


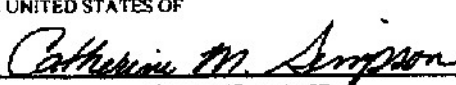
**UNITED STATES TRANSPORTATION COMMAND  
(USTRANSCOM)**

**CONTRACT NO. HTC711-07-D-0032**

**“DEFENSE TRANSPORTATION COORDINATION  
INITIATIVE (DTCI)”**

**17 AUGUST 2007**

Previously released under FOIA  
Information withheld is non-responsive  
To FOIA request for “clearly releasable  
Data.”

<b>AWARD/CONTRACT</b>		1. THIS CONTRACT IS A RATED UNDER DPAS (15 CFR 350)		RATING DO-C9		PAGE OF 1 121	
2. CONTRACT (Proc. Inst. Ident.) NO. HTC711-07-D-0032		3. EFFECTIVE 17 Aug 2007		4. REQUISITION/PURCHASE REQUEST/PROJECT NO.			
5. ISSUED BY USTRANSCOM COMMAND ACQUISITION 508 SCOTT SCOTT AFB IL 62225		CODE HTC71		6. ADMINISTERED  See Item		CODE	
7. NAME AND ADDRESS OF CONTRACTOR (Name, street, city, county, state and zip code) MENLO WORLDWIDE GOVERNMENT SERVICES LLC JOSEPH M. DAGNESE 2856 CAMPUS DR. SUITE SAN MATEO CA 94403				8. [ ] FOB ORIGIN [X] OTHER (See Section G)			
				9. DISCOUNT FOR PROMPT PAYMENT Net 30 Days			
				10. SUBMIT INVOICES 1 (If report units, otherwise specify) TO THE ADDRESS SHOWN		ITE Section G	
CODE 4J6W3		FACILITY CODE					
11. SHIP TO/MARK FOR PROVIDED ON INQUIRY NO CONTACT SEE SPECIFIC TASK ORDERS SCOTT AFB IL		CODE PROV		12. PAYMENT WILL BE MADE BY DEFENSE FINANCE AND ACCOUNTING SERVICE ATTN: DFAS- PO BOX COLUMBUS OH 43236		CODE F67100	
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [ ] 10 U.S.C. 2304(c)(1) [ ] 41 U.S.C. 253(c)(1)				14. ACCOUNTING AND APPROPRIATION DATA			
15A. ITEM NO.	15B. SUPPLIES/ SERVICES	15C.	15D.	15E. UNIT PRICE	15F. AMOUNT		
SEE							
15G. TOTAL AMOUNT OF CONTRACT \$525,078,255.80 EST							
16. TABLE OF CONTENTS							
(X) SEC	DESCRIPTION	PAGE(S)	(X) SEC	DESCRIPTION	PAGE(S)		
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION/ CONTRACT FORM	1	X	I	CONTRACT	99 - 120
X	B	SUPPLIES OR SERVICES AND PRICES/	2 - 24	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS			
X	C	DESCRIPTION/ SPECS/ WORK	25 - 68				
X	D	PACKAGING AND MARKING		X	J	LIST OF ATTACHMENTS	121
X	E	INSPECTION AND ACCEPTANCE	69 - 70	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	F	DELIVERIES OR	71 - 74				
X	G	CONTRACT ADMINISTRATION DATA	75 - 89	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS		
X	H	SPECIAL CONTRACT	90 - 98	L	INSTRS. CONDS. AND NOTICES TO		
				M	EVALUATION FACTORS FOR AWARD		
CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17. [X] CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign agreement and return.) (Type or print) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. [ ] AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number HTC711-06-R-0001-0008 including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. NAME AND TITLE OF SIGNER (Type or print) Robert L. Bianco, President				20A. NAME AND TITLE OF CONTRACTING OFFICER TEL: CATHERINE M. SIMPSON MAIL: Contracting Officer			
19B. NAME OF CONTRACTOR BY:  (Signature of person authorized to sign)		19C. DATE 8/17/07		20B. UNITED STATES OF BY:  (Signature of Contracting Officer)		20C. DATE 8/17/07	

Section B - Supplies or Services and Prices

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	Management Services - Base Yr 1 FFP Transportation coordination services IAW Part I, Section C, Performance Work Statement (PWS), paragraphs 1.0 through 5.0 and 7.0, excluding 1.1.2.1.1. The fixed unit price is based on a historical range of transactions per month as defined in Section G-6. The Contractor shall perform all transportation coordination services to include surge requirements IAW Section C, PWS paragraph 1.4.5.27, unless otherwise specified IAW Section G-9, Management Services--Surge, covered under CLIN 0004. Long-term workload reductions under this CLIN will be handled IAW Section G-6 and Section I, FAR 52.243-1, Changes--Fixed Price Alternate I.  The period of performance is 17 Aug 07 - 16 Aug 08. FOB: Destination SIGNAL CODE: A	12	Months	\$1,109,485.00	\$13,313,820.00
NET AMT					\$13,313,820.00

ITEM NO	SUPPLIES/SERVICES	EST . QUANTITY	UNIT	UNIT PRICE	AMOUNT
0002	Transportation - Base Yr 1 COST Freight movement IAW Part I, Section C, PWS paragraph 1.1.2.1.1. Amount shown is Government estimated. The contractor shall invoice for transportation costs under this CLIN pursuant to the provisions in Sections G-7 and H-10. Actual direct transportation costs, up to the not-to-exceed (NTE) rates will be reimbursed on a cost-reimbursement basis, accessorial charges will be paid at the current government established rates IAW Section C, PWS, paragraph 1.4.5.16 and Appendix B, and fuel surcharges will be paid IAW paragraph 1.4.5.15 and Appendix F.  Payment will be IAW Section G-7. The period of performance is 17 Aug 07 - 16 Aug 08. FOB: Destination SIGNAL CODE: A		Lot		
				ESTIMATED COST	\$29,479,604.00 (EST.)

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0003		2	Lot	\$665,691.00	\$1,331,382.00

Award Fee - Base Yr 1  
FFP

The contractor shall invoice for the amount of award fee earned. The amount of award fee earned out of the award fee pool will be unilaterally determined by the Government Award Fee Determining Official (FDO) at the end of the award fee period IAW the Award Fee Plan, Part III, Section J, Attachment 2, Section G-8, and Section H-6. The available award fee pool will be obligated under separate task order. Award fee will be assessed semiannually and a modification issued by the Contracting Officer against the task order authorizing payment for the amount of award fee earned. Unearned award fee will be deobligated by the Contracting Officer.

The period of performance is 17 Aug 07 - 16 Aug 08.

FOB: Destination

SIGNAL CODE: A

NET AMT

\$1,331,382.00

ITEM NO	SUPPLIES/SERVICES	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED AMOUNT
0004		3,900	Each		

Management Services -- Surge - Base Yr 1  
FFP

Transportation coordination services surge IAW Part I, Section C, PWS paragraph 1.4.5.27, and Section G-9. This CLIN covers transportation coordination services not covered under CLIN 0001. The contractor shall invoice under this CLIN when authorized by the Contracting Officer IAW Section G-9.

The period of performance is 17 Aug 07 - 16 Aug 08.

FOB: Destination

SIGNAL CODE: A

ESTIMATED  
NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0005		1	Lot		NSP

Contract Deliverables--Data Requirements  
FFP

Base Yr 1 - Contract deliverables IAW Part I, Section C, PWS paragraph 6.0.  
This line item is not separately priced and is included in the Management Services  
CLIN. The period of performance is 17 Aug 07 - 16 Aug 08.

FOB: Destination

SIGNAL CODE: A

---

NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1001		12	Months	\$1,241,640.00	\$14,899,680.00

Management Services - Base Yr 2  
FFP

Transportation coordination services IAW Part I, Section C, Performance Work  
Statement (PWS), paragraphs 1.0 through 5.0 and 7.0, excluding 1.1.2.1.1. The  
fixed unit price is based on a historical range of transactions per month as defined  
in Section G-6. The Contractor shall perform all transportation coordination  
services to include surge requirements IAW Section C, PWS paragraph 1.4.5.27,  
unless otherwise specified IAW Section G-9, Management Services--Surge,  
covered under CLIN 1004. Long-term workload reductions under this CLIN will  
be handled IAW Section G-6 and Section I, FAR 52.243-1, Changes--Fixed Price  
Alternate I.

The period of performance is 17 Aug 08 - 16 Aug 09.

FOB: Destination

SIGNAL CODE: A

---

NET AMT

\$14,899,680.00

ITEM NO	SUPPLIES/SERVICES	EST . QUANTITY	UNIT	UNIT PRICE	AMOUNT
1002	Transportation - Base Yr 2 COST Freight movement IAW Part I, Section C, PWS paragraph 1.1.2.1.1. Amount shown is Government estimated. The contractor shall invoice for transportation costs under this CLIN pursuant to the provisions in Sections G-7 and H-10. Actual direct transportation costs, up to the not-to-exceed (NTE) rates will be reimbursed on a cost-reimbursement basis, accessorial charges will be paid at the current government established rates IAW Section C, PWS, paragraph 1.4.5.16 and Appendix B, and fuel surcharges will be paid IAW paragraph 1.4.5.15 and Appendix F.  Payment will be IAW Section G-7. The period of performance is 17 Aug 08 - 16 Aug 09. FOB: Destination SIGNAL CODE: A		Lot		
				ESTIMATED COST	\$192,078,217.00 (EST.)

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1003	Award Fee - Base Yr 2 FFP	2	Lot	\$744,984.00	\$1,489,968.00

Award Fee - Base Yr 2  
FFP

The contractor shall invoice for the amount of award fee earned. The amount of award fee earned out of the award fee pool will be unilaterally determined by the Government Award Fee Determining Official (FDO) at the end of the award fee period IAW the Award Fee Plan, Part III, Section J, Attachment 2, Section G-8, and Section H-6. The available award fee pool will be obligated under separate task order. Award fee will be assessed semiannually and a modification issued by the Contracting Officer against the task order authorizing payment for the amount of award fee earned. Unearned award fee will be deobligated by the Contracting Officer.

The period of performance is 17 Aug 08 - 16 Aug 09.

FOB: Destination

SIGNAL CODE: A

NET AMT

\$1,489,968.00

ITEM NO	SUPPLIES/SERVICES	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED AMOUNT
1004	Management Services -- Surge - Base Yr 2 FFP	17,100	Each	[REDACTED]	[REDACTED]

Transportation coordination services surge IAW Part I, Section C, PWS paragraph 1.4.5.27, and Section G-9. This CLIN covers transportation coordination services not covered under CLIN 1001. The contractor shall invoice under this CLIN when authorized by the Contracting Officer IAW Section G-9.

The period of performance is 17 Aug 08 - 16 Aug 09.

FOB: Destination

SIGNAL CODE: A

ESTIMATED  
NET AMT

[REDACTED]



ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1005	Contract Deliverables--Data Requirements FFP Base Yr 2 - Contract deliverables IAW Part I, Section C, PWS paragraph 6.0.	1	Lot		NSP
<p>This line item is not separately priced and is included in the Management Services CLIN.</p> <p>The period of performance is 17 Aug 08 - 16 Aug 09.</p> <p>FOB: Destination</p> <p>SIGNAL CODE: A</p>					

---

NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
2001	Management Services - Base Yr 3 FFP Transportation coordination services IAW Part I, Section C, Performance Work Statement (PWS), paragraphs 1.0 through 5.0 and 7.0, excluding 1.1.2.1.1. The fixed unit price is based on a historical range of transactions per month as defined in Section G-6. The Contractor shall perform all transportation coordination services to include surge requirements IAW Section C, PWS paragraph 1.4.5.27, unless otherwise specified IAW Section G-9, Management Services--Surge, covered under CLIN 2004. Long-term workload reductions under this CLIN will be handled IAW Section G-6 and Section I, FAR 52.243-1, Changes--Fixed Price Alternate I.	12	Months	\$1,103,474.00	\$13,241,688.00
<p>The period of performance is 17 Aug 09 - 16 Aug 10.</p> <p>FOB: Destination</p> <p>SIGNAL CODE: A</p>					

---

NET AMT

---

\$13,241,688.00

ITEM NO	SUPPLIES/SERVICES	EST . QUANTITY	UNIT	UNIT PRICE	AMOUNT
2002	Transportation - Base Yr 3 COST Freight movement IAW Part I, Section C, PWS paragraph 1.1.2.1.1. Amount shown is Government estimated. The contractor shall invoice for transportation costs under this CLIN pursuant to the provisions in Sections G-7 and H-10. Actual direct transportation costs, up to the not-to-exceed (NTE) rates will be reimbursed on a cost-reimbursement basis, accessorial charges will be paid at the current government established rates IAW Section C, PWS, paragraph 1.4.5.16 and Appendix B, and fuel surcharges will be paid IAW paragraph 1.4.5.15 and Appendix F.  Payment will be IAW Section G-7. The period of performance is 17 Aug 09 - 16 Aug 10. FOB: Destination SIGNAL CODE: A		Lot		
				ESTIMATED COST	\$257,430,933.00 (EST.)

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
2003		2	Lot	\$662,084.40	\$1,324,168.80

Award Fee - Base Yr 3

FFP

The contractor shall invoice for the amount of award fee earned. The amount of award fee earned out of the award fee pool will be unilaterally determined by the Government Award Fee Determining Official (FDO) at the end of the award fee period IAW the Award Fee Plan, Part III, Section J, Attachment 2, Section G-8, and Section H-6. The available award fee pool will be obligated under separate task order. Award fee will be assessed semiannually and a modification issued by the Contracting Officer against the task order authorizing payment for the amount of award fee earned. Unearned award fee will be deobligated by the Contracting Officer.

The period of performance is 17 Aug 09 - 16 Aug 10.

FOB: Destination

SIGNAL CODE: A

NET AMT

\$1,324,168.80

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
2004		19,500	Each		

Management Services -- Surge - Base Yr 3

FFP

Transportation coordination services surge IAW Part I, Section C, PWS paragraph 1.4.5.27, and Section G-9. This CLIN covers transportation coordination services not covered under CLIN 2001. The contractor shall invoice under this CLIN when authorized by the Contracting Officer IAW Section G-9.

The period of performance is 17 Aug 09 - 16 Aug 10.

FOB: Destination

SIGNAL CODE: A

MAX  
NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
2005	Contract Deliverables--Data Requirements FFP Base Yr 3 - Contract deliverables IAW Part I, Section C, PWS paragraph 6.0. This line item is not separately priced and is included in the Management Services CLIN. The period of performance is 17 Aug 09 - 16 Aug 10. FOB: Destination SIGNAL CODE: A	1	Lot		NSP

---

NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
3001 OPTION	Management Services - Opt Yr 1 FFP Transportation coordination services IAW Part I, Section C, Performance Work Statement (PWS), paragraphs 1.0 through 5.0 and 7.0, excluding 1.1.2.1.1. The fixed unit price is based on a historical range of transactions per month as defined in Section G-6. The Contractor shall perform all transportation coordination services to include surge requirements IAW Section C, PWS paragraph 1.4.5.27, unless otherwise specified IAW Section G-9, Management Services--Surge, covered under CLIN 3004. Long-term workload reductions under this CLIN will be handled IAW Section G-6 and Section I, FAR 52.243-1, Changes--Fixed Price Alternate I.  The period of performance is 17 Aug 10 - 16 Aug 11. FOB: Destination SIGNAL CODE: A	12	Months	\$1,129,479.00	\$13,553,748.00

---

NET AMT

\$13,553,748.00

ITEM NO	SUPPLIES/SERVICES	EST . QUANTITY	UNIT	UNIT PRICE	AMOUNT
3002 OPTION	Transportation - Opt Yr 1 COST Freight movement IAW Part I, Section C, PWS paragraph 1.1.2.1.1. Amount shown is Government estimated. The contractor shall invoice for transportation costs under this CLIN pursuant to the provisions in Sections G-7 and H-10. Actual direct transportation costs, up to the not-to-exceed (NTE) rates will be reimbursed on a cost-reimbursement basis, accessorial charges will be paid at the current government established rates IAW Section C, PWS, paragraph 1.4.5.16 and Appendix B, and fuel surcharges will be paid IAW paragraph 1.4.5.15 and Appendix F.  Payment will be IAW Section G-7. The period of performance is 17 Aug 10 - 16 Aug 11. FOB: Destination SIGNAL CODE: A		Lot		
				ESTIMATED COST	\$253,523,037.00 (EST.)

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
3003		2	Lot	\$677,687.40	\$1,355,374.80 NTE

OPTION

Award Fee - Opt Yr 1

FFP

The contractor shall invoice for the amount of award fee earned. The amount of award fee earned out of the award fee pool will be unilaterally determined by the Government Award Fee Determining Official (FDO) at the end of the award fee period IAW the Award Fee Plan, Part III, Section J, Attachment 2, Section G-8, and Section H-6. The available award fee pool will be obligated under separate task order. Award fee will be assessed semiannually and a modification issued by the Contracting Officer against the task order authorizing payment for the amount of award fee earned. Unearned award fee will be deobligated by the Contracting Officer.

The period of performance is 17 Aug 10 - 16 Aug 11.

FOB: Destination

SIGNAL CODE: A

NET AMT

\$1,355,374.80

ITEM NO	SUPPLIES/SERVICES	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED AMOUNT
3004		19,500	Each		

OPTION

Management Services - Surge - Opt Yr 1

FFP

Transportation coordination services surge IAW Part I, Section C, PWS paragraph 1.4.5.27, and Section G-9. This CLIN covers transportation coordination services not covered under CLIN 3001. The contractor shall invoice under this CLIN when authorized by the Contracting Officer IAW Section G-9.

The period of performance is 17 Aug 10 - 16 Aug 11.

FOB: Destination

SIGNAL CODE: A

ESTIMATED  
NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
3005		1	Lot		NSP
OPTION	Contract Deliverables--Data Requirements FFP				
	Opt Yr 1 - Contract deliverables IAW Part I, Section C, PWS paragraph 6.0.				
	This line item is not separately priced and is included in the Management Services CLIN.				
	The period of performance is 17 Aug 10 - 16 Aug 11.				
	FOB: Destination				
	SIGNAL CODE: A				

---

NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
4001		12	Months	\$1,162,321.00	\$13,947,852.00
OPTION	Management Services - Opt Yr 2 FFP				
	Transportation coordination services IAW Part I, Section C, Performance Work Statement (PWS), paragraphs 1.0 through 5.0 and 7.0, excluding 1.1.2.1.1. The fixed unit price is based on a historical range of transactions per month as defined in Section G-6. The Contractor shall perform all transportation coordination services to include surge requirements IAW Section C, PWS paragraph 1.4.5.27, unless otherwise specified IAW Section G-9, Management Services--Surge, covered under CLIN 4004. Long-term workload reductions under this CLIN will be handled IAW Section G-6 and Section I, FAR 52.243-1, Changes--Fixed Price Alternate I.				
	The period of performance is 17 Aug 11 - 16 Aug 12.				
	FOB: Destination				
	SIGNAL CODE: A				

---

NET AMT

\$13,947,852.00

ITEM NO	SUPPLIES/SERVICES	EST . QUANTITY	UNIT	UNIT PRICE	AMOUNT
4002 OPTION	Transportation - Opt Yr 2 COST Freight movement IAW Part I, Section C, PWS paragraph 1.1.2.1.1. Amount shown is Government estimated. The contractor shall invoice for transportation costs under this CLIN pursuant to the provisions in Sections G-7 and H-10. Actual direct transportation costs, up to the not-to-exceed (NTE) rates will be reimbursed on a cost-reimbursement basis, accessorial charges will be paid at the current government established rates IAW Section C, PWS, paragraph 1.4.5.16 and Appendix B, and fuel surcharges will be paid IAW paragraph 1.4.5.15 and Appendix F.  Payment will be IAW Section G-7. The period of performance is 17 Aug 11 - 16 Aug 12. FOB: Destination SIGNAL CODE: A		Lot		
				ESTIMATED COST	\$258,911,397.00 (EST.)



ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
4003		2	Lot	\$697,392.60	\$1,394,785.20

OPTION

Award Fee - Opt Yr 2  
FFP

The contractor shall invoice for the amount of award fee earned. The amount of award fee earned out of the award fee pool will be unilaterally determined by the Government Award Fee Determining Official (FDO) at the end of the award fee period IAW the Award Fee Plan, Part III, Section J, Attachment 2, Section G-8, and Section H-6. The available award fee pool will be obligated under separate task order. Award fee will be assessed semiannually and a modification issued by the Contracting Officer against the task order authorizing payment for the amount of award fee earned. Unearned award fee will be deobligated by the Contracting Officer.

The period of performance is 17 Aug 11 - 16 Aug 12.

FOB: Destination

SIGNAL CODE: A

NET AMT

\$1,394,785.20

ITEM NO	SUPPLIES/SERVICES	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED AMOUNT
4004		19,500	Each		

OPTION

Management Services -- Surge - Opt Yr 2  
FFP

Transportation coordination services surge IAW Part I, Section C, PWS paragraph 1.4.5.27, and Section G-9. This CLIN covers transportation coordination services not covered under CLIN 4001. The contractor shall invoice under this CLIN when authorized by the Contracting Officer IAW Section G-9.

The period of performance is 17 Aug 11 - 16 Aug 12.

FOB: Destination

SIGNAL CODE: A

ESTIMATED  
NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
4005		1	Lot		NSP
OPTION	Contract Deliverables--Data Requirements FFP				
	Opt Yr 2 - Contract deliverables IAW Part I, Section C, PWS paragraph 6.0.				
	This line item is not separately priced and is included in the Management Services CLIN.				
	The period of performance is 17 Aug 11 - 16 Aug 12.				
	FOB: Destination				
	SIGNAL CODE: A				

---

NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
5001		12	Months	\$1,197,761.00	\$14,373,132.00
OPTION	Management Services - Awd Trm Opt Yr 1 FFP				
	Transportation coordination services IAW Part I, Section C, Performance Work Statement (PWS), paragraphs 1.0 through 5.0 and 7.0, excluding 1.1.2.1.1. The fixed unit price is based on a historical range of transactions per month as defined in Section G-6. The Contractor shall perform all transportation coordination services to include surge requirements IAW Section C, PWS paragraph 1.4.5.27, unless otherwise specified IAW Section G-9, Management Services--Surge, covered under CLIN 5004. Long-term workload reductions under this CLIN will be handled IAW Section G-6 and Section I, FAR 52.243-1, Changes--Fixed Price Alternate I.				
	The period of performance is 17 Aug 12 - 16 Aug 13.				
	FOB: Destination				
	SIGNAL CODE: A				

---

NET AMT

---

\$14,373,132.00

ITEM NO	SUPPLIES/SERVICES	EST . QUANTITY	UNIT	UNIT PRICE	AMOUNT
5002 OPTION	Transportation - Awd Trm Opt Yr 1 COST Freight movement IAW Part I, Section C, PWS paragraph 1.1.2.1.1. Amount shown is Government estimated. The contractor shall invoice for transportation costs under this CLIN pursuant to the provisions in Sections G-7 and H-10. Actual direct transportation costs, up to the not-to-exceed (NTE) rates will be reimbursed on a cost-reimbursement basis, accessorial charges will be paid at the current government established rates IAW Section C, PWS, paragraph 1.4.5.16 and Appendix B, and fuel surcharges will be paid IAW paragraph 1.4.5.15 and Appendix F.  Payment will be IAW Section G-7. The period of performance is 17 Aug 12 - 16 Aug 13. FOB: Destination SIGNAL CODE: A		Lot		
				ESTIMATED COST	\$264,607,444.00 (EST.)

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
5003		2	Lot	\$718,656.60	\$1,437,313.20
OPTION					

Award Fee - Awd Trm Opt Yr 1  
FFP

The contractor shall invoice for the amount of award fee earned. The amount of award fee earned out of the award fee pool will be unilaterally determined by the Government Award Fee Determining Official (FDO) at the end of the award fee period IAW the Award Fee Plan, Part III, Section J, Attachment 2, Section G-8, and Section H-6. The available award fee pool will be obligated under separate task order. Award fee will be assessed semiannually and a modification issued by the Contracting Officer against the task order authorizing payment for the amount of award fee earned. Unearned award fee will be deobligated by the Contracting Officer.

The period of performance is 17 Aug 12 - 16 Aug 13.

FOB: Destination

SIGNAL CODE: A

NET AMT

\$1,437,313.20

ITEM NO	SUPPLIES/SERVICES	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED AMOUNT
5004		19,500	Each		
OPTION					
	Management Services -- Surge				
	FFP				
	Awd Trm Opt Yr 1 - Transportation coordination services surge IAW Part I, Section C, PWS paragraph 1.4.5.27, and Section G-9. This CLIN covers transportation coordination services not covered under CLIN 5001. The contractor shall invoice under this CLIN when authorized by the Contracting Officer IAW Section G-9.				

The period of performance is 17 Aug 12 - 16 Aug 13.

FOB: Destination

SIGNAL CODE: A

ESTIMATED  
NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
5005		1	Lot		NSP
OPTION	Contract Deliverables--Data Requirements FFP Awd Trm Opt Yr 1 - Contract deliverables IAW Part I, Section C, PWS paragraph 6.0.  This line item is not separately priced and is included in the Management Services CLIN. The period of performance is 17 Aug 12 - 16 Aug 13. FOB: Destination SIGNAL CODE: A				

---

NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
6001		12	Months	\$1,227,704.00	\$14,732,448.00

OPTION

Management Services - Awd Trm Opt Yr 2  
FFP

Transportation coordination services IAW Part I, Section C, Performance Work Statement (PWS), paragraphs 1.0 through 5.0 and 7.0, excluding 1.1.2.1.1. The fixed unit price is based on a historical range of transactions per month as defined in Section G-6. The Contractor shall perform all transportation coordination services to include surge requirements IAW Section C, PWS paragraph 1.4.5.27, unless otherwise specified IAW Section G-9, Management Services--Surge, covered under CLIN 6004. Long-term workload reductions under this CLIN will be handled IAW Section G-6 and Section I, FAR 52.243-1, Changes--Fixed Price Alternate I.

The period of performance is 17 Aug 13 - 16 Aug 14.

FOB: Destination

SIGNAL CODE: A

---

NET AMT

\$14,732,448.00

ITEM NO	SUPPLIES/SERVICES	EST . QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	-------------------	------	------------	--------

6002  
OPTION

Transportation - Awd Trm Opt Yr 2  
COST

Freight movement IAW Part I, Section C, PWS paragraph 1.1.2.1.1. Amount shown is Government estimated. The contractor shall invoice for transportation costs under this CLIN pursuant to the provisions in Sections G-7 and H-10. Actual direct transportation costs, up to the not-to-exceed (NTE) rates will be reimbursed on a cost-reimbursement basis, accessorial charges will be paid at the current government established rates IAW Section C, PWS, paragraph 1.4.5.16 and Appendix B, and fuel surcharges will be paid IAW paragraph 1.4.5.15 and Appendix F.

Payment will be IAW Section G-7.

The period of performance is 17 Aug 13 - 16 Aug 14.

FOB: Destination

SIGNAL CODE: A

ESTIMATED COST

\$270,428,813.00 (EST.)

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
6003		2	Lot	\$736,622.40	\$1,473,244.80

OPTION

Award Fee - Awd Trm Opt Yr 2  
FFP

The contractor shall invoice for the amount of award fee earned. The amount of award fee earned out of the award fee pool will be unilaterally determined by the Government Award Fee Determining Official (FDO) at the end of the award fee period IAW the Award Fee Plan, Part III, Section J, Attachment 2, Section G-8, and Section H-6. The available award fee pool will be obligated under separate task order. Award fee will be assessed semiannually and a modification issued by the Contracting Officer against the task order authorizing payment for the amount of award fee earned. Unearned award fee will be deobligated by the Contracting Officer.

The period of performance is 17 Aug 13 - 16 Aug 14.  
FOB: Destination  
SIGNAL CODE: A

---

NET AMT	\$1,473,244.80
---------	----------------

ITEM NO	SUPPLIES/SERVICES	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED AMOUNT
6004 OPTION	Management Services -- Surge FFP Awd Trm Opt Yr 2 - Transportation coordination services surge IAW Part I, Section C, PWS paragraph 1.4.5.27, and Section G-9. This CLIN covers transportation coordination services not covered under CLIN 6001. The contractor shall invoice under this CLIN when authorized by the Contracting Officer IAW Section G-9.  The period of performance is 17 Aug 13 - 16 Aug 14. FOB: Destination SIGNAL CODE: A	19,500	Each		

---

ESTIMATED  
NET AMT

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT NSP
6005 OPTION	Contract Deliverables--Data Requirements FFP Awd Trm Opt Yr 2 - Contract deliverables IAW Part I, Section C, PWS paragraph 6.0. This line item is not separately priced and is included in the Management Services CLIN. The period of performance is 17 Aug 13 - 16 Aug 14. FOB: Destination SIGNAL CODE: A	1	Lot		

---

NET AMT

#### CLIN DELIVERY/TASK ORDER MINIMUM/MAXIMUM QUANTITY AND CLIN ORDER VALUE

The minimum quantity and order value for the given Delivery/Task Order issued for this CLIN shall not be less than



the minimum quantity and order value stated in the following table. The maximum quantity and order value for the given Delivery/Task Order issued for this CLIN shall not exceed the maximum quantity and order value stated in the following table.

CLIN	MINIMUM QUANTITY	MINIMUM AMOUNT	MAXIMUM QUANTITY	MAXIMUM AMOUNT
0002		\$0.00	N/A	\$ 29,479,604.00
0004	N/A 0	\$0.00	3,900	[REDACTED]
1002	N/A	\$0.00	N/A	\$192,078,217.00
1004	0	\$0.00	17,100	[REDACTED]
2002	N/A	\$0.00		\$ 257,430,933.00
2004	0	\$0.00	N/A 19,500	[REDACTED]
3002	N/A	\$0.00	N/A	\$ 253,523,037.00
3004	0	\$0.00	19,500	[REDACTED]
4002	N/A	\$0.00		\$ 258,911,397.00
4004	0	\$0.00	N/A 19,500	[REDACTED]
5002	N/A	\$0.00	N/A	\$ 264,607,444.00
5004	0	\$0.00	19,500	[REDACTED]
6002	N/A	\$0.00	N/A	\$ 270,428,813.00
6004	0	\$0.00	19,500	[REDACTED]

Section C - Descriptions and Specifications

PERFORMANCE WORK STATEMENT

**PART I – THE SCHEDULE  
SECTION C  
DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**

**Defense Transportation Coordination Initiative  
(DTCI)**

**Performance Work Statement**

# Table of Contents

	<u>Paragraph Number</u>
<b>Description of Services</b>	
<b>General Description</b>	<b>1.1</b>
<b>Goals</b>	<b>1.1.1</b>
<b>Transportation Coordination Services</b>	<b>1.1.2</b>
<b>Exclusions</b>	<b>1.1.3</b>
<b>Optional Services</b>	<b>1.1.4</b>
<b>Implementation</b>	<b>1.2</b>
Change to Implementation Schedule	1.2.1
Implementation Expectations	1.2.2
Program Management Reviews	1.2.3
Phase I	1.2.4
Phase II & III	1.2.5
Phased Implementation Schedule	1.2.6
Phase Completion	1.2.7
Implementation Approach	1.2.8
Implementation Plan	1.2.8.1
Location Unique Requirements	1.2.8.2
Implementation Expectations	1.2.8.3
Joint Test Plan	1.2.8.4
Additional Sites	1.2.9
Additional Site Equitable Adjustment	1.2.9.1
<b>Specific Tasks Overview</b>	<b>1.3</b>
<b>Specific Tasks – Contractor Responsibilities</b>	<b>1.4</b>
<b>Post-Award Conference</b>	<b>1.4.1</b>
Cost Savings	1.4.2
Contractor Liability	1.4.3
Confidentiality	1.4.3.1
Carrier Insurance	1.4.3.2
Carrier Management	1.4.4
Carrier Contracts	1.4.4.1
Seizure of Cargo	1.4.4.2
Freight Payment	1.4.4.3
Freight Payment Terms	1.4.4.4
Subcontract Carrier	1.4.4.5
Freight Bill Pre-Audit	1.4.4.6
Industry Interaction and Collaboration	1.4.4.6

<b>Operations</b>	<b>1.4.5</b>
<b>Staffing</b>	<b>1.4.5.1</b>
<b>NAC Agency Check</b>	<b>1.4.5.2</b>
<b>Non-Disclosure Certificate</b>	<b>1.4.5.3</b>
<b>Program Management</b>	<b>1.4.5.4</b>
<b>Optimization and Consolidation</b>	<b>1.4.5.5</b>
<b>Equipment Requirements</b>	<b>1.4.5.6</b>
<b>Pallet &amp; Net Returns from Aerial Ports</b>	<b>1.4.5.7</b>
<b>Scheduled Route Service</b>	<b>1.4.5.8</b>
<b>Diversions</b>	<b>1.4.5.9</b>
<b>Federal Holidays</b>	<b>1.4.5.10</b>
<b>On-Site Personnel</b>	<b>1.4.5.11</b>
<b>Customer Support</b>	<b>1.4.5.12</b>
<b>Appropriate Adjustments</b>	<b>1.4.5.13</b>
<b>Reserved</b>	<b>1.4.5.14</b>
<b>Fuel Surcharge</b>	<b>1.4.5.15</b>
<b>Accessorial Services</b>	<b>1.4.5.16</b>
<b>Expedited Shipments</b>	<b>1.4.5.17</b>
<b>Exception Reporting/Procedures</b>	<b>1.4.5.18</b>
<b>Language Requirement</b>	<b>1.4.5.19</b>
<b>Training</b>	<b>1.4.5.20</b>
<b>Reporting</b>	<b>1.4.5.21</b>
<b>Process Improvement</b>	<b>1.4.5.22</b>
<b>Loss and Damage Claims Management</b>	<b>1.4.5.23</b>
<b>Notification of Accidents</b>	<b>1.4.5.24</b>
<b>Astray Freight and Emergency</b>	<b>1.4.5.25</b>
<b>Notifications</b>	
<b>Hazardous Material Handling</b>	<b>1.4.5.26</b>
<b>Surge Support</b>	<b>1.4.5.27</b>
<b>Large Scale Planned Events</b>	<b>1.4.5.28</b>
<b>Essential Infrastructure</b>	<b>1.4.5.29</b>
<b>Information Technology</b>	<b>1.4.6</b>
<b>Security</b>	<b>1.4.6.1</b>
<b>Data Interchanges</b>	<b>1.4.6.2</b>
<b>DoD Third Party Payment System</b>	<b>1.4.6.3</b>
<b>On-line Web Access</b>	<b>1.4.6.4</b>
<b>User Accounts and Passwords</b>	<b>1.4.6.5</b>
<b>Delivery of Reports</b>	<b>1.4.6.6</b>
<b>Web-based Shipment Request Tool</b>	<b>1.4.6.7</b>
<b>Date Storage and Disposition</b>	<b>1.4.6.8</b>
<b>DPO Integration</b>	<b>1.4.6.9</b>
<b>System Performance and Availability</b>	<b>1.4.6.10</b>
<b>Technical Support</b>	<b>1.4.6.11</b>
 <b>Small Business Programs</b>	 <b>1.4.7</b>
<b>Small Business Contracting Goals</b>	<b>1.4.7.1</b>
<b>Small Business Subcontract Reporting</b>	<b>1.4.7.2</b>
<b>Small Business Interaction</b>	<b>1.4.7.3</b>
 <b>Service Delivery Summary</b>	 <b>2</b>
 <b>Government Furnished Property and Services</b>	 <b>3</b>
<b>General Provisions</b>	<b>3.1</b>

Specialized Equipment	3.2
Contractor Furnished Items	4
General Information	5
Contractor Employees	5.1
Security Requirements	5.2
Identification Badges	5.3
Vehicle Registration	5.4
Controlled Gates	5.5
Safety	5.6
Calendar Days	5.7
Contract Deliverables	6
Appendices	7
Acronyms	
Definitions	

.....

**TABLES**

- Table 1. Phase I Required Implementation Schedule
- Table 2. Phase 1 Desired Implementation Schedule
- Table 3. Phase II Required Implementation Schedule
- Table 4. Phase III Required Implementation Schedule
- Table 5. Transportation Reports
- Table 6. DTCI Required IA Controls
- Table 7. Data Exchanges for DTCI
- Table 8. Performance Thresholds

**FIGURES**

- Figure 1. DDC Locations
- Figure 2. Reserved
- Figure 3. DoD Technical Architecture

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

**1. Description of Services**

**1.1 General Description.**

- 1.1.1 Goals.** The contractor shall perform transportation coordination services in a manner that will improve the reliability, predictability, and efficiency of Department of Defense (DoD) materiel moving within the Continental United States (CONUS). It is the goal of the government to:
  - 1.1.1.1** Improve operational effectiveness
  - 1.1.1.2** Support strong small business participation
  - 1.1.1.3** Improve customer confidence

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

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

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

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

- 1.1.3.1 OCONUS freight movements beyond Port of Embarkation
- 1.1.3.2 Vendor shipments (except when requested under the provision of 1.1.4 below)
- 1.1.3.3 OCONUS Unit Moves
- 1.1.3.4 Universal Services Contract and Regional Domestic Contract ocean carrier contracts
- 1.1.3.5 Household goods to include Direct Procurement Method (DPM) shipments
- 1.1.3.6 Movements using DoD organic equipment (unless otherwise identified in this PWS)
- 1.1.3.7 Shipments under on-site local drayage contracts and/or agreements
- 1.1.3.8 Bulk and missile fuels
- 1.1.3.9 Shipments moved under existing Small Package contracts (less than 150 pounds)
- 1.1.3.10 Privately owned vehicles (POV) moved via any conveyance
- 1.1.3.11 Sensitive and/or classified shipments
- 1.1.3.12 Arms, Ammunition and Explosives (AA&E)
- 1.1.3.13 Cash/Collect on Delivery (C.O.D) Shipments

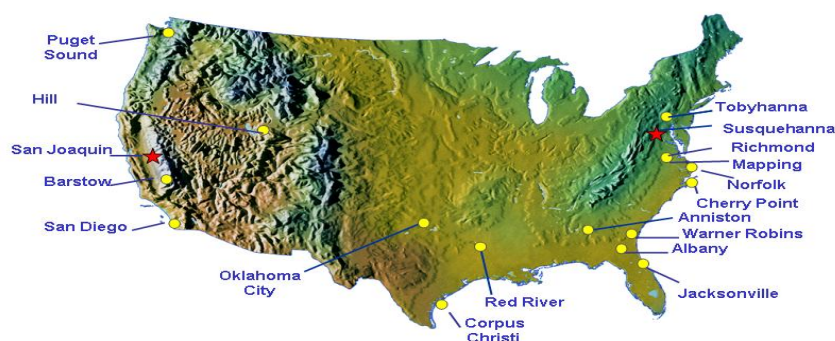
**1.1.4 Optional Services.** Government shippers are not required to utilize the DTIC under this contract for CONUS unit movements or vendor shipments. However, if requested, the contractor shall provide transportation services for requested portions of a CONUS Unit Move (for cargo not exempted under 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 DTCI shipments for all locations as identified in Table 1. The Government *desires* that the contractor be able to receive, acknowledge, process and support all DTCI shipments at each location identified in Table 2 by the last day of the month indicated per location. Note: The contractor shall begin implementation at the first location identified below and work successively through the remainder of all locations in the order given below:

**Figure 1: DDC's Locations**



**Table 1. Phase I Required Implementation Schedule**

<u>Location</u>	<u>Required Implementation Complete Dates</u>
DDPW – Puget Sound, WA DDDC – San Diego, CA DDCT – Corpus Christi, TX	Contract award + 165 days
DDRT – Red River, TX DDBC – Barstow, CA DDJC – San Joaquin, CA	Contract award + 285 days
DDOO – Oklahoma City, OK	Contract award + 12 months
DDHU – Hill AFB, UT	Contract award + 13 months

DDSP – Susquehanna, PA	Contract award + 14 months
DDNV – Norfolk, VA	Contract award + 15 months
DDAG – Albany, GA	Contract award + 16 months
DDJF – Jacksonville, FL	Contract award + 17 months
DDAA – Anniston, AL	Contract award + 18 months
DDTP – Tobyhanna, PA	Contract award + 19 months
DDWG – Warner Robins, GA	Contract award + 20 months
DDCN – Cherry Point, NC	Contract award + 21 months
DDRV – Richmond, VA	Contract award + 22 months
Defense Mapping Agency Richmond, VA	Contract award + 22 months

**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 five days after completion of the DDCT – Corpus Christi TX location. The second PMR shall be held within five days after completion of the DDJC – San Joaquin, CA location. These PMRs will be conducted to evaluate current progress of the DTCI 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 in conjunction with the DTCI Process Improvement Team (D-PIT) meetings (Reference Para 1.4.5.22.1). 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 award + 105 days



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

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

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

	<b>Co-located Depot Location</b>	<b>Phase II Co-located Sites and Aerial Port Locations</b>	<b>Co-located Site Required Implementation Complete Date</b>
1	DDCT Corpus Christi, TX	NAS Corpus Christi, TX	Contract award + 10 months
		NAS Kingsville, TX	Contract award + 10 months
2	DDPW Puget Sound, WA	Naval Undersea Warfare Center Division, Keyport, WA	Contract award + 11 months
		FISC Puget Sound DET, Everett, WA	Contract award + 11 months
		FISC Puget Sound, Bremerton, WA	Contract award + 11 months
		TRIDENT REFIT FAC Bangor, Silverdale, WA	Contract award + 11 months
		Fort Lewis, WA	Contract award + 11 months
		USPFO, Camp Murray, WA	Contract award + 11 months
3	DDDC San Diego, CA	MCAS Miramar, CA	Contract award + 12 months
		SPAWAR SYSCEN, San Diego, CA	Contract award + 12 months
		FISC North Island, San Diego CA	Contract award + 12 months
		USPFO, San Luis Obispo, CA	Contract award + 12 months
4	SUU Travis AFB, CA	Travis AFB, CA	Contract award + 14 months
5	DDHU Hill AFB, UT	Air Force Logistics Center (OO-ALC/LMSS) Hill AFB, UT	Contract award + 15 months
		Hill AFB, UT	Contract award + 15 months
		USPFO Draper, UT	Contract award + 15 months
6	DDSP New Cumberland, PA	Navy NAVICP Code OSM, Mechanicsburg, PA	Contract award + 16 months
		Naval Nuclear Propulsion Program, Naval Reactors Office, Mechanicsburg, PA	Contract award + 16 months
		Charles E Kelly Support Center, Annville, PA	Contract award + 16 months
7	DDNV Norfolk, VA	FISC Norfolk DET NSY, Portsmouth, VA	Contract award + 17 months

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

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

<b>Service</b>	<b>Service Activity/Location</b>	<b>Required Implementation Complete Date</b>
<b>USA</b>	Fort Hood, TX	Contract award + 23 months
	Fort Knox, KY	Contract award + 23 months
	Fort Bliss, TX	Contract award + 23 months
	Fort Leonard Wood, MO	Contract award + 23 months
	Fort Bragg, NC	Contract award + 23 months
<b>USN</b>	FISC ATAC San Diego, CA	Contract award +

		24 months
	NAS LeMoore, CA	Contract award + 24 months
	NAVWPNSCEN China Lake, China Lake, CA	Contract award + 24 months
	NAS Whidbey Island, Oak Harbor, WA	Contract award + 24 months
	NAV OCEANOGRAPHIC OFC, Stennis Space Center, MS	Contract award + 24 months
	Portsmouth Naval Shipyard, Portsmouth, NH	Contract award + 24 months
	Naval Operational Logistics Support Center, Norfolk, VA	Contract award + 24 months
<b>USAF</b>	Davis Monthan AFB, AZ	Contract award + 25 months
	Nellis AFB, NV	Contract award + 25 months
	Eglin AFB, FL	Contract award + 25 months
	McGuire AFB, NJ	Contract award + 25 months

**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 award. 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 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 DTIC-PMO is planning to produce an informational video to describe roles and responsibilities within the DTIC program and cover DTIC 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 DTIC's Change Management and Communications effort.

- 1.2.8.4 **Joint Test Plan.** The contractor shall prepare and deliver (NLT 15 days after contract award) a draft DTIC test plan that details the development, integration, and operational testing approach. The DTIC 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 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 award. The PMO will have 14 days to review and approve. To accommodate any site specific differences, the contractor shall deliver a site specific addendum to the DTIC 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 DTCI.
- 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 DTCI 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 accessorials 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** **NAC Agency Check.** The contractor shall ensure that all contractor personnel with access to the DTCI DoD enterprise-wide visibility data and/or management of DoD shipping activities and freight movements shall possess a favorable National Agency Check (NAC) IAW DoD 5200.2-R. 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 DTCI-wide operations and report on required metrics for the DTCI program as identified in Paragraph 2, Service Delivery Summary, and individual shipment level (transportation control number (TCN)) pertaining to material movement. The contractor shall provide the government with a list of personnel that have favorable NACs.

**1.4.5.3** **Non-Disclosure Certificate.** Any DTCI contractor personnel with access to DTCI 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 DTCI-wide operations and report on required metrics for the DTCI 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 DTCI 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 DTCI 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 award. The Government in turn will have 10 days 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. 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 DTIC for the contractor's carriers for surface transportation. Reference Appendix F – Technical Directives. For air transportation, the contractor shall utilize the USTRANSCOM-DTIC Fuel Adjustment Procedure established by the Contracting Officer within 60 days after contract award. This procedure will establish a fuel rate adjustment for air transportation taking into consideration DTIC 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 expedite shipment is defined as a shipment that requires delivery the same day or next day before a normal delivery cycle and may require manual action, e.g. telephonic notification to meet shipper requirements. Data interchanges will follow normal process after manual notification. For the DDCs, examples include counter-to-counter, same day delivery, or delivery before a normal delivery schedule. For the Services, examples include Casualty Report (CASREP), Aircraft on Ground (AOG), or Mission Impaired Capability Awaiting Parts (MICAP) support requirements.

**1.4.5.18 Exception Reporting and Procedures.** Contractor shall notify DoD shipper and DTIC PMO (or designee) daily of any delivery exception codes 01-08 (Appendix D – Exception Codes) applied via an electronic message (report on website or e-mail) so the government can take corrective action. Upon notification and resolution, relief from delivery requirement shall be determined by DTIC 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 award. 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 receipt. 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 once a month (date to be determined) 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. (Will pertain only to sites that maintain trailer/equipment pools.)
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 DTCI PMO and shipper organizations to identify these opportunities. The contractor shall submit recommendations for 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. 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 DTCI Process Improvement Team (D-PIT) before implementation.

**1.4.5.22.1 DTCI Process Improvement Team (D-PIT).** The contractor shall participate as a member of the DTCI PMO formed D-PIT to facilitate process improvements in the DoD CONUS freight movement system. The D-PIT will meet on a monthly basis. 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.

<b><u>Table 6. DTCl-required Information Assurance Controls</u></b>		
<b>Mission Assurance Category (MAC) III Controls for Integrity and Availability for DTCl</b>		
Subject	Control Number, Name	IA Service Area
Security Design and Configuration		
	DCAR-1 Procedural Review	Availability
	DCBP-1 Best Security Practices	Integrity
	DCCB-1 Control Board	Integrity
	DCCS-1 Configuration Specifications	Integrity
	DCCT-1 Compliance Testing	Availability
	DCDS-1 Dedicated IA Services	Integrity
	DCFA-1 Functional Architecture for AIS Applications	Integrity
	DCII-1 IA Impact Assessment	Integrity
	DCIT-1 IA for IT Services	Integrity
	DCMC-1 Mobile Code	Integrity
	DCNR-1 Non-repudiation	Integrity
	DCPD-1 Public Domain Software Controls	Availability
	DCPP-1 Ports, Protocols, and Services	Availability
	DCPR-1 CM Process	Integrity
	DCSD-1 IA Documentation	Availability
	DCSL-1 System Library Management Controls	Integrity
	DCSQ-1 Software Quality	Integrity
	DCSS-1 System State Changes	Integrity
	DCSW-1 SW Baseline	Availability
Identification and Authentication		
	IAKM-1 Key Management	Integrity

Enclave and Computing Environment		
	ECAT-1 Audit Trail, Monitoring, Analysis and Reporting	Integrity
	ECCD-1 Changes to Data	Integrity
	ECND-1 Network Device Controls	Integrity
	ECPA-1 Privileged Account Control	Integrity
	ECPC-1 Production Code Change Controls	Integrity
	ECRG-1 Audit Reduction and Report Generation	Integrity
	ECSC-1 Security Configuration Compliance	Availability
	ECSD-1 Software Development Change Controls	Integrity
	ECTM-1 Transmission Integrity Controls	Integrity
	ECTP-1 Audit Trail Protection	Integrity
	ECVI-1 Voice over IP	Availability
	ECVP-1 Virus Protection	Availability
Mission Assurance Category (MAC) III Controls for Integrity and Availability for 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 DTIC		
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 award 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 award 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.**

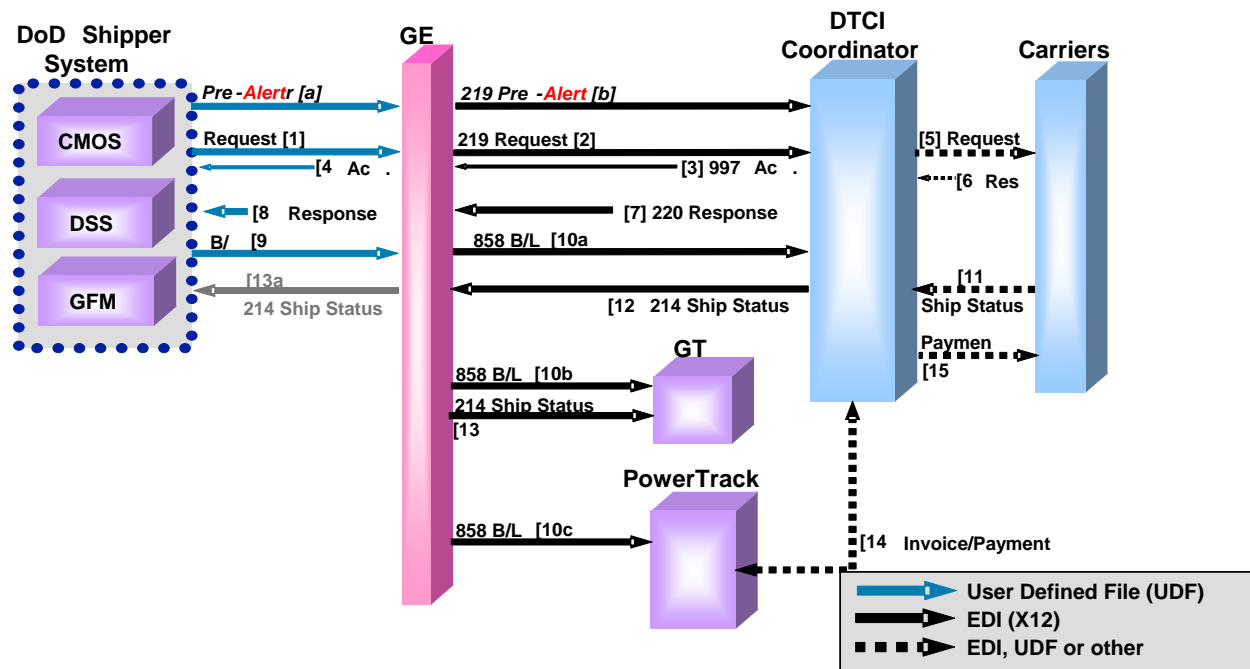


Table 7 below describes in detail the trading partner data exchanges for DTCL. Additional detail regarding the EDI exchanges can be found at the Defense Transportation Electronic Business committee's web site located at <https://dteb.lmi.org>.

**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	DTCL 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 un-translated 997 directly to the shipper system if desired.)
5	DTCL 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	DTCL Coordinator	UDF transportation arrangement acceptance	The carrier confirms its arrangements with the coordinator, including any special equipment requests.
7	DTCL 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	GEX receives the 220 response from the coordinator, converts it into the shipper



			response	system's UDF, and passes it to the requesting shipper location.
9	DoD Shipper System	GEX	UDF bill of lading	When freight is picked up at the shipper location, the shipper closes out the shipment record, generating a bill of lading UDF, which it forwards to GEX.
10a, b, c	GEX	DTCI Coordinator, GTN, Commercial Bank (Currently US Bank's Powertrack)	ASC X12 858	GEX receives the bill of lading UDF, converts it into an ASC X12 EDI bill of lading, and forwards copies to a) the coordinator, b) USTRANSCOM's Global Transportation Network, and c) Commercial Bank system.
11	Carrier	DTCI Coordinator	UDF status message	The carrier shall provide the coordinator with the following In-Transit Visibility event information: <ul style="list-style-type: none"> <li>➤ Shipment pickup</li> <li>➤ Shipment delivery</li> <li>➤ Any event which will cause the carrier to miss its scheduled/required delivery</li> </ul>
12	DTCI Coordinator	GEX	ASC X12 214	The coordinator shall convert this notification into an ASC X12 EDI 214 shipment status message and shall forward it to GEX within 2 hours of the shipment status event.
13	GEX	GTN	ASC X12 214	GEX forwards the 214 status message to GTN, which it appends to the 858 bill of lading it received from the DoD shipper system.
13a	GEX	DoD Shipper System	UDF status message	If desired by the shipper, GEX will convert the 214 into a UDF and forward it to the appropriate shipper system location.
14	DTCI Coordinator	Commercial Bank	EDI invoice, EFT payment	The coordinator shall bundle shipment movement data, at the bill of lading and TCN level of detail, and shall invoice the Commercial Bank for the transportation costs. Upon web-based validation by the shipper, Commercial Bank pays the coordinator via electronic funds transfer (EFT).
15	DTCI Coordinator	Carrier	EFT payment	When paid by the Commercial Bank, the coordinator shall in turn pay its carriers for shipments they transported.

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

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

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

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

- 1.4.6.4.1.3** Data manipulation capabilities to include formatting, sorting, and filtering.
- 1.4.6.4.1.4** Standard “canned” and ad hoc queries. Available canned queries shall include daily reports of inbound shipments by consignee, shipments with exception codes (defined in Appendix D), metrics reports as defined in Table 5, and others as agreed to between the PMO and contractor.
- 1.4.6.4.1.5** Data output capabilities to include export/download to Microsoft Excel, Microsoft Access, and standard report format for printing.
- 1.4.6.4.2** Track and Trace. To enhance in-transit visibility, the contractor shall allow the DoD shipper systems to link to their shipment tracking system through a carrier-identified or coordinator identified Uniform Resource Locator (URL) with tracking by single or multiple BoL number(s) or TCN(s).
- 1.4.6.4.3** Customer Feedback. The contractor shall provide a web-based tool to be used by all parties to report, manage, and track concerns, complaints, or comments (positive or negative) related to contract performance.
- 1.4.6.4.4** Claims Reporting. The contractor shall provide a web-based tool to support the claims management requirements identified in paragraph 1.4.5.23.
- 1.4.6.4.5** Exception Reporting. The contractor shall provide a web-based tool to support exception reporting requirements identified in Table 5. Transportation Reports, Item 9.
- 1.4.6.5** User Accounts and Passwords. The contractor shall provide a means for authorized government users (including shippers, consignees, PMO staff, and other appropriate stakeholders) to submit user account requests for access to its Web site. The contractor shall collect all required fields (see Appendix G) and electronically forward the requests to the DTCI PMO for review and approval. Once approved, the contractor shall provide the requestor with a password to access its system.
- 1.4.6.6** Delivery of Reports. The contractor shall provide the capability to deliver canned queries and reports outlined in subparagraph 1.4.6.4.1.4 to a stakeholder’s designated DTCI electronic mailbox.
- 1.4.6.7** Web-based Shipment Request Tool. The contractor shall provide a web-based tool to support manual entry of Transportation Service Requests for those government locations that do not have ready access to a DoD shipper system. Data entry fields shall be similar to those defined for the ASC X12 219 EDI Transportation Service Request set. Screen design shall promote ease of use and reduce data entry errors. For web-based transportation requests, data exchanges beginning with Step 5 in Table 6, Data Exchanges for DTCI, shall apply. The contractor shall determine the appropriate DoD Shipper system based on the origin's Department of Defense Activity Address Code (DODAAC). In addition to the ASC X12 220 EDI Transportation Service Response, the contractor shall provide an email with data similar to the transportation service response to the originator of the manual transportation request.
- 1.4.6.8** Data Storage and Disposition. The contractor shall provide on-line storage and access to the government as requested for all data collected in relation to DoD shipments under this contract for a period of 120 days from the date of final financial settlement (freight payment or freight claims payment). The Contractor shall retain the complete shipment records in offline electronic storage for the length of the contract and provide the government free access to these files when notified by the DTCI COR or their designate for possible historical analysis. At the end of the contract period, the contractor shall transfer the data to the Government in a mutually agreed to media format.
- 1.4.6.9** DPO Integration. As directed by the PMO, the contractor shall participate in DPO development teams and DoD Supply Chain improvements to ensure DTCI processes are in concert with DPO efforts. The

contractor shall ensure compliance with and connectivity to DoD Supply Chain systems and provide recommendations to maintain interoperability as DoD IT architecture evolves. At such time when the DPO IT architecture is further defined, the contractor shall negotiate any cost impact with the CO at that time in accordance with FAR 52.243-1, Changes-Fixed Price.

**1.4.6.10 System Performance and Availability.** The contractor shall meet a system performance threshold of 99%. Scheduled downtime for maintenance will not be included in determining system availability threshold. Mean Down Time (MDT) shall not exceed 14.4 minutes in a 24-hour period. MDT will be calculated on events that are global rather than events that affect only individual branches or users. In addition, the tracking will be from midnight to midnight. The contractor shall submit a quarterly system availability report to the PMO beginning 90 days after initial site implementation. The contractor architecture shall incorporate disaster (both man-made and natural) recovery capabilities to mitigate degradations in system performance. Information Assurance (IA) Implementation (DoD Instruction 8500.2 enclosures 3 and 5) provides guidance on alternate site designation and disaster recovery planning. DTCI IA Controls, Table 6, lists the tailored controls required for certification. For DTCI, these controls require: an alternate site that permits partial restoration of essential functions; physical and technical protection of backup and restoration hardware, firmware, and software; a disaster plan that provides for the partial resumption of essential functions; enclave boundary defense at the alternate site equivalent to the primary site; annual exercise of the continuity of operations or disaster recovery plan; and backup copies and other critical software stored in a fire rated container or otherwise not collocated with the operational software.

**1.4.6.10.1** System performance is the ratio of time (A0) that information is available to the customer compared to total time. A0 is calculated as follows:

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

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

MDT is the (duration) over the previous six months. A "Downing Event" is any contractor system event (this does not include planned maintenance) that prevents minimum operational performance requirements from being met.

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

#### **1.4.7 Small Business Programs.**

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

**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. 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)”.

**6. Contract Deliverables.**

<b>Deliverable</b>	<b>PWS Reference</b>	<b>Draft Schedule</b>	<b>Final Schedule</b>
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 award	7 days after receipt of government comments
Transportation Reports	Table 5.	Draft skeleton reports due within 60 days after contract award	Once a month (date to be determined) after implementation start
Draft DTCI Test Plan	1.2.8.4	NLT 15 calendar days after contract award	N/A

Final DTCI Test Plan	1.2.8.4	N/A	NLT 30 calendar days after contract award
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 award	NLT 10 days following receipt of government comments
Training Plan	1.4.5.20	NLT 30 Days after contract award	7 days after receipt of government comments
Draft Security Policy	1.4.6.1.4.1.1	N/A	NLT 15 days after contract award
System/Security Architecture Diagram	1.4.6.1.4.1.1	N/A	NLT 15 days after contract award
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 award

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Strategic Distribution Platforms (SDPs)** – Large facilities that serve as the primary source for the majority of material shipped to customers within their areas of responsibility. Defense Distribution Susquehanna PA (DDSP) has primary responsibility for all DLA customers east of the Mississippi River, in Europe, Southwest Asia, South America, the Caribbean, Canada, Africa and Antarctica. Defense Distribution San Joaquin CA provides this same support to customers west of the Mississippi River, in Asia, the Pacific and Australia.

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

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

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

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

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

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

## Section E - Inspection and Acceptance

## INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001	Destination	Government	Destination	Government
0002	Destination	Government	Destination	Government
0003	Destination	Government	Destination	Government
0004	Destination	Government	Destination	Government
0005	Destination	Government	Destination	Government
1001	Destination	Government	Destination	Government
1002	Destination	Government	Destination	Government
1003	Destination	Government	Destination	Government
1004	Destination	Government	Destination	Government
1005	Destination	Government	Destination	Government
2001	Destination	Government	Destination	Government
2002	Destination	Government	Destination	Government
2003	Destination	Government	Destination	Government
2004	Destination	Government	Destination	Government
2005	Destination	Government	Destination	Government
3001	Destination	Government	Destination	Government
3002	Destination	Government	Destination	Government
3003	Destination	Government	Destination	Government
3004	Destination	Government	Destination	Government
3005	Destination	Government	Destination	Government
4001	Destination	Government	Destination	Government
4002	Destination	Government	Destination	Government
4003	Destination	Government	Destination	Government
4004	Destination	Government	Destination	Government
4005	Destination	Government	Destination	Government
5001	Destination	Government	Destination	Government
5002	Destination	Government	Destination	Government
5003	Destination	Government	Destination	Government
5004	Destination	Government	Destination	Government
5005	Destination	Government	Destination	Government
6001	Destination	Government	Destination	Government
6002	Destination	Government	Destination	Government
6003	Destination	Government	Destination	Government
6004	Destination	Government	Destination	Government
6005	Destination	Government	Destination	Government

CLAUSES INCORPORATED BY REFERENCE

52.246-4	Inspection Of Services--Fixed Price	AUG 1996	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.246-5	Inspection Of Services Cost-Reimbursement	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002



## Section F - Deliveries or Performance

DELIVERIES OR PERFORMANCE**SECTION F  
DELIVERIES OR PERFORMANCE****F-6. PERIOD OF PERFORMANCE  
(IAW FAR 11.401(a))**

This contract includes a 3-year base ordering period of performance, with two additional 1-year option periods of performance. This contract also includes Award Term Option provisions providing the contractor with the opportunity to earn two additional 1-year award term option periods. Performance under this indefinite-delivery, requirements-type contract will be authorized by task orders. During all contract periods of performance, the Government will issue individual task orders for Management Services, Award Fee, Management Services – Surge and Contract Deliverables on a 12 month basis. The BoL will serve as the task order obligating funds and authorizing performance for Transportation. Individual periods of performance will be as follows:

17 Aug 07 through 16 Aug 08 (Base Year 1)  
17 Aug 08 through 16 Aug 09 (Base Year 2)  
17 Aug 09 through 16 Aug 10 (Base Year 3)  
17 Aug 10 through 16 Aug 11 (Option Year 1)  
17 Aug 11 through 16 Aug 12 (Option Year 2)  
17 Aug 12 through 16 Aug 13 (Award Term Option Year 1)  
17 Aug 13 through 16 Aug 14 (Award Term Option Year 2)

**F-7. PLACE OF PERFORMANCE  
(IAW FAR 11.401(a))**

The contractor shall provide freight shipment management services within the 48 contiguous United States and the District of Columbia (CONUS) IAW Part I, Section C, PWS.

**DELIVERY INFORMATION**

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	POP 17-AUG-2007 TO 16-AUG-2008	N/A	PROVIDED ON INDIV ORDERS NO CONTACT IDENTIFIED SEE SPECIFIC TASK ORDERS SCOTT AFB IL 62225 FOB: Destination	PROVID
0002	POP 17-AUG-2007 TO 16-AUG-2008	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID

0003	POP 17-AUG-2007 TO 16-AUG-2008	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
0004	POP 17-AUG-2007 TO 16-AUG-2008	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
0005	POP 17-AUG-2007 TO 16-AUG-2008	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
1001	POP 17-AUG-2008 TO 16-AUG-2009	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
1002	POP 17-AUG-2008 TO 16-JUL-2009	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
1003	POP 17-AUG-2008 TO 16-AUG-2009	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
1004	POP 17-AUG-2008 TO 16-AUG-2009	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
1005	POP 17-AUG-2008 TO 16-AUG-2009	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
2001	POP 17-AUG-2009 TO 16-AUG-2010	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
2002	POP 17-AUG-2009 TO 16-AUG-2010	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
2003	POP 17-AUG-2009 TO 16-AUG-2010	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
2004	POP 17-AUG-2009 TO 16-AUG-2010	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
2005	POP 17-AUG-2009 TO 16-AUG-2010	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
3001	POP 17-AUG-2010 TO 16-AUG-2011	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
3002	POP 17-AUG-2010 TO 16-AUG-2011	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
3003	POP 17-AUG-2010 TO 16-AUG-2011	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
3004	POP 17-AUG-2010 TO 16-AUG-2011	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
3005	POP 17-AUG-2010 TO 16-AUG-2011	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID

4001	POP 17-AUG-2011 TO 16-AUG-2012	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
4002	POP 17-AUG-2011 TO 16-AUG-2012	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
4003	POP 17-AUG-2011 TO 31-AUG-2012	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
4004	POP 17-AUG-2011 TO 16-AUG-2012	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
4005	POP 17-AUG-2011 TO 16-AUG-2012	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
5001	POP 17-AUG-2012 TO 16-AUG-2013	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
5002	POP 17-AUG-2012 TO 16-AUG-2013	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
5003	POP 17-AUG-2012 TO 16-AUG-2013	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
5004	POP 17-AUG-2012 TO 16-AUG-2013	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
5005	POP 31-AUG-2012 TO 17-AUG-2013	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
6001	POP 17-AUG-2013 TO 16-AUG-2014	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
6002	POP 17-AUG-2013 TO 16-AUG-2014	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
6003	POP 01-AUG-2013 TO 16-AUG-2014	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
6004	POP 17-AUG-2013 TO 16-AUG-2014	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID
6005	POP 17-AUG-2013 TO 16-AUG-2014	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	PROVID

CLAUSES INCORPORATED BY REFERENCE

52.242-15	Stop-Work Order	AUG 1989	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.242-15 Alt I	Stop-Work Order (Aug 1989) - Alternate I	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-58	Loading, Blocking, And Bracing Of Freight Car Shipment	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002

## Section G - Contract Administration Data

**PART I – THE SCHEDULE**  
**SECTION G**  
**CONTRACT ADMINISTRATION DATA**

**CONTRACT TYPE/TASK ORDERING PROCEDURES****G-5. Applies to all CLINs.**

This is an indefinite-delivery, requirements-type contract which includes fixed-price, cost-reimbursement, award fee, and award term option provisions. There is no guarantee for any services to be ordered under this contract. There is no minimum task order obligation under this contract. The purpose of this contract is to obtain transportation coordination services for DoD freight, not just transportation. Therefore, the requirements-type nature of task orders for specific transportation movements within the scope of this contract exists only for the duration of any task order for Management Services (CLINs 0001/1001/2001/3001/4001/5001/6001). All transportation requirements within the scope of this contract will be acquired under this contract. Requirements will be phased in to this contract IAW the implementation dates and implementation schedule listed in Part I, Section C, PWS, Tables 1 through 4. Each shipping location will become a mandatory user of this contract upon successful completion of implementation at that location. Two exceptions to the mandatory ordering requirements apply IAW Part I, Section C, PWS, para 1.1.4 Optional Services regarding CONUS unit moves or vendor shipments which may be ordered under this contract at the government's discretion. No work will be authorized or funded under the basic contract. Performance of all contract requirements must be authorized by the Contracting Officer through the issuance of separate task orders for Management Services (CLINs 0001/1001/2001/3001/4001/5001/6001), Management Services—Surge (CLINs 0004/1004/2004/3004/4004/5004/6004), Award Fee (CLINs 0003/1003/2003/3003/4003/5003/6003), and Contract Deliverables (0005/1005/2005/3005/4005/5005/6005). This contract includes a 3-year base ordering period of performance for all requirements from 17 Aug 07 – 16 Aug 10. This 3-year base ordering period is separated by CLINs into three 12-month ordering periods from 17 Aug 07 – 16 Aug 08, 17 Aug 08 – 16 Aug 09, and 17 Aug 09 through 16 Aug 10. Performance of each of the three 1-year base ordering periods must be authorized and funded via task orders authorizing performance. All transportation under this contract (CLINs 0002/1002/2002/3002/4002/5002/6002) will be ordered electronically by the shipper's authorized ordering officer IAW Part I, Section C, PWS, paragraph 1.3.7. The BoL will serve as the task order obligating funds and authorizing performance.

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

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

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

The monthly fixed price established for Management Services CLINs 0001/1001/2001/3001/4001/5001/6001 in Section B is based on a historical range of shipping data transactions for all DoD shippers paid via PowerTrack® as follows: CLIN 0001 in Section B includes a range of 700 through 21,600 shipping data transactions per month as

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

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

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

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

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

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

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

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

in a higher line haul charge when an NTE rate associated with another weight break offers a lower overall shipment line haul charge. Minimum charges apply when applicable.

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

If the contractor and the government fail to reach a mutual agreement, the government reserves the right to unilaterally establish the interim NTE rail rate by issuing a modification pursuant to FAR 52.243-2, Alternate I. The Contractor will be required to comply with the unilaterally established NTE rail rate until, and if, the interim NTE rail rate can later be agreed to and modified to the contract to include any appropriate cost adjustments to any task order issued and performed under the unilaterally established NTE rail rate. If an agreement cannot be reached, the provisions of FAR 52.233-1, Dispute, Alternate I will apply.

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

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

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

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

All transportation costs will be paid through PowerTrack®. The NTE rates established in the BoL based upon the applicable mode of transportation represent the maximum allowable costs under this contract and will be considered

**Contingent Liabilities** subject to final audit by the Defense Contract Audit Agency. (Ref: Section H-10, Allowable Cost and Payment). Accessorial charges will be IAW the fixed rates established IAW Part III, Section J, Attachment 2. Fuel surcharges will be IAW Part I, Section C, PWS, paragraph 1.4.5.15.

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

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

Performance evaluation in accordance with the award fee plan will occur semiannually. The Fee Determining Official (FDO) will determine the amount of award fee the coordinator has earned, if any, under the award fee criteria and a unilateral modification issued to the applicable Task Order authorizing payment for that amount. Any unearned award fee will be deobligated by the Contracting Officer and cannot be recouped in subsequent award fee evaluation periods.

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

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

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

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

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



Total: 60,300

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The POP is 40% for On-Time Delivery.

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

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

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

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

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

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

Performance Objective	PWS Para.	Performance Threshold	Performance Objective Percentage
		Base Period; 1.40% in Year 4; 1.50% in Option Year 5 through 7. 1.50% of all subcontract dollars awarded to Service-disabled-veteran-owned businesses in Year 1; 2.00% in Year 2; 2.50% in Year 3; 3.00% in Year 4 through 7. 5.40% of all subcontract dollars awarded went to small-disadvantaged business in Year 1; 5.90% in Year 2; 6.40% in Year 3; 7.00% in Year 4; 7.60% in Year 5 through 7. 1.60% of all subcontract dollars awarded went to Woman-owned small business in Year 1; 1.80% in Year 2; 1.90% in Year 3; 2.10% in Year 4; 2.30% in Year 5 through 7.	

### **Performance Objectives.**

#### **1. On-Time Pickup.**

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

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

#### **Procedures:**

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

Therefore, 5,280 enterprise-wide transactions can be late pickups without reduction in Years 1 and 2 and 3,960 in Years 3 through 7. Any enterprise-wide late pickup transactions exceeding 5,280 in Years 1 and 2

will have the price reduced to reflect the actual services received by the government for that enterprise-wide performance objective.

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

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

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

The POP is 20% for On-Time Pickup.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **Procedures:**

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

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

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

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

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

The POP is 40% for On-Time Delivery.

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

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

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

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

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

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

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

The POP is 20% for On-Time Delivery.

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

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

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

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

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

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

#### **Procedures:**

The performance threshold is 99% system availability.

Average number of hours per quarter = 2,190 hours

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

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

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

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

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

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

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

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

The POP is 20% for System Availability.

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

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

#### **Small Business Subcontracting.**

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

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



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

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

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

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

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

#### **CLAUSES INCORPORATED BY FULL TEXT**

##### **252.201-7000 CONTRACTING OFFICER'S REPRESENTATIVE (DEC 1991)**

(a) "Definition. Contracting officer's representative" means an individual designated in accordance with subsection 201.602-2 of the Defense Federal Acquisition Regulation Supplement and authorized in writing by the contracting officer to perform specific technical or administrative functions.

(b) If the Contracting Officer designates a contracting officer's representative (COR), the Contractor will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the contracting officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

(End of clause)

##### **252.204-7006 BILLING INSTRUCTIONS (OCT 2005)**

When submitting a request for payment, the Contractor shall--

- (a) Identify the contract line item(s) on the payment request that reasonably reflect contract work performance; and
- (b) Separately identify a payment amount for each contract line item included in the payment request.

(End of clause)

Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002

#### 252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (MAR 2007)

(a) Definitions. As used in this clause--

(1) Contract financing payment and invoice payment have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) Electronic form means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests. However, scanned documents are acceptable when they are part of a submission of a payment request made using one of the electronic forms provided for in paragraph (b) of this clause.

(3) Payment request means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests using one of the following electronic forms:

(1) Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA). Information regarding WAWF-RA is available on the Internet at <https://wawf.eb.mil>.

(2) Web Invoicing System (WInS). Information regarding WInS is available on the Internet at <https://ecweb.dfas.mil>.

(3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.

(i) Information regarding EDI formats is available on the Internet at <http://www.X12.org>.

(ii) EDI implementation guides are available on the Internet at <http://www.dod.mil/dfas/contractorpay/electroniccommerce.html>.

(4) Another electronic form authorized by the Contracting Officer.

(c) The Contractor may submit a payment request in non-electronic form only when--

(1) DoD is unable to receive a payment request in electronic form; or

(2) The Contracting Officer administering the contract for payment has determined, in writing, that electronic submission would be unduly burdensome to the Contractor. In such cases, the Contractor shall include a copy of the Contracting Officer's determination with each request for payment.

(d) The Contractor shall submit any non-electronic payment requests using the method or methods specified in Section G of the contract.

(e) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payments requests.

(End of clause)

Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005

## Section H - Special Contract Requirements

SPECIAL CONTRACT REQUIREMENTS

**PART I – THE SCHEDULE  
SECTION H  
SPECIAL CONTRACT REQUIREMENTS**

## CLAUSES INCORPORATED BY FULL TEXT

**H-1.** None.

## CLAUSES INCORPORATED BY REFERENCE

**H-2.** None.

## SPECIAL PROVISIONS:

**H-3. Service Contract Act**

This contract is subject to FAR 52.222-41, Service Contract Act (SCA) of 1965, as amended. Contractors shall obtain and download the applicable wage determinations for all areas of performance on-line at the following Department of Labor (DOL) website: [www.wdol.gov](http://www.wdol.gov). The wage determinations in effect at the time of contract award shall govern the first year of the base period of performance. For years two and three of the base period of performance, the wage determinations in effect at the time of Task Order issuance for those years shall govern those specific periods of performance. For all option periods exercised, to include award term option periods, the wage determinations in effect at the time of the exercise of the option shall govern that specific option period of performance. The DOL wage determination at point of origin of a trip to transport DTCI freight (head-out point) will apply during the entire trip, regardless of how many cross-docking stops, or other stops are made during the trip, so long as the transportation provider continues to transport DTCI freight. Once the last piece of DTCI freight is off-loaded and the transportation provider is no longer performing DTCI services, the trip ends for purposes of application of the SCA wage determination under the DTCI contract.

**H-4. Insurance**

In accordance with FAR Clause 52.228-5, Insurance – Work on a Government Installation, and FAR 52.228-7 -- Insurance -- Liability to Third Persons, the contractor is required to comply with the following insurance requirements:

*Workers' compensation and employer's liability.* Contractors are required to comply with applicable Federal and State workers' compensation and occupational disease statutes. If occupational diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy, except when contract operations are so commingled with a contractor's commercial operations that it would not be practical to require this coverage. Employer's liability coverage of at least \$100,000 shall be required, except in States with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers. (See FAR [28.305\(c\)](#) for treatment of contracts subject to the Defense Base Act.)

*(b) General liability.*

- (1) The contracting officer shall require bodily injury liability insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence.

(2) Property damage liability insurance shall be required only in special circumstances as determined by the agency.

(c) *Automobile liability.* The contracting officer shall require automobile liability insurance written on the comprehensive form of policy. The policy shall provide for bodily injury and property damage liability covering the operation of all automobiles used in connection with performing the contract. Policies covering automobiles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage. The amount of liability coverage on other policies shall be commensurate with any legal requirements of the locality and sufficient to meet normal and customary claims.

(d) *Aircraft public and passenger liability.* When aircraft are used in connection with performing the contract, the contracting officer shall require aircraft public and passenger liability insurance. Coverage shall be at least \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability, and \$200,000 per occurrence for property damage. Coverage for passenger liability bodily injury shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.

(e) *Vessel liability.* When contract performance involves use of vessels, the contracting officer shall require, as determined by the agency, vessel collision liability and protection and indemnity liability insurance.

#### **H-6. Award Fee**

(a) In addition to the other compensation set forth herein, the contractor may earn and be paid for all or a portion of an award fee not to exceed the maximum authorized in Section B for the specified award fee evaluation period, as determined by the Fee Determining Official (FDO). Reference Part III, Section J, Attachment 2, Award Fee Plan.

(b) Determination of award fee, if any, earned by the contractor, and payment thereof, shall be made semiannually, at the 6-month point and at the end of each basic year's, each option year's, and each award term option year's performance period. In no event shall any award fee be earned or paid in excess of the amount established as the maximum in Section B. Unearned award fee will be deobligated by the Contracting Officer and cannot be recouped in subsequent award fee evaluation periods.

(c) Before an award fee evaluation period is started, the Government may unilaterally modify the Award Fee Plan to include the allocation of the award fee pool, the award fee performance evaluation criteria and the performance evaluation areas applicable to the award fee evaluation period. The contractor will be notified of these changes in writing by the Contracting Officer before the relevant award fee evaluation period is started and the Award Fee Plan will be modified accordingly.

(d) Specific criteria are set forth in the Award Fee Plan which is incorporated in Part III, Section J, Attachment 2 to the contract.

#### **H-7. Award Term Option**

(a) In addition to the other compensation set forth herein, the contractor may earn up to two 1-year Award Term Option periods as determined by the Award Term Option Determining Official (ATODO). Reference Part III, Section J, Attachment 3, Award Term Option Plan.

(b) Determination of Award Term Option periods earned by the contractor shall be made at the end of two separate option evaluation periods; the first after performance of Option Year One, 17 Aug 2010 – 16 Aug 2011 (to earn Award Term Option One, (17 Aug 2012 – 16 Aug 2013) (based solely on performance assessed during Option

Year One) and the second at the end of the Option Year Two, 17 Aug 2011 – 16 Aug 2012 (to earn Award Term Option Two, 17 Aug 2013 – 16 Aug 2014) (based solely on performance assessed during Option Year Two).

(c) Before an award term option period is started, the Government may unilaterally modify the Award Term Option Plan. The contractor will be notified of these changes in writing by the Contracting Officer before the relevant award term evaluation period is started and the Award Term Plan will be modified accordingly.

(d) Specific criteria are set forth in the Award Term Option Plan which is incorporated in Part III, Section J, Attachment 3 of this contract.

#### **H-8. NTE Transportation Rates for Option Years (Transportation Services CLINs 1002, 2002, 3002, 4002, 5002, 6002).**

The following special provisions apply to the Transportation CLINs for the Option Years (CLINs 1002, 2002, 3002, 4002, 5002, 6002).

120 days prior to the end of Year 3 of the base period (16 Aug 2010) and the end of Year 5 of the second option year period (16 Aug 2012), the contractor shall provide the Contracting Officer the adjusted NTE Rate Tables IAW with the pre-priced methodology shown below. The NTE Rate Tables submitted at the end of year three of the base period will address the NTE rate adjustments for Option Year 1 (Year 4) and Option Year 2 (Year 5), if the options are exercised. The NTE Rate Tables submitted at the end of Option Year 2 (Year 5) will address Award Term Option Year 1 (Year 6), and Award Term Option Year 2 (Year 7), if the options are earned and exercised. The format shall be the same as the current NTE Rates Tables from Section J, Attachment 1 of the contract, unless otherwise instructed by the contracting officer. The contractor shall provide the supporting pricing information to support the NTE price adjustments, increases or decreases, IAW the pre-priced methodology described below.

The government will review the NTE Rate Tables and supporting pricing information IAW the pre-priced methodology and notify the contractor within 60 days as to any discrepancies, request any revisions required to the adjusted rates, and/or incorporate the adjusted NTE Rate Tables into the contract prior to exercising the option year(s) to which they apply.

Referencing Menlo Worldwide Government Services' proposal Paragraph 1.b.2.d. on page 1-29, and their response to Evaluation Notice OD-001OYR, Menlo Worldwide Government Services' pre-priced methodology for NTE rate adjustments in the option years is hereby incorporated into this contract as follows:

The specific percentage reductions across the board on NTE Transportation rates are:

- At the beginning of year 4, a reduction of 2.2%
- At the beginning of year 5, a reduction of 0%
- At the beginning of year 6, a reduction of 0.5%
- At the beginning of year 7, a reduction of 0%

#### **H-9. NTE Transportation Rates – Interim Adjustments in Support of Exigent Circumstances (Transportation Services CLINs 0002, 1002, 2002, 3002, 4002, 5002, 6002) .**

The following special provisions apply to the Transportation Services CLIN for all contract years. The statements herein are based on the principles of FAR Part 15, specifically FAR Subpart 15.4 – Contract Pricing and the requirements per FAR clause 52.215-21 -- Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data--Modifications.

Irrespective of the surge requirements in PWS paragraph 1.4.5.27, the following provisions apply to orders placed by authorized ordering officers for transportation under the DTCI contract from sites within Exigency Areas as designated by the Commander, U.S. Transportation Command (USTRANSCOM). Exigency areas are limited to specified geographic regions or areas, such as individual states or counties within states that are the subject of exigency situations. Exigency situations may be determined to exist if transportation requirements originating from a specific geographic region or area overtax the commercial market place, beyond any estimate that could reasonably have been made prior to contract award, to such an extent that normal commercial rates no longer reflect actual transportation costs for more than 30 days. Examples of causes which might lead to the designation of an Exigency Area include acts of God, of the public enemy, or prolonged fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

If an Exigency Area is declared, the period covered by each Exigency Area determination shall not exceed 90 days. Exigency Area designations may be renewed by written determination made by USTRANSCOM. The CO will provide the contractor with each Exigency Area determination.

As soon as practicable after this determination, the contractor will submit to the CO in writing a revised interim NTE transportation rate proposal for any transportation rates requiring NTE ceiling rate adjustments as a result of the exigency area determination. The proposal shall include a statement to the effect that the change in market conditions was beyond the contractor's ability to predict when the NTE rates were originally proposed and incorporated to the contract.

These interim NTE transportation rate adjustments will be provided in the same format as the Transportation NTE rate tables established in the contract, unless otherwise instructed by the CO. In accordance with FAR Subpart 15.403-3, the contractor will be required to submit information other than cost or pricing data in order to support a determination of price realism and reasonableness by the CO. Such information shall include substantiation of the proposed NTE adjustment (comparison to commercial market indexes, etc.). Information shall include, as appropriate, sound rationale supporting proposed price adjustments across certain modes, locations, etc. Additional instructions for submission format and data requirements will be furnished to the contractor with the Exigency Area determination and will include the guidance in Section 3.3, Chapter 3, Volume I, of the Contract Pricing Reference Guide cited at FAR 15.404-1(a)(7). The proposed interim NTE transportation rates will be reviewed and evaluated based upon the data submitted to include comparison with historical transportation rates and other Independent Government Cost Estimates as necessary.

The government will review and evaluate the revised transportation NTE rates and provide a response to the contractor as soon as practicable after submission to mitigate cost risk to the contractor and ensure the availability of subcontract carriers given the maximum NTE rates under contract. The CO will issue a modification to the contract incorporating the agreed to interim NTE rate increases and the anticipated period for which they will remain in effect. Subsequent modifications may be required to extend or reduce the period in which the interim NTE rate increases are in effect. Such changes to the contract for adjustments of the NTE transportation rates will be accomplished in accordance with FAR clause 52.243-2, Alternate I

If the contractor and the government fail to reach a mutual agreement, the government reserves the right to unilaterally establish the interim NTE transportation rates by issuing a modification pursuant to FAR 52.243-2, Alternate I. The Contractor will be required to comply with the unilaterally established NTE rate tables until, and if, the interim NTE transportation rate table can later be agreed to and modified to the contract to include any appropriate cost adjustments to any task orders issued and performed under the unilaterally established NTE rates. If an agreement cannot be reached, the provisions of FAR 52.233-1, Dispute, Alternate I will apply.

#### **H-10. Allowable Cost and Payment (Transportation CLINs 0002, 1002, 2002, 3002, 4002, 5002, 6002)**

##### **(a) Applicability**

(1) The following special provisions apply to the direct freight costs (excluding accessorials and fuel surcharges) reimbursable under the Transportation CLINs of the DTCI contract, as these are the only costs which are considered allowable under the cost reimbursement provisions cited herein. It is noted the government established accessorial charges and fuel surcharges are allocable when invoicing under this CLIN; however, the audit provisions under this section do not apply to these charges as their price reasonableness has already been established by the government. The purpose of the following provisions