

**UNITED STATES TRANSPORTATION COMMAND
(USTRANSCOM)**

**Contract No. HTC711-07-D-0032
MODIFICATION P00004, 21 July 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 | 49
5. PROJECT NO. (If applicable)

2. AMENDMENT/MODIFICATION NO.

P00004

3. EFFECTIVE DATE

21 July 2008

4. REQUISITION/PURCHASE REQ. NO.

6. ISSUED BY

CODE

HTC711

7. ADMINISTERED BY (If other than item 6)

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

CODE

HTC711

USTRANSCOM-AQ - HTC711
508 SCOTT DR
SCOTT AFB IL 62225-5357

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

NT SERVICES LLC

(b)(6)

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).

C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

X D. OTHER (Specify type of modification and authority)
FAR 52.243-1 Alt 1 Changes - Fixed Price, FAR 52.243-2 Alt 1 Changes Cost Reimb

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 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: tcdanibs081320

This modification to the contract incorporates revisions to Section C - PWS per the attached Summary of Changes. All other terms and conditions 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)

TEL:

EMAIL:

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)

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

The following have been modified:

PERFORMANCE WORK STATEMENT

PART I – THE SCHEDULE

SECTION C

DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

**Defense Transportation Coordination Initiative
(DTCI)**

Performance Work Statement

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FIGURES

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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 other existing Small Package/Parcel contracts
- 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 DTIC 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 DTIC 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 DTIC shipments for all locations as identified in Table 1. The Government *desires* that the contractor be able to receive, acknowledge, process and support all DTIC shipments at each location identified in Table 2 by the last day of the month indicated per location. (For example: Contract restart + 1 month means the end of the month following the month of contract restart.) 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

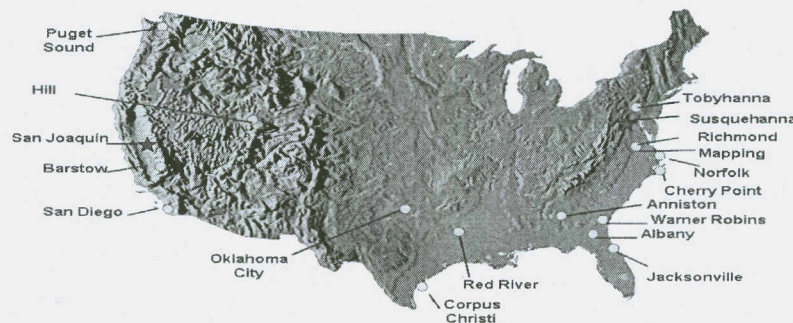


Table 1. Phase I Required Implementation Schedule

<u>Location</u>	<u>Required Implementation 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. (For example: Contract restart + 1 month means the end of the month following the month of contract restart.)

Table 3. Phase II Required Implementation Schedule

	Co-located Depot Location	Phase II Co-located Sites and Aerial Port Locations	Co-located Site Required Implementation Complete Date
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
		NAS Whidbey Island, Oak Harbor, 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
4	SUU Travis AFB, CA	Travis AFB, CA	Contract restart + 14 months
5	DDHU Hill AFB, UT	USPFO Draper, UT	Contract restart + 15 months
6	DDSP New Cumberland, PA	Navy NAVICP Code OSM, 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
		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	DDJF Jacksonville, FL	FISC Jacksonville, FL (Note: FISC JAX ships after hours and weekends. Needs to be implemented at the same time as DDJF)	Contract restart + 16 months
		USPFO Florida, Melbourne, FL	Contract restart + 19 months
9	DOV Dover AFB, DE	Dover AFB, DE (Host Base Logistics Readiness Squadron and AMC Aerial Port Squadron Traffic Management Operations)	Contract restart + 20 months
10	WRI McGuire AFB, NJ	McGuire AFB, NJ (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
		SPAWARSYSCEN CHAS DET, Norfolk, VA	Contract restart + 21 months
		HQ SPAWARSYSCEN Charleston, SC	Contract restart + 21 months
12	DDRV Richmond, VA	Ft. Lee, VA	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 + 22 months
	Fort Bliss, TX	Contract restart + 22 months
	Fort Knox, KY	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
	USPFO San Luis Obispo, CA	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

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 DTCL 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 DTCI contract. Insurance policy(s) must cover all equipment used to transport freight provided under the DTCI 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 DTCI 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:
- 1.4.4.5.3.1** Ability to allocate (at the shipment level) the freight charge to multiple billing addresses for multiple-stop loads based upon a logical, consistent and auditable allocation process (e.g. based upon weight, distance, etc.) If multiple shipments are consolidated into a single shipment by the contractor, the contractor shall allocate the costs to the original shipment level offered.
 - 1.4.4.5.3.2** Invalid invoices – Identify and prevent payment under this contract of carrier invoices submitted for non-DTCI shipments.
 - 1.4.4.5.3.3** Other invoice information – Ensure carrier invoices contain all the necessary information to properly bill the government.
- 1.4.4.6 Industry Interaction and Collaboration.** The contractor shall affirmatively engage transportation association leaders and industry partners throughout the total life cycle of the contract. The purpose of such engagement will be to share information, address current issues or concerns, capacity issues across all transportation modes, and increase situational awareness as deemed necessary to support the contractor's performance under the contract. These interactions and industry collaboration will facilitate the contractor's assessment of its own capability to maintain adequate capacity to meet existing requirements and unforeseen surge. The contractor shall inform the DTCI CO of any issues identified during any such engagement, with either now or in the future, may jeopardize the contractor's successful performance of the DTCI requirements. The requirements of this paragraph should in no way conflict with the requirements of paragraphs 1.4.3.1 and 1.4.5.3. Any concerns in regard to such a conflict shall be immediately be brought to the attention of the CO.
- 1.4.5 Operations.**
- 1.4.5.1 Staffing.** The contractor shall provide sufficient staffing to ensure the requirements of the PWS can be accomplished in an effective and efficient manner whether providing day-to-day steady state or surge support. Contractor personnel shall possess sufficient experience and knowledge to successfully perform all PWS requirements to include the DoD unique requirements of this contract. Contractor personnel shall be knowledgeable of and experienced in providing third party logistics services which require consolidation and optimization of freight. Contractor's proposed management staff shall have sufficient authority to make decisions on behalf of the contractor while performing in either a corporate or on-site position under this contract.
- 1.4.5.2 Background Investigations and Common Identification Standard for Contractors.** In accordance with FAR Clause 52.204-9, Personal Identity Verification of Contractor Personnel, incorporated in the contract, the contractor shall comply with personal identity verification procedures identified herein that

implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24, as amended, and Federal Information Processing Standards Publication (FIPS PUB) Number 201, as amended. The contractor shall provide the government with a list, updated as changes are made, of personnel requiring a background investigation for DTCL.

