile, per vehicle for TL, Percent of transportation rate for LTL	\$0.55	20%
	EXD (2)	Over 500 miles: Per mile, per vehicle for TL, Percent of transportation rate for LTL	\$0.75	25%
Detention: Vehicles with Power Units	DEP			
	DEP(1)	per hour or fraction thereof	\$93.00	\$75.00
Detention: Vehicles without Power Units	DET	per 24-hour day or fraction thereof		
	DET(1)	1st and 2nd 24-hour day or fraction thereof	\$180.00	\$99.00
	DET(2)	3rd and 4th 24-hour day or fraction thereof	\$200.00	\$115.00
	DET(3)	5th + 24-hour day or fraction thereof	\$250.00	\$130.00
Empty Movement of Equipment	EMT			
	EMT(1)	per mile deadheaded per vehicle	\$2.00	Not Applicab
Escort/Flagman/Telephone Service	MES			
	MES(1)	per mile per escort vehicle/flagman	\$1.25	Not Applicab
	MES(2)	minimum charge (enter whole dollars)	\$300.00	Not Applicab
	MEN(1)	per night per flagman	\$100.00	Not Applicab
	MET(1)	per vehicle equipped with a mobile telephone or two-way radio	\$100.00	Not Applicab
Exclusive Use of Vehicle or Dromedary	EXC			
	EXC(1)	per mile per vehicle	\$0.40	Not Applicab
Extra Lights	ELS			
	ELS(1)	per vehicle	\$100.00	Not Applicab
Loading - Unloading by Carrier	URC			
	URC(1)	per hundred weight	\$0.99	\$0.99
	URC(2)	minimum charge (enter whole dollars)	\$325.00	\$46.00
Motor Surveillance Service	MVS			
	MVS(1)	per mile	\$0.08	\$0.08
	MVS(2)	minimum charge (enter whole dollars)	\$50.00	\$50.00
Overdimensional Freight Service	520	Charges Per Mile except for minimum charges		

Overwidth	520(1)	minimum charge (enter whole dollars)	\$125.00	Not Applicab
	520(2)	overwidth for shipments over 102" but less than 108"	\$0.25	Not Applicab
	520(3)	overwidth for shipments over 108" but less than 120"	\$0.30	Not Applicab
	520(4)	overwidth for shipments over 120" but less than 132"	\$0.45	Not Applicab
	520(5)	overwidth for shipments over 132" but less than 144"	\$0.75	Not Applicab
	520(6)	overwidth for shipments over 144" but less than 156"	\$1.00	Not Applicab
	520(7)	overwidth for shipments over 156" but less than 168"	\$1.25	Not Applicab
	520(8)	overwidth for shipments over 168" but less than 180"	\$1.50	Not Applicab
	520(9)	overwidth for shipments over 180" but less than 204"	\$1.75	Not Applicab
	520(10)	per foot or fraction thereof on that portion over 17 foot wide, plus the charge for 5209	\$1.00	Not Applicab
Overlength	520(11)	minimum charge (enter whole dollars)	\$125.00	Not Applicab
	520(12)	overlength for shipments over 576" but less than 600"	\$0.30	Not Applicab
	520(13)	overlength for shipments over 600" but less than 660"	\$0.45	Not Applicab
	520(14)	overlength for shipments over 660" but less than 720"	\$0.65	Not Applicab
	520(15)	overlength for shipments over 720" but less than 780"	\$0.75	Not Applicab
	520(16)	overlength for shipments over 780"	\$0.85	Not Applicab
	520(17)	per foot or fraction thereof on that portion over 65 feet long, plus the charge for 52016	\$0.50	Not Applicab
Overheight	520(18)	minimum charge (enter whole dollars)	\$125.00	Not Applicab
	520(19)	overheight for shipments over 162" but less than 168"	\$0.30	Not Applicab
	520(20)	overheight for shipments over 168" but less than 174"	\$0.50	Not Applicab
	520(21)	overheight for shipments over 174" but less than 180"	\$0.75	Not Applicab
	520(22)	overheight for shipments over 180" but less than 192"	\$1.10	Not Applicab
	520(23)	overheight for shipments over 192" but less than 204"	\$2.25	Not Applicab
	520(24)	overheight for shipments over 204"	\$3.00	Not Applicab



Overweight Shipments	PER			
	PER(1)	per mile	\$0.25	Not Applicab
	PER(2)	minimum charge (enter whole dollars)	\$125.00	Not Applicab
Protective Tarping for Security Purposes	PTS			
	PTS(1)	per shipment	\$100.00	Not Applicab
Relocation of Vehicle	RLS			
	RLS(1)	per incident	\$82.00	\$65.00
Restricted Speeds	RSS			
	RSS(1)	Rate per vehicle per mile when restricted to 20 mph or less	\$1.10	Not Applicab
	RSS(2)	Rate per vehicle per mile when restricted to 21 to 25 mph	\$0.75	Not Applicab
	RSS(3)	Rate per vehicle per mile when restricted to 26 to 35 mph	\$0.55	Not Applicab
	RSS(4)	Rate per vehicle per mile when restricted to 36 to 40 mph	\$0.50	Not Applicab
	RSS(5)	Rate per vehicle per mile when restricted to 41 to 46 mph	\$0.45	Not Applicab
Satellite Motor Surveillance Service	SNS			
	SNS(1)	per mile	\$0.25	Not Applicab
	SNS(2)	minimum charge (enter whole dollars)	\$180.00	Not Applicab
Stop Off Intransit	SOC			
	SOC(1)	per mile for mileage that exceeds the direct applicable mileage from origin to destination	\$2.00	Not Applicab
	SOC(2)	for each stop with the exception of the initial pickup and final delivery	\$100.00	Not Applicab
Storage	SRG			
	SRG(1)	per day for shipments weighing less than 10,000lbs	\$200.00	\$75.00
	SRG(2)	minimum charge (enter whole dollars) per shipment weighing less than 10,000lbs	\$300.00	\$120.00
	SRG(3)	per day for shipments weighing more than 10,000lbs	\$200.00	\$120.00
	SRG(4)	minimum charge (enter whole dollars) per shipment weighing more than 10,000lbs	\$350.00	\$175.00

Vehicles Furnished But Not Used	VFN			
	VFN(2)	per incident	\$600.00	\$350.00
Expedited Service	EXP	See contract.	See NTE Rate structure bid by Menlo.	Not Applicab
<b>Air</b>				
Oversized Freight Air	520(1)			
	520(1)	% of line haul cost	30%	Not Applicab
			See NTE Rate structure bid by Menlo.	Not Applicab
Expedited Service	EXP	See contract.		
<b>Rail</b>				
Demurrage	DEM			
	DEM(1)	# of hours freetime for loading (minimum 72 hours)	72	Not Applicab
	DEM(2)	# of hours freetime for unloading (minimum 72 hours)	72	Not Applicab
	DEM(3)	Rate per car per day or fraction thereof until car is released for first four days	\$75.00	Not Applicab
	DEM(4)	Rate per car per day or fraction thereof until car is released for days five and six	\$75.00	Not Applicab
	DEM(5)	Rate per car per day or fraction thereof until car is released for each subsequent day	\$75.00	Not Applicab
Empty Cars Ordered but not used	ECS			
	ECS(1)	per car	\$1,000.00	Not Applicab
Idler Car	IDC			
	IDC(1)	per idler car	\$750.00	Not Applicab

The following have been modified:

ATTACHMENT 2 - AWARD FEE PLAN

**PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS**



**SECTION J – ATTACHMENT 2**

AWARD-FEE PLAN

FOR

DEFENSE TRANSPORTATION COORDINATION INITIATIVE (DTCI)

HTC711-07-D-0032

28 Mar 2008

APPROVED:

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DTCI Fee Determining Official

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## 1.0 Introduction to the Award Fee Plan

a. This award-fee plan is the basis for the Defense Transportation Coordination Initiative (DTCI) evaluation of the contractor's performance and for presenting an assessment of that performance to the Fee Determining Official (FDO). It describes specific criteria and procedures used to assess the contractor's performance and to determine the amount of award fee earned, if any. Actual award-fee determinations and the methodology for determining award fee are unilateral decisions made solely at the discretion of the Government. This contract will contain a three year base ordering period and two 1-year option periods, with the potential for the contractor to earn up to two additional 1-year award term option periods. This award fee process shall apply to all periods of performance, to include both option periods and award term option periods.

b. Any earned award fee will be provided to the contractor through contract modifications and is in addition to the price paid for Management Services and Transportation under this hybrid contract type. The award fee earned and payable will be determined by the FDO based upon review of the contractor's performance against the criteria set forth in this plan. Unearned award fee for any evaluation period will not be rolled over to any future award fee evaluation periods. The FDO may unilaterally change this plan prior to the beginning of an evaluation period. The contractor will be notified of changes to the plan by the Contracting Officer (CO), in writing, before the start of the affected evaluation period. Changes to this plan that are applicable to a current evaluation period will be incorporated by mutual consent of both parties through a bi-lateral contract modification. Unless the CO gives the contractor specific written notice of any changes to this plan 15 calendar days prior to the start of a new evaluation period, the most recently approved evaluation criteria and weights listed in this Award Fee Plan will be used.

## 2.0 Organization

The award-fee organization consists of; the FDO, an Award Fee Review Board (AFRB) which consists of a chairperson, the Contracting Officer, a recorder, other functional area participants, advisor members and the Performance Monitors. The FDO, AFRB members, and performance monitors are listed in Annex 1.

## 3.0 Responsibilities

a. **FDO.** The FDO approves the award-fee plan and any significant changes to the previously approved plan. AFRB members are approved by the FDO in writing. The FDO reviews the recommendation(s) of the AFRB, considers all pertinent data, and unilaterally determines the earned award-fee amount, if any, for each evaluation period in writing.

b. **AFRB Chairperson.** The AFRB Chairperson is responsible for convening the AFRB. The AFRB Chairperson actively facilitates the AFRB process and reviews action items and monitors follow on action as necessary. Guidance and oversight is provided to other AFRB members.

c. **AFRB.** AFRB members review the Performance Monitors' evaluation of the contractor's performance, consider all information from pertinent sources, prepare interim performance reports, and arrive at an earned award-fee recommendation to be presented to the FDO. The AFRB may also recommend changes to the award fee plan. If the contractor provides a written self-assessment of its performance, the AFRB must consider this assessment when developing the earned award-fee recommendation to the FDO.

d. **AFRB Recorder.** The AFRB Recorder is responsible for coordinating the administrative actions required by the Performance Monitors, the AFRB and the FDO, including: 1) receipt, processing, and distribution of evaluation reports from all required sources; 2) scheduling and assisting with internal evaluation milestones, such as briefings; and 3) accomplishing other actions required to ensure the smooth operation of the award fee process.

e. **Contracting Officer (CO).** The CO is the liaison between the contractor and Government personnel. The CO also executes any modification required to provide the contractor the ability to invoice for any earned award fee.



f. **Performance Monitors.** Performance Monitors maintain written records of the contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. They prepare interim and end-of-period evaluation reports as directed by the AFRB.

#### 4.0 Award-Fee Processes

a. **Available Award-Fee Amount.** The available award fee for each evaluation period is shown in Annex 3. The award fee earned will be paid commensurate with the contractor's performance during each evaluation period.

b. **Evaluation Process.** Contractor performance will be evaluated and rated at the end of each evaluation period (listed in Annex 3) by the AFRB in accordance with Annex 2. Each award fee evaluation criteria to be utilized in accessing the contractor's performance has been assigned a weighted factor that may vary from year to year (Annex 4). The assigned weighted factor will be multiplied by the corresponding Criteria Rating Points assigned to obtain the percentage of award fee earned. The percentage of recommended award fee earned will be determined by multiplying the award fee available by the percentage of award fee earned (Annex 6). Satisfactory performance will result in no earned award fee.

c. **Interim Evaluation Process.** The AFRB recorder notifies each AFRB member and Performance Monitor 15 calendar days before the midpoint of the evaluation period. Performance Monitors submit their interim evaluation reports to the AFRB no later than the midpoint of the evaluation period. The AFRB determines the interim evaluation results and notifies the contractor of the strength(s) and weakness(es) for the current evaluation period via a letter issued by the CO within 10 calendar days after the midpoint of the evaluation period. The CO may also issue letters to the contractor at any other time when it is deemed necessary to highlight areas of Government concern. (The first Interim AFRB meeting will take place approximately the last week of January 2008.)

d. **Evaluation Criteria.** In years 1 through 3, if task orders for management services are issued, the following Award Fee evaluation criteria will be utilized to determine the amount of award fee earned, if any: Implementation, Information Management, Transportation Coordination Services and Small Business Participation. In years 4 through 7, to the extent that option periods are exercised and award term option periods are earned and exercised, the following award fee criteria will be utilized to determine the amount of award fee earned, if any: Information Management, Transportation Coordination Services and Small Business Participation.

e. **Focus Areas.** Prior to the start of each evaluation period, the AFRB Chairperson, through the CO, will identify to the contractor specific areas of performance that the contractor should focus on during that evaluation period. All focus areas identified will be directly related to the contractual performance requirements described in the contract and referred to in the evaluation criteria contained in this Award Fee Plan.

f. **End of Period Evaluation.** The AFRB Recorder notifies each AFRB member and Performance Monitor 30 calendar days prior to the end of the evaluation period. Performance Monitors submit their evaluation reports to the AFRB 7 calendar days after the end of the evaluation period. The AFRB, led by the AFRB Chairperson, prepares its evaluation report and recommendation of earned award fee within 45 calendar days after the end of the evaluation period. The AFRB briefs the evaluation report and recommendation to the FDO. At this time, the AFRB may also recommend any significant changes to the award-fee plan for FDO approval. The FDO determines the overall earned award-fee amount for the evaluation period within 60 calendar days after the end of each evaluation period. The FDO will issue a letter informing the contractor of the earned award-fee amount. The CO will issue a contract modification within 15 calendar days after the FDO's decision is made authorizing payment of the earned-award-fee amount.

g. **Contractor's Self Assessment.** The contractor will be given the opportunity to provide a written self assessment of their performance to the AFRB. When the contractor chooses to submit a self-assessment to the AFRB, it must be submitted to the CO within 7 calendar days after the end of the evaluation period. This written assessment of the contractor's performance throughout the evaluation period may also contain any information deemed reasonable to assist the AFRB in evaluating the contractor's performance. The contractor's self-assessment may not exceed 10 pages. Pages submitted beyond the 10 page limit will not be reviewed nor considered in the Award Term Option evaluation process.



## **5.0 Award-Fee Plan Change Procedure**

All significant changes are approved by the FDO; the AFRB Chairperson approves additional changes. Examples of significant changes include changing evaluation criteria and adjusting weights to redirect contractor's emphasis to areas needing improvement. The contractor may recommend changes in writing to the CO no later than 14 calendar days prior to the beginning of the new evaluation period. If recommended changes are approved by the FDO, the CO shall notify the contractor in writing of any change(s). Unilateral changes may be made to the award-fee plan if the contractor is provided written notification by the CO prior to the start of the upcoming evaluation period. Changes affecting the current evaluation period must be by mutual agreement of both parties, via a bi-lateral modification.

## **6.0 Award-Fee Termination Procedures**

If the contract is terminated for the convenience of the Government after the start of an award-fee evaluation period, the award fee deemed earned for that period shall be determined by the FDO using the normal award-fee evaluation process. Following any contract termination, the remaining award-fee amounts allocated to subsequent award-fee evaluation periods cannot be earned by the contractor and therefore, shall not be paid.

If any option period; or Award Term Option period, is not exercised, any remaining award-fee amounts allocated to subsequent award-fee evaluation periods cannot be earned by the contractor and, therefore, shall not be paid.

**Annex 1**

**Award-Fee Organization**

**Members:**

Fee Determining Official  
USTRANSCOM-TCCS

Award Fee Chairperson  
DTCI Program Manager \*

Award Fee Review Board

AFRB Recorder

Services Representatives \*  
(One member from the Army, Air Force, Marines, and Navy)

DLA Representative \*

USTRANSCOM Representatives \*

Contracting Officer \*

USTRANSCOM Office of the Staff Judge Advocate Representative

Performance Monitors  
(Performance Monitors will be assigned at each shipping location)

\* Award Fee Voting Members

NOTE: Service representatives will only participate as a voting member at such a time their Service is implemented under the contract, i.e., in Phases II and III.



**Annex 2**

**Areas of Evaluation and Rating Scale**

**AREAS OF EVALUATION**

Implementation  
Information Management  
Transportation Coordination Services  
Small Business Participation

**RATING SCALE**

	Rating Points	Percent of Award Fee
SATISFACTORY	1-50 Points	0%
VERY GOOD	51-75 Points	51%-75%
EXCEPTIONAL	76-100 Points	76%-100%

**Annex 3****Award-Fee Allocation by Evaluation Periods**

The award fee earned by the contractor will be determined at the completion of semi-annual evaluation periods shown below. The percentage and dollars shown corresponding to each period is the maximum available-award-fee amount that can be earned during that particular period.

Evaluation Period	From	To	Available Award Fee
1	17 Aug 07	01 May 08	\$665,691.00
2	02 May 08	16 Oct 08	\$665,691.00
3	17 Oct 08	16 Apr 09	\$744,984.00
4	17 Apr 09	16 Oct 09	\$744,984.00
5	17 Oct 09	16 Apr 10	\$662,084.40
6	17 Apr 10	16 Oct 10	\$662,084.40
7	17 Oct 10	16 Apr 11	\$677,687.40
8	17 Apr 11	16 Oct 11	\$677,687.40
9	17 Oct 11	16 Apr 12	\$697,392.60
10	17 Apr 12	16 Oct 12	\$697,392.60
11	17 Oct 12	16 Apr 13	\$718,656.60
12	17 Apr 13	16 Oct 13	\$718,656.60
13	17 Oct 13	16 Apr 14	\$736,622.40
14	17 Apr 14	16 Oct 14	\$736,622.40

Note: Should a downward adjustment be made to the Management Services CLIN due to a decrease in workload in accordance with Section G-6 of the contract, a corresponding downward adjustment will be made to the available award fee pool so that the available award fee pool will always be set at 10% of the Management Services CLIN.



**Annex 4**

**Evaluation Criteria (Year One)**

<u>IMPLEMENTATION</u>	<u>50%</u>
<u>INFORMATION MANAGEMENT</u>	<u>20%</u>
<u>TRANSPORTATION COORDINATION SERVICES</u>	<u>20%</u>
<u>SMALL BUSINESS PARTICIPATION</u>	<u>10%</u>

**Annex 4**

**Evaluation Criteria (Years Two and Three)**

<u>IMPLEMENTATION</u>	<u>35%</u>
<u>INFORMATION MANAGEMENT</u>	<u>25%</u>
<u>TRANSPORTATION COORDINATION SERVICES</u>	<u>25%</u>
<u>SMALL BUSINESS PARTICIPATION</u>	<u>15%</u>



Annex 4

Evaluation Criteria (Years Four through Seven – If Exercised and/or Earned and Exercised)

<u>INFORMATION MANAGEMENT</u>	<u>40%</u>
<u>TRANSPORTATION COORDINATION SERVICES</u>	<u>40%</u>
<u>SMALL BUSINESS PARTICIPATION</u>	<u>20%</u>

Annex 5Evaluation Criteria Standards of PerformanceImplementation – Phase I

Satisfactory (0-50 Points) – The contractor successfully implements the Phase I locations identified in Table 1 of the Performance Work Statement (PWS) **within the required** implementation complete dates identified in Table 1 of the PWS. Successful implementation is defined as (1) establishing all necessary systems communication integration efforts to process electronic shipment requests; (2) Finalizing and successfully completing a joint test plan to fully implement and operationally test/validate information technology (IT) interoperability and integration, (3) Training government personnel at each location on the use of the contractor's systems and (4) providing required equipment to meet the government's shipment requests.

Very Good (51-75 Points) – The contractor successfully implements the Phase I locations identified in Table 1 of the PWS **within the required** implementation complete dates identified in Table 1 of the PWS **and** the contractor successfully implements **some** of the Phase I locations identified in Table 2 of the PWS **within the desired** implementation complete dates identified in Table 2 of the PWS. Successful implementation is defined as (1) establishing all necessary systems communication integration efforts to process electronic shipment requests; (2) Finalizing and successfully completing a joint test plan to fully implement and operationally test/validate IT interoperability and integration, (3) Training government personnel at each location on the use of the contractor's systems and (4) providing required equipment to meet the government's shipment requests.

Exceptional (76 – 100 Points) – The contractor successfully implements the Phase I locations identified in Table 1 of the PWS **within the required** implementation complete dates identified in Table 1 of the PWS **and** the contractor successfully implements the **majority** of the Phase I locations identified in Table 2 of the PWS **within the desired** implementation complete dates identified in Table 2 of the PWS. Successful implementation is defined as (1) establishing all necessary systems communication integration efforts to process electronic shipment requests; (2) Finalizing and successfully completing a joint test plan to fully implement and operationally test/validate IT interoperability and integration, (3) Training government personnel at each location on the use of the contractor's systems and (4) providing required equipment to meet the government's shipment requests.



### Annex 5

#### Evaluation Criteria Standards of Performance

##### Implementation – Phases II or III

Satisfactory (0-50 Points) – The contractor successfully implements the Phases II and or III locations identified in Tables 3 and 4 of the PWS **within the required** implementation complete dates identified in Tables 3 and 4 of the PWS. Successful implementation is defined as (1) establishing all necessary systems communication integration efforts to process electronic shipment requests; (2) Finalizing and successfully completing a joint test plan to fully implement and operationally test/validate information technology (IT) interoperability and integration, (3) Training government personnel at each location on the use of the contractor's systems and (4) providing required equipment to meet the government's shipment requests.

Very Good (51-75 Points) – The contractor successfully implements the Phases II and or III locations identified in Tables 3 and 4 of the PWS **within the required** implementation complete dates identified in Tables 3 and 4 of the PWS **and** the contractor successfully implements **some** of the Phase II and or III locations **in advance of the required** implementation complete dates identified in Tables 3 and 4 of the PWS. Successful implementation is defined as (1) establishing all necessary systems communication integration efforts to process electronic shipment requests; (2) Finalizing and successfully completing a joint test plan to fully implement and operationally test/validate information technology (IT) interoperability and integration, (3) Training government personnel at each location on the use of the contractor's systems and (4) providing required equipment to meet the government's shipment requests.

Exceptional (76 – 100 Points) – The contractor successfully implements the Phases II and or III locations identified in Tables 3 and 4 of the PWS **within the required** implementation complete dates identified in Tables 3 and 4 of the PWS **and** the contractor successfully implements the **majority** of the Phase II and or III locations **in advance of the required** implementation complete dates identified in Tables 3 and 4 of the PWS. Successful implementation is defined as (1) establishing all necessary systems communication integration efforts to process electronic shipment requests; (2) Finalizing and successfully completing a joint test plan to fully implement and operationally test/validate information technology (IT) interoperability and integration, (3) Training government personnel at each location on the use of the contractor's systems and (4) providing required equipment to meet the government's shipment requests.

**Annex 5**

**Evaluation Criteria Standards of Performance**

**Information Management**

Satisfactory (1 – 50 Points) – The contractor's system is available 99% of the time minus approved scheduled downtime and **very few** validated system complaints are received in regards to processing and tracking shipment requests.

Very Good (51 – 75 Points) – The contractor's system is available **in excess** of 99% of the time minus approved scheduled downtime and **very few** validated system complaints are received in regards to processing and tracking shipment requests.

Exceptional (76-100 Points) – The contractor's system is available **in excess** of 99% of the time minus approved scheduled downtime and **virtually no** validated system complaints are received in regards to processing and tracking shipment requests.



## Annex 5

### Evaluation Criteria Standards of Performance

#### Transportation Coordination Services

Satisfactory (1-50 Points) – The contractor **meets** all of the performance thresholds identified in the contract. Performance thresholds are identified as: 96% on time pick up and delivery standard in Years 1 and 2, increasing to 97% in Years 3 through 7, 98% of all shipments will be loss and damage free, and 99% of all claims will be closed within 120 days of government providing all necessary substantiating documentation. The remaining 1% of claims will be closed within 180 days. The contractor has identified a **small amount** of opportunities for process improvement that have been approved by the government and which will provide a benefit to the DoD if and when implemented. **Very few** validated customer concerns are received. \*At the conclusion of Award Fee Evaluation Period 6, the contractor is **close to achieving** a net cost savings goal of 19.1%. The contractor has shown significant annual progress towards this goal. At the conclusion of Award Fee Evaluation Period's 8, 10, 12 and 14, the contractor is **close to achieving** a net cost savings goal of 23.2%. The contractor continues to seek additional savings opportunities and communicates these efforts with the Government.

Very Good (51-75 Points) – The contractor **meets** all of the performance thresholds identified in the contract **and exceeds more than one**. The contractor has identified a **significant amount** of opportunities for process improvement that have been approved by the government and which will provide a benefit to the DoD if and when implemented. **Very few** validated customer concerns are received. \*At the conclusion of Award Fee Evaluation Period 6, the contractor has **achieved** a net cost savings goal of 19.1%. The contractor has shown significant annual progress towards this goal. At the conclusion of Award Fee Evaluation Period's 8, 10, 12 and 14, the contractor has **achieved** a net cost savings goal of 23.2%. The contractor continues to seek additional savings opportunities and communicates these efforts with the Government.

Exceptional (76-100 Points) – The contractor **meets** all of the performance thresholds identified in the contract **and exceeds the majority**. The contractor has identified a **significant amount** of opportunities for process improvement that have been approved by the government and which will provide a benefit to the DoD if and when implemented. **Virtually no** validated customer concerns are received. \*At the conclusion of Award Fee Evaluation Period 6, the contractor has **exceeded** a net cost savings goal of 19.1%. The contractor has shown significant annual progress towards this goal. At the conclusion of Award Fee Evaluation Periods 8, 10, 12 and 14, the contractor has **exceeded** a net cost savings goal of 23.2%. The contractor continues to seek additional savings opportunities and communicates these efforts with the Government.

\*Note: A site must have six full months of DTCI operations completed and associated performance data available prior to the associated Award Fee evaluation period to be included in the cost savings goal calculation. Reference Paragraph 1.4.2 of Section C, DTCI Performance Work Statement.

Annex 5Evaluation Criteria Standards of PerformanceSmall Business Participation

Satisfactory (1-50 Points) – The contractor **has met**, or is on track to meet, all of the stated subcontracting goals as identified in the approved subcontracting plan. The contractor makes a **good** effort to assure that all categories of small businesses have an equitable opportunity to compete for subcontracts, undertakes a **few** outreach efforts to facilitate small business participation as subcontractors, and provides **some** assistance to small businesses to facilitate their participation as subcontractors.

Very Good (51 -75 Points) – The contractor has **met**, or is on track to meet, all of the stated subcontracting goals as identified in the approved subcontracting plan **and has exceeded more than one**, or is on track to exceed, more than one. The contractor makes a **significant** effort to assure that all categories of small businesses have an equitable opportunity to compete for subcontracts, undertakes **substantial** outreach efforts to facilitate small business participation as subcontractors, and provides **significant** assistance to small businesses to facilitate their participation as subcontractors.

Exceptional (76-100 Points) – The contractor has **met**, or is on track to meet, all of the stated subcontracting goals as identified in the approved subcontracting plan **and exceeds the majority**, or is on track to exceed the majority of, the stated subcontracting goals. The contractor makes an **outstanding** effort to assure that all categories of small businesses have an equitable opportunity to compete for subcontracts, undertakes **notable** outreach efforts to facilitate small business participation as subcontractors, and provides **comprehensive** assistance to small businesses to facilitate their participation as subcontractors.



**Annex 6**

**Evaluation Summary Report (Year One)**

CATEGORY	CRITERIA RATING POINTS	WEIGHTING FACTOR	WEIGHTED POINTS
I. Implementation	_____	X .50	_____
II. Information Management	_____	X .20	_____
III. Trans Coord Services	_____	X .20	_____
IV. Small Bus. Participation	_____	X .10	_____

Total: \_\_\_\_\_

Award Fee Available: \_\_\_\_\_

Total Weighted Points: \_\_\_\_\_ % of Award Fee Earned

Recommended Award Fee \$ \_\_\_\_\_

(Award fee available X % of award fee earned = recommended award fee)

**Annex 6**

**Evaluation Summary Report (Years Two through Three)**

CATEGORY	CRITERIA RATING POINTS	WEIGHTING FACTOR	WEIGHTED POINTS
I. Implementation	_____	X .35	_____
II. Information Management	_____	X .25	_____
III. Trans Coord Services	_____	X .25	_____
IV. Small Bus. Participation	_____	X .15	_____

Total: \_\_\_\_\_

Award Fee Available: \_\_\_\_\_

Total Weighted Points: \_\_\_\_\_ % of Award Fee Earned

Recommended Award Fee \$ \_\_\_\_\_

(Award fee available X % of award fee earned = recommended award fee)



**Annex 6**

**Evaluation Summary Report (Years Four through Seven, if Exercised and/or Earned and Exercised)**

CATEGORY	CRITERIA RATING POINTS	WEIGHTING FACTOR	WEIGHTED POINTS
I. Information Management	_____	X .40	_____
II. Trans Coord Services	_____	X .40	_____
III. Small Bus. Participation	_____	X .20	_____

Total: \_\_\_\_\_

Award Fee Available: \_\_\_\_\_

Total Weighted Points: \_\_\_\_\_ % of Award Fee Earned

Recommended Award Fee \$ \_\_\_\_\_

(Award fee available X % of award fee earned = recommended award fee)

**LIST OF DOCUMENTS**

**PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS**

**SECTION J**

**LIST OF ATTACHMENTS**

<u>DOCUMENT</u>	<u>DESCRIPTION</u>	<u>DATE</u>
Atch 1	Accessorial Rate Tables	28 March 08
Atch 2	Award Fee Plan	28 March 08
Atch 3	Award Term Option Plan	21 June 2006

(End of Summary of Changes)