- 1.4.5.2.1** Access to "Federally Controlled Facilities": Contractor employees who require access to "Federally Controlled Facilities", as defined in OMB guidance M-05-24, will require a National Agency Check with Inquiry (NACI) and will be issued a DoD Common Access Card (CAC) as their identity credentials. This will apply at a minimum to contractor permanent on-site employees required per PWS par. 1.4.5.11 at DDSP, DDDC, DDJC, DDNV and DDRT. (Note: this requirement does not apply to intermittent access/visits to any DTCL shipper locations as normal location specific visitor control/security procedures apply.)
- 1.4.5.2.2** Access to "Federally Controlled Information Systems": Contractor employees who require access to "Federally Controlled Facilities", as defined in OMB guidance M-05-24, will require a National Agency Check with Inquiry (NACI) and will be issued a DoD Common Access Card (CAC) as their identity credentials. This will apply at a minimum to contractor permanent on-site employees required per PWS par. 1.4.5.11 at DDSP, DDDC, DDJC, DDNV and DDRT. [Notes: 1) this requirement does not apply to intermittent access/visits to any DTCL shipper locations as normal location specific visitor control/security procedures apply; 2) this requirement does not apply to access by DTCL carriers to shipper/receiver installations for pick-up/delivery of DTCL freight - installation unique pick-up/delivery access/security procedures will apply.]
- 1.4.5.2.3** Access to "Sensitive Information": Contractor employees who require access to "sensitive information", in accordance with the DoD 5200.1-R, Information Security Program, dated January 1997, to include requirements for protection of certain information as defined in the Computer Security Act of 1987 may require a background investigation. The determination of a background investigation is dependent upon a risk determination by USTRANSCOM, taking into consideration the requirements of the Act: Contractor personnel with access to sensitive DTCL DoD enterprise-wide visibility data and/or management of DoD shipping activities and freight movements, will require a National Agency Check (NAC) but will not be issued identity credentials unless they meet the requirements in 1.4.5.2.1 and 1.4.5.2.2 above.
- 1.4.5.3** Non-Disclosure Certificate. Any DTCL contractor personnel with access to DTCL DoD enterprise-wide visibility data and/or management of DoD shipping activities and freight movements shall be required to sign a Non-Disclosure Certificate and return it to the CO prior to performance under this contract. Blank non-disclosure certificates will be provided to the contractor during the post award conference (Ref paragraph 1.4.1). This includes access to any system, information, or data derived from DoD enterprise wide-visibility and/or management of DoD shipping activities and freight movements, including, but not limited to, DoD third party payment system, data exchanges, data required to provide complete insight to DTCL-wide operations and report on required metrics for the DTCL program as identified in Paragraph 2, Service Delivery Summary, and individual shipment level (transportation control number (TCN)) pertaining to material movement. The Non-Disclosure Certificate requires DTCL contractor personnel to adhere to all safeguards established for systems, information, and data, and to protect it from unauthorized disclosure in accordance with applicable laws and agency regulations.
- 1.4.5.4** Program Management. The contractor shall accomplish Program Management functions relative to the DTCL project to ensure the requirements of the PWS are met in an effective and efficient manner. The contractor shall manage its human and physical resources and manage its sub-contractors to partner with DoD and its stakeholders to achieve objectives larger than the optimized, consolidated movement of freight. Such objectives include Distribution Process Owner (DPO) Initiatives, integration with DoD's Strategic Distribution System, enhanced DoD readiness, and protection of transportation infrastructure critical to DoD. At a minimum, the contractor's program management function shall encompass the following:

- 1.4.5.4.1 Metrics.** Upon commencement of shipping, the contractor shall begin to baseline enterprise-wide performance data in order to establish performance goals, conduct trend analyses, and identify potential process improvements. In addition to baselining performance data, the contractor shall make performance data available. The contractor shall employ metrics in managing the DTCI project over the entire life-cycle of the contract. The use of metrics shall provide for adjustment of performance when necessary to ensure the requirements of the PWS are met in an effective and efficient manner and shall be used to project potential process improvements. Metrics will be made available to all approved stakeholders. The Government will review metrics and performance data during the monthly PMR's (reference paragraph 1.2.3) but will not utilize the performance data to withhold funds for non-performance of the services required under this contract until after six months following implementation at each site.
- 1.4.5.4.2 Risk Identification, Analysis and Mitigation.** The contractor shall accomplish risk identification, analysis and mitigation in the performance of the DTCI project.
- 1.4.5.4.3 Customer Satisfaction.** The contractor shall monitor and measure customer satisfaction on an on-going basis to ensure that any customer concerns are addressed upon receipt and resolved as quickly as possible (Reference paragraph 1.4.6.4.3 Customer Feedback).
- 1.4.5.4.4 Quality Assurance.** The contractor shall control the quality of services provided under this contract and shall tender to the Government for acceptance only those services that conform to the requirements of the contract. In accordance with FAR Clause 52.246-4, Inspection of Services – Fixed Price, and FAR Clause 52.246-5, Inspection of Services – Cost Reimbursement, incorporated into Section I of the contract, the contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. The Contractor shall deliver their inspection system documentation for review and approval to the Contracting Officer (CO) within 30 days after contract restart. The Government 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 inspection system documentation to the contractor for clarification or changes. The contractor shall submit a final schedule no later than 10 days after receipt of any Government comments.
- 1.4.5.5 Optimization and Consolidation.** Upon release of freight by the government, the contractor shall utilize their optimization expertise and tool(s) to consolidate freight when possible, both geographically and within the MDD timeframes given. Such consolidation shall result in overall optimization of government freight shipments.
- 1.4.5.6 Equipment Requirements.** The contractor shall provide all types of equipment required to satisfy the requirements of the PWS. The contractor shall ensure a mix of general/van equipment and specialized equipment i.e., low-boys, rollerbeds, air ride, open equipment, etc. is available to meet shipper's requirements. The contractor may offer equipment substitutions. Substitutions must be approved and documented by the shipper. There shall be no additional charge for tarping of 463L pallets when flatbed equipment is utilized in lieu of rollerbed equipment. Equipment pools shall be required at several DDC's for Phase I and other shipper locations in later phases. These requirements are discussed in Appendix A, Shipper Unique Requirements. Any substitutions at the convenience of the contractor shall be done at no cost to the government.
- 1.4.5.7 Pallet and Net Returns from Aerial Ports.** The contractor shall return 463-L pallets/nets to Consolidation and Containerization Points (CCPs) or other identified locations. The 463-L pallets/nets will be returned to the consignor on a daily basis. Roller-bed equipment is a unique but required equipment type used for aerial port (APOE) movement. The return of 463L pallets/nets is a critical/mission essential requirement and they must be returned when made available at the APOE. The contractor shall provide the shipper with documents showing the number of pallets/nets being returned and the trailer number containing the empty pallets/nets. The per-pallet rate shall include the return fee.

- 1.4.5.8 Scheduled Route Services.** DDC's and other shippers may have established customer scheduled routes (current dedicated routes). These routes shall have scheduled delivery windows for multiple delivery locations. Government will coordinate and approve the establishment, pickup, and delivery timing of these routes. Contractor may offer proposed changes to the government via process improvements. Contractor may add additional freight to these trucks provided it does not interfere with delivery schedule or planned sequential offload. Trucks cancelled by the government four hours or more prior to scheduled pick-up shall not be charged an accessorial fee.
- 1.4.5.9 Diversions.** Upon direction from the shipper or CO's Representative (COR), the contractor shall perform a diversion or re-consignment, in accordance with Appendix B – Accessorial Codes.
- 1.4.5.10 Federal Holidays.** New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day and any other day designated as a holiday by Federal Statute or Executive Order. For further clarification on Federal Holidays, the DTCI contractor should review the Office of Personnel Management (OPM) website at <http://www.opm.gov/fedhd/2006.asp> and other holidays as listed in the Transportation Facilities Guide (TFG). With the exception of expedited shipments, the contractor shall adjust all requested MDDs that fall on a federal holiday to the next normal business day. Normal business days for DoD facilities can be found in the Transportation Facilities Guide (TFG) found in Appendix A – Shipper Unique Requirements.
- 1.4.5.11 On-Site Personnel.** The contractor shall provide permanent on-site staffing at DDSP, DDDC, DDJC, DDNV, and DDRT. Permanent on-site staffing shall be provided in consideration of the hours of operation at each shipping location. Contractor shall provide temporary on-site staffing at all locations during implementation of Phase I (with the exception of DDSP, DDDC, DDJC, DDNV, and DDRT). They shall remain on-site until all location-unique requirements have been implemented (as agreed upon in accordance with PWS paragraph 1.2.8.2) and all testing and evaluation identified in the contractor's test plan, which has been approved by the Government, is complete (reference PWS paragraph 1.2.8.4, Joint Test Plan). Approval to release temporary on-site staffing will be granted by the DTCI Program Manager or his designee. It is estimated that this approval will be granted within approximately 60 days after site implementation. Phase II requirements will be staffed for the collocated region and not for individual sites. Phase III requirements shall not be less than regional support with periodic on-site visits as mutually agreed upon. Additional site requirements under paragraph 1.2.9 shall not be less than regional support with periodic on-site visits as mutually agreed upon.
- 1.4.5.12 Customer Support.** The contractor shall staff, manage, and provide resources for customer support 24 hours a day, 7 days a week since DoD shippers may have the need to expedite, divert, or re-consign shipments at any time. Contractor representatives shall have access to all shipment information and transportation management technology. At a minimum, contractor representatives shall be available, in-person, by telephone (toll-free).
- 1.4.5.13 Appropriate Adjustments.** The contractor shall indicate on the billing documents those shipments that have been adjusted for weight, dimension, or cube. If the revised shipping weight, dimension, or cube varies more than 10% from the shipping activity's estimate, the contractor must notify the shipper of the revised measurement when notified by its carrier and be approved by the shipper. A copy of the certified weight ticket or the BoL annotated with the revised weight must be provided within 15 calendar days, when requested by the shipping activity.
- 1.4.5.14 RESERVED.**
- 1.4.5.15 Fuel Surcharge.** The contractor shall use the SDDC Fuel-related Rate Adjustment Policy No. TR-12, as updated 5 October 2005, incorporating a fuel baseline of \$1.30 per gallon. This will serve as the basis for all fuel surcharges within DTCI for the contractor's carriers for surface transportation. Reference Appendix F – Technical Directives. For air transportation, the contractor shall utilize the USTRANSCOM-DTCI Fuel Adjustment Procedure established by the Contracting Officer within 60 days after contract restart. This procedure will establish a fuel rate adjustment for air transportation taking into consideration

DTCI air shipment requirements, an appropriate industry established index for jet fuel prices, and a mechanism that facilitates the billing and payment for fuel surcharges within the current Third Party Payment System. The selected index may or may not fully reimburse the contractor for air fuel costs, but will generally provide compensation for future adjustments in air fuel costs commensurate with changing prices in the air fuel market.

1.4.5.16 Accessorial Services. Accessorial Services required for the safe movement of the shipment shall be ordered by the shipper or authorized by the site COR. The list of approved accessorial services is included in Appendix B – Accessorial Codes. If a requirement for additional services not initially ordered is identified, the following provisions apply:

1.4.5.16.1 At Origin: Additional services shall be added by amending the initial order for service.

1.4.5.16.2 At Destination: Any changes in services ordered and incurred by the consignee or receiving activity are the consignee's responsibility and will not be paid for under this contract (Reference Appendix B).

1.4.5.17 Expedited Shipments. The contractor is required to meet all expedited shipping requirements. An Expedited Service shipment; e.g., counter-to-counter, next flight out, Casualty Report (CASREP), Aircraft on Ground (AOG), Partially Mission Capable-Supply (PMCS), Non-Mission Capable-Supply (NMCS) or Mission Impaired Capability Awaiting Parts (MICAP) support requirements, is defined as any shipment that requires delivery the same day, the next business day before 12:00 pm (noon), or the next business day with a time specified before close of business. It is also defined as a shipment (air or surface) requiring a pick up in less than the contractual requirement for pick-up within 8 operational hours (6 hours after permit receipt for OD/OW).

Requests for expedited delivery which require same day or after normal business hours require manual action, e.g. telephonic notification to the coordinator's toll free contact number, to meet shipper requirements. An electronic data interchange request will follow normal process after manual notification.

The DTCI coordinator will utilize the Transportation Facilities Guide (TFG) to determine a destination's normal receiving business hours. Normally, next business day delivery by close of business is not considered an expedited shipment. A required next day MDD (non-EXP) is defined as shipment delivery by 5:00 p.m. the following business day after shipment pickup.

The shipper must authorize the EXP requirement by selecting the EXP accessorial code when creating and transmitting the EDI 219 offer. Expedited Service (EXP) will be communicated by the shipper in the EDI 219 offer to the DTCI coordinator to define the level of service required. The bill of lading will be annotated with the accessorial "EXP" for the expedited service to be performed.

When requested, the contractor must meet all expedited shipping requirements ordered using the EXP accessorial code.

Dedicated truck lanes under DTCI PWS, Appendix A. Shipper Unique Requirement, which exceed the contractual capacity shall be considered additional truckloads and are subject to the normal MDD process.

An additional truckload shipment requiring pick-up in less than the initial eight (8) hour notification is subject to the EXP accessorial. The shipper will communicate the EXP accessorial when submitting the EDI request. Verbal notification must be given to the DTCI coordinator.

Integrated Distribution Lanes (IDLs); e.g. rollerbeds lanes, identified by the DTCI PMO which require time definite delivery service are not to be considered an expedited requirement for premium rates as these are established contracted delivery requirements. An example of an IDL is DDSP to Dover AFB with a 4 hour delivery expectation from actual pickup.

- 1.4.5.18 Exception Reporting and Procedures.** Contractor shall notify DoD shipper and DTCI PMO (or designee) daily of any delivery exception codes applied via an electronic message (report on website or e-mail) so the government can take corrective action. DTCI authorized exception codes are contained in PWS Appendix D – Exception Codes. Upon notification and resolution, relief from delivery requirement shall be determined by DTCI PMO or designee.
- 1.4.5.19 Language Requirement.** All contractor employees and their subcontractors who have contact with government shippers, consignees or other personnel working on behalf of the government must be able to read, write, speak, and understand English. English shall be the only language used for written correspondence, discussions, and other business transactions.
- 1.4.5.20 Training.** The contractor shall provide in-depth training to a maximum of 12 government training personnel (except for 20 personnel for the collocated shippers at Norfolk, VA; Puget Sound, WA; and San Diego, CA) during implementation at each site for shippers, other government personnel, and government contractors on the contractor's systems (freight management system, loss and damage reporting, metrics etc), operations, and reports for initial implementation and contractor-system upgrades or modifications. The contractor shall work with the DoD to establish an on-going training curriculum for government personnel which will be kept up to date to reflect current operating procedures of the contractor. Where appropriate, the contractor shall incorporate Computer Based Training (CBT) and distance learning as part of their overall training approach. For implementation, the training for Phase I will be on-site. During Phase II and III, the contractor may conduct the training on a per-site or regional basis. For any additional site requirements under Paragraph 1.2.9 the contractor may conduct the training on a per-site or regional basis. The training shall be conducted no earlier than 4 weeks before and no later than 1 week before site implementation. The contractor shall prepare and deliver a draft training plan to the government within 30 days after contract restart. The training plan should include roles and responsibilities, schedules, and resources necessary to meet the requirements of this PWS. The Government will review and provide any recommended changes NLT 14 days from the latter of the due date or the date provided to the PMO. The contractor shall deliver a final training plan within 7 days of receipt of government changes or comments.
- 1.4.5.21 Reporting.** The contractor shall collect all data required to provide complete insight into DTCI-wide operations and report on required metrics, baselines, and other performance data for the DTCI program as identified in Paragraph 2, Service Delivery Summary. The contractor shall supply all required performance data to the Program Management Office (PMO) and the Customer (consignor and/or consignee). The contractor's system must capture and maintain all the data elements listed in Appendix C - Required Data at the individual shipment level (transportation control number (TCN)) pertaining to material movement. (The TCN is a military unique shipment number assigned to control and manage every shipment unit throughout the transportation pipeline.) Additionally, the contractor must provide the government secure, on-line access to all data. This data must be available at all times to stakeholders via web type access through the contractor's system. It must also be exportable to Microsoft Access, Excel, or downloadable via secure file transfer protocol (FTP) in an agreed upon format.
- 1.4.5.21.1 Access to Data.** The contractor shall provide web-based access to all DTCI shipment data in the contractor's possession to the DTCI Program Manager or the CO.
- 1.4.5.21.2 Reporting Performance Requirements.** The contractor shall provide monthly reports as identified in Table 5. These reports shall include information at the overall performance level DTCI-wide and at shipper specific location levels. The reports shall be provided to the DTCI Program Manager (PM) (or his designee) and the individual shipper locations on the 15th business day of each month after implementation start for the shipments delivered the previous month. All reports shall be accessible electronically via the web. All reports can be in the format developed by the contractor with the exception of number 9, Accessorials and Exceptions (reference Table 5), which will be jointly developed. During surge support periods (as described in paragraph 1.4.5.27) the metrics collected for contingencies shall be reported separately from the metrics collected for routine shipments.

Table 5. Transportation Reports

	Report Name	Report Description
1	Trailer pool availability	Manual yard management report. Distribution center location specific. (Only pertains to those sites with a permanent on-site DTIC contractor representative.)
2	Carrier on-time performance Summary (per site)	Summary of on-time loads for each carrier.
3	Contractor score card	Measures contractor performance toward track/trace capabilities and freight pay vs. contract standards and business rules.
4	Percentage of premium (expedited) freight	Monitors the percentage of premium (expedited) services in comparison to the total freight expenditure. Monitor opportunities for policy modification and over-use of expedited services.
5	Loss and damage claims performance	Monitors freight claims by customer and as a percentage of total shipments. Measure each carrier's performance relative to the mode of transportation. Part of the overall carrier performance management program. The contractor shall conduct analysis to identify trends and procedures to eliminate claims.
6	Percent of order consolidation	Monitors order consolidations as a percent of total transportation expense. A benchmark for continuous operational improvement.
7	Delivery summary – enterprise level	Measures enterprise-wide delivery performance by mode and contractual definition.
8	Freight costs	Measures average and total freight cost by mode and customer. Rolls up the client total freight cost for the most current 12 months against the previous 12 months.
9	Accessorials and exceptions reports	These separate reports shall measure the number and amount of accessorials and exceptions. The contractor shall track accessorials and exceptions by type and location. A list of exception codes can be found in Appendix D – Exception Codes. A list of approved accessorial codes can be found in Appendix B – Accessorial Codes.

1.4.5.22 Process Improvement. The contractor shall identify and recommend opportunities for process improvement and shall work collaboratively with the DTIC PMO and shipper organizations to identify these opportunities. The contractor shall submit recommendations for improvements to the DTIC PM (or his designee) and CO. At a minimum, any recommendation shall include a description of the change, the affected locations, the expected outcome, and resulting benefits. Depending on the size of the change, the coordinator may be required to conduct a more in-depth analysis of the change to include required investment (contractor and government), expected return, payback period, and any other required changes to implement this recommendation. Process improvement recommendations shall be reviewed and approved by the DTIC Process Improvement Team (D-PIT) before implementation.

1.4.5.22.1 DTIC Process Improvement Team (D-PIT). The contractor shall participate as a member of the DTIC PMO formed D-PIT to facilitate process improvements in the DoD CONUS freight movement system. The D-PIT will meet on a quarterly basis in conjunction with Award Fee Review Board meetings (both Interim and End of Period). For planning purposes, the D-PIT meetings will be held at or in the vicinity of Scott AFB, IL.

1.4.5.22.2 Readiness Enhancement. A key contractual objective is leveraging the DOD distribution system to provide more highly predictable, visible, efficient and reliable support to the warfighter. The CONUS requirements of this contract are intended to be an important part of a seamless, interoperable Strategic Distribution System. The contractor shall collaborate and partner with government to enhance the readiness of the Strategic Distribution System.

1.4.5.23 Loss and Damage Claims Management. This contract requires the contractor, to the extent it is not a "carrier" (49 USC 13102) or a "rail carrier" (49 USC 10102) or an "air carrier" (49 USC 40101) with respect to cargo under this contract, to select a competent carrier, rail carrier or air carrier (referred to in this section as "transportation provider") to transport DoD cargo. In addition, this contract requires the contractor to pay transportation providers, monitor their activities, and manage the quality of their performance. The contractor shall also facilitate the resolution of government claims for loss or damage to cargo with transportation providers. The contractor shall conduct analysis to identify trends and procedures to eliminate claims (reference Table 5, Report 5).

1.4.5.23.1 Liability Standard. Whether the contractor functions as a transportation provider itself or whether the contractor enters into a contractual or other arrangement with a transportation provider, the transportation provider shall be liable to the government for not less than the actual loss or injury to the property transported under a Task Order (BoL) pursuant to this contract while the property is in the possession of the transportation provider. The transportation provider shall not be liable to the extent such loss or damage is caused by an act of God, of a public enemy, of a public authority, of the shipper, or due to the inherent vice or nature of the goods. For purposes of liability only, freight that is consolidated onto a single conveyance will be considered a shipment. The liability of a transportation provider is further limited as follows:

- For shipments weighing less than 15,000 lbs, the transportation provider is liable to the government for the lower dollar amount of \$50,000 or the actual amount of the loss and/or damage to the property.

- For shipments weighing 15,000 lbs or more, the transportation provider is liable to the government for the lower dollar amount of \$150,000 or the actual amount of the loss and/or damage to the property.

For shipments that are transported via multiple conveyances, such as multiple rail cars, the transportation provider is liable per conveyance. Authorized shipper personnel may elect to declare and establish cargo liability in amounts higher than stated above through the provisions of Cargo Liability of Carrier (LIE) in Appendix B – Accessorial Codes. In such instances when authorized shipper personnel request LIE, the transportation provider shall be liable for the increased declared value. When the contractor is permitted and able to obtain in the normal course of business from a transportation provider liability terms more favorable to the government (as the shipper) than those noted above, those more favorable terms govern the liability of the transportation provider to the government.

1.4.5.23.2 Terms of Contractor Arrangement with Transportation Providers. The contractor shall enter into a written contract or other enforceable arrangement with any transportation provider (including affiliates, team members, etc.) under this contract that makes the transportation provider liable to the government as described in 1.4.5.23.1. This contract or enforceable arrangement shall be independent of any obligations of the transportation provider to the government arising from the BoL. This contract or enforceable arrangement shall expressly name the government as a third party beneficiary of the contract or arrangement, authorizing the government to enforce the cargo liability terms of that contract or arrangement. In addition, this contract or arrangement shall include the following terms and conditions.

- a. The transportation provider acknowledges that positive and negative incentives impacting the contractor under the contractor's contract with the government depend on the ability of the contractor to facilitate the resolution of government claims for loss or damage to property in a timely and satisfactory manner.

- b. The transportation provider acknowledges that the contractor will seek to resolve government claims as an independent contractor, not as an agent of the government.

c. The transportation provider agrees with and accepts the terms of section 1.4.4.2 of the PWS, that it will not assert any lien on government property or seek to detain any shipment of government property and that the government can retrieve government property in specified situations.

d. The transportation provider shall provide notice to authorized government personnel and to the contractor within 5 days of initial identification of loss or damage.

e. When a shipment cannot be delivered due to damage, loss or refusal at destination, the transportation provider shall contact the contractor. The contractor will work with authorized government personnel for disposition instructions. If the loss or damage is attributable to the transportation provider under the standard of 1.4.5.23.1, the cost of additional transportation, storage, and/or redelivery shall be treated as a government claim against the transportation provider.

f. Unless the government claim has been paid, the transportation provider shall provide notice to authorized government personnel and to the contractor within 30 days of the receipt of a government claim, acknowledging receipt and identifying any documentation or other information about the claim that is required for resolution.

g. Within 120 days of receipt of a government claim, the transportation provider shall pay the claim in full to authorized government personnel or provide notice to authorized government personnel and to the contractor either that it declines the claim in full or that it offers a partial payment as a firm compromise settlement of the claim. The transportation provider shall have no rights to salvage.

h. The transportation provider acknowledges that the government may respond to unresolved claims through litigation, through set off on some future contract between the government and the transportation provider, or through other means. The government may proceed under the BoL or as a third party beneficiary of the transportation provider's contract with the contractor or through other means, as permitted by law.

1.4.5.23.3 Contractor liability to the government. Nothing in this contract or any contract or other arrangement between the contractor and a transportation provider shall relieve the contractor from liability to the government for its direct obligations to the government under this contract.

1.4.5.23.4 Loss Reporting. The contractor shall be responsible for operating and managing the claims reporting tool discussed further in 1.4.6.4.4. The contractor shall include a summary report of the status of open and closed claims monthly as part of the report described at 1.4.5.21.2 and Table 5.

1.4.5.23.5 Transportation Discrepancy Reports. A Transportation Discrepancy Report (TDR) documents loss or damage to government material to support the filing of claims against carriers for Government reimbursement and to document shipper-related discrepancies. Chapter 210 (updated March 2005), Defense Transportation Regulation (DTR), DOD Regulation 4500.9-R-Part II Cargo Movement (November 2004), is applicable and prescribes the responsibilities and procedures for reporting transportation discrepancies involving commercial carriers.

1.4.5.23.6. Loss and Damage Claims Procedures. Loss and damage claims procedures ensure the recovery of money to DOD from commercial carriers who lose or damage freight. Chapter 211, DTR, DOD Regulation 4500.9-R-Part II Cargo Movement (November 2004), is applicable and prescribes the policies, procedures, and requirements to develop factual evidence to support loss and damage claims against commercial carriers for in-transit loss or damage to DOD property.

1.4.5.23.7 Claims Procedure. Government personnel will determine the final resolution of government claims. If the contractor has functioned as a transportation provider with respect to the property, it will follow and abide by the terms of 1.4.5.23.2. Otherwise, the contractor will transmit the government claim and supporting documentation to the appropriate transportation provider(s) to facilitate resolution of the government's claim in accordance with paragraph 1.4.5.23.2. 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. The time standards are important because, by statute, the government may be limited to the period of time within which it can file a claim against the transportation provider and within which it can file a civil action regarding an unsatisfied claim. The

contractor agrees to cooperate with government efforts to resolve claims for loss or damage to cargo in accordance with Chapter 211, DTR, DOD Regulation 4500.9-R-Part II Cargo Movement (November 2004), including assisting the government with the development of Transportation Discrepancy Reports in accordance with Chapter 210 (updated March 2005), DTR, DOD Regulation 4500.9-R-Part II Cargo Movement (November 2004), providing documents/correspondence, producing personnel with knowledge of the claim, and advising on industry practices. The contractor shall work with the DTCI CO to ensure compliance with DTR Part II claims procedures.

1.4.5.23.8 Special, Incidental or Consequential Damages. The contractor or the transportation provider shall not be liable to the government for special, incidental, or consequential damages that relate to the loss or damage or delay to government cargo transported under this contract, unless the contractor and the CO have entered into a bilateral agreement to that effect. Procedurally, the CO would initiate this special liability by notice to the contractor that such liability was required for a specific shipment or shipments. If the contractor and CO agree to the terms and conditions of such special shipments, the terms will be documented by contract modification and the special shipments shall be governed by the negotiated terms regarding special, incidental or consequential damages.

1.4.5.24 Notification of Accidents. In addition to notifying the appropriate authorities, the contractor shall notify the shipper, DTCI PMO, and others as directed to report in-transit accidents and incidents as soon as possible, but no later than 24 hours after accident/incident.

1.4.5.25 Astray Freight and Emergency Notification. The Contractor shall report astray freight or emergency notification to the following contact offices and numbers:

Carriers shall telephone the following numbers to report: **Problem Telephone Number (Toll-Free)**

Astray Freight or other non-emergency notifications **1-800-631-0434**

Accidents, incidents, delays, or other emergencies **1-800-524-0331**

Non-explosive hazardous cargo emergency response guidance **1-800-851-8061**

Assistance with any of the above problems can also be obtained from the nearest Department of Defense Transportation Office.

1.4.5.26 Hazardous Material Handling. Shippers will be responsible for certifying hazardous material shipments prior to pickup in accordance with Part 49 of the Code of Federal Regulations (CFR) for the mode of shipment anticipated based on the MDD. The contractor shall ensure that all drivers picking up HAZMAT freight, regardless of quantity of regulated material, provide an appropriately equipped, inspected vehicle and possess current HAZMAT endorsements annotated on the Commercial Drivers License. Upon request, the driver will be required to provide proof of hazardous materials endorsement and/or license at time of pickup to shipper personnel. If the contractor or their subcontractor repacks any shipment containing hazardous materials or selects a mode other than that for which the shipper prepared the shipment, then the contractor shall be responsible for any over-packing required and for recertifying the shipment IAW Part 49 CFR 171-175 and 176-178. The contractor shall notify the shipper of the repack action within 24 hours. The contractor shall ensure that all carriers receive emergency response instructions. The 2004 Emergency Response Guidebook or its successor can be used for this purpose (See <http://hazmat.dot.gov/pubs/erg/gydebook.htm>). Refer to Paragraph F.3.h of the Emergency Response Guide for emergency response telephone number information, and proper reporting procedures for accidents, incidents, or delays en route. The contractor must refuse to ship hazardous materials which do not conform in all aspects to all applicable Federal, state, and local codes, ordinances, and regulations for the mode of shipment anticipated based on the MDD. If the contractor refuses a hazardous material shipment because it has not been certified properly in accordance with Part 49 CFR for the mode of shipment anticipated based on the MDD, the contractor shall immediately 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 DTCI Contracting Officer for final resolution. No act or failure to act by the Government shall relieve the contractor of any responsibility or liability for the safety of Government, contractor, subcontractor personnel, or any other party. The contractor shall comply with all applicable Federal, state, and local codes, ordinances, and regulations in connection with the transportation of hazardous material. The Government shall not be liable to the contractor, subcontractor, or any other party for special,

incidental, or consequential damages, costs, or expenses, that are incurred by contractor as a result of any improperly classified, packed or handled hazardous materials.

1.4.5.27 Surge Support. The contractor shall support (to include planning) any surge requirement; i.e., mobilization, wartime, natural disaster, humanitarian assistance support, or other contingency and respond with required resources to meet the time frames of surge/contingency requirements. This support shall be through partnering with the Government to provide the necessary transportation services. Surge requirements may not be distributed evenly throughout the performance period. Rather, they are focused, sporadic events that can last a few weeks (in the case of disaster relief) to months (in the case of supporting a global conflict). The Contractor shall provide 24-hour-a-day service, seven days a week, including holidays. Surge requirements not covered under the Management Services CLIN in Section B, may be authorized and funded by the CO under the Management Services—Surge CLIN, as described in Section G, paragraph G-9. Further, the CO may authorize an interim adjustment to the NTE rates when required in support of meeting surge requirements IAW Section H, paragraph H-9.

1.4.5.28 Large Scale Planned Events. The contractor shall participate in the unclassified planning for all identified training events (to include Joint Chiefs of Staff (JCS) and Combatant Command directed exercises) by assisting the Government with forecasting and sourcing freight transportation resources to support requirements for material movement. The participants in the planning process will require a favorable NAC. The contractor shall assist with the development of the freight transportation plans and selection of the appropriate mode of transportation based on the training event and shipper requirements (i.e., equipment type) and MDD. The contractor shall assist with the planning and development of detailed routing to accurately estimate freight arrival times at the Tactical Assembly Area or training location. The contractor shall utilize their optimization expertise and tool(s) to consolidate freight when possible, both geographically and within the MDD timeframes given. The contractor shall identify and recommend opportunities for training event freight transportation process improvements and shall work collaboratively with the training exercise shipper organization to identify these opportunities. The contractor shall submit recommendations for the Training Event freight transportation process improvements to the DTCI PM (or his designee) and CO. At a minimum, any recommendation shall include a description of the change, the affected locations, the expected outcome, and resulting benefits. When requested, the contractor shall also support large scale planned events such as cargo in support of unit moves within CONUS (Reference para. 1.1.4). The government will provide 15 days advance notice from the local transportation office to the contractor. Government-owned equipment may be made available to support specific large scale planned events as approved by event sponsor. A list of known exercise requirements is included in Appendix E - Training Events. If less than 15 days advance notice is given, the CO may negotiate an equitable adjustment in accordance FAR 52.243-1, Changes-Fixed Price and FAR 52.243-2, Changes-Cost Reimbursement with the contractor for any additional cost of the transportation and/or management services to support these large scale events.

1.4.5.29 Essential Infrastructure Support. The services provided by this contract are considered as an essential enabler supporting DoD's critical infrastructure. Incapacity of this transportation asset could have an adverse effect on national defense. The contractor shall collaborate and partner with the government to preserve the capability and availability of this asset as follows:

- 1.4.5.29.1** When an emergency involving national security, natural disaster, or similar situations hinder the fulfillment of essential (actual or forecast) DoD domestic transportation requirements, the contractor shall participate in a Contingency Response (CORE) Program involving the Government to satisfy the DoD role.
- 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.

Table 6. DTCl-required Information Assurance Controls		
Mission Assurance Category (MAC) III Controls for Integrity and Availability for DTCl		
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 DTCI (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
Confidentiality Controls for DoD Information Systems Processing Sensitive Information for DTCI		
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®) 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.

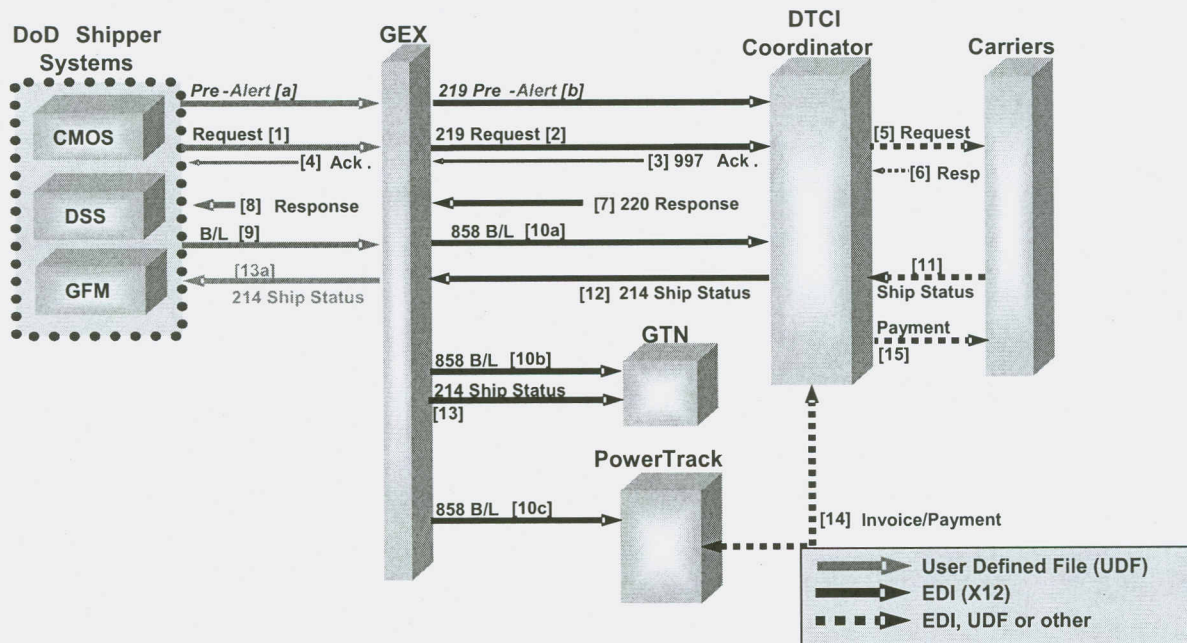
Figure 3.

Table 7 below describes in detail the trading partner data exchanges for DTCL. 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 DTCL

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	DTCL 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	DTCL 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"> ➤ Shipment pickup ➤ Shipment delivery ➤ Any event which will cause the carrier to miss its scheduled/required delivery
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 that 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	15 th business day of each month beginning 15 May 08
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 DTCI 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.

DTCI 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 - The contractor is required to meet all expedited shipping requirements. An Expedited Service shipment; e.g., counter-to-counter, next flight out, Casualty Report (CASREP), Aircraft on Ground (AOG), Partially Mission Capable-Supply (PMCS), Non-Mission Capable-Supply (NMCS) or Mission Impaired Capability Awaiting Parts (MICAP) support requirements, is defined as any shipment that requires delivery the same day, the next business day before 12:00 pm (noon), or the next business day with a time specified before close of business. It is also defined as a shipment (air or surface) requiring a pick up in less than the contractual requirement for pick-up within 8 operational hours (6 hours after permit receipt for OD/OW). (See PWS 1.4.5.17 for additional information.)

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.

The following have been added by full text:

PWS APP G - ACCOUNT MGMT PLAN

DTCI User Account Management

1. The Defense Transportation Coordination Initiative (DTCI) Program Management Office (PMO) will control government user access to the Menlo ONE TMS website. This action is necessary to protect the integrity of government transportation information and systems. The ONE TMS provides registration for system user access through the website (URL) and passes the information to the DTCI PMO for validation and approval.
2. For access, the supervisor fills out the user registration form for employees requiring access with the following fields. (Fields in *Italic* are mandatory.) The system will edit input to ensure e-mail addresses, phone numbers, and required fields are complete before accepting the application.
 - *User Role (Ordering Officer, Reporting, Tracking, Claims, Carrier Issues)*
 - *User ID*
 - *Citizenship (default is US)*
 - *Prefix (Mr, Ms, Rank, etc.)*
 - *User first name and middle initial*
 - *User last name*
 - *User commercial phone number*
 - User DSN
 - *User e-mail address (validate structure)*
 - *Organization name*
 - Organization Office
 - *Supervisor prefix (Mr, Ms, Rank, etc.)*
 - *Supervisor first name*
 - *Supervisor last name*
 - *Supervisor commercial phone number*
 - Supervisor DSN
 - *Supervisor e-mail address (validate structure)*
 - *A text box describing why the user needs access to the DTCI system*
3. Once all edit checks are complete and the form is ready, the supervisor submits information via the website.
4. The Menlo team collects all requests on a daily basis, reviews for completeness, and forwards them to the DTCI A&P team (at ustc-dtci-a&p@ustranscom.mil) for validation and approval. Questions concerning status of an account request should be directed to the DTCI A&P Team at (618) 622-2212.

5. The DTCI A&P reviews the requests. If necessary, staff may contact the individual or the individual's supervisor to validate information or verify the need for access to the system. The DTCI A&P lead will notify the supervisor of any disapproved accounts with the reason for the rejection.
6. The approved accounts are returned to the Menlo team for activation.
7. The ONE TMS assigns a user ID and password. The user ID will be constructed of the last name with the first and middle initials. Duplicate names will be appended with consecutive numbers to create a unique User ID. The user ID will not be case sensitive; either WeyerhouserWI or weyerhouserwi will be accepted.
8. Passwords are required to be changed to a strong password as soon as issued for security. A strong password requires a minimum of 9 characters containing 2 upper case characters, 2 lower case characters, 2 numerals, and 2 special characters (!,@,#,\$,%,&).
9. As required by the government user passwords will expire every 60 days. The ONE TMS will notify users upon login when their passwords are [10] days away from expiration and inquire if they would like to change them. A password change will be forced on the last day.
10. Accounts will be flagged as inactive if not used for 45 days. Accounts will be deleted after 90 days. User may request reactivation by contacting the coordinator's help desk. The coordinator will reactivate the account in a manner similar to that described in steps 4 through 7. Accounts that have been deleted require a complete application and processing through the PMO.
11. DOD shippers and other activities will notify the coordinator of the user accounts that will require deactivation due to retirement, transfer, termination, etc and the date to close the account.
12. Users may edit their profiles by logging into the system.
 - User first name and middle initial
 - User last name
 - User commercial phone number
 - User e-mail address
 - Option to delete the user account
13. The Menlo team will make the changes available to the PMO for information purposes.
14. When needed, the PMO security officer will have permission to query the coordinator system for a list of current account holders.

(End of Summary of Changes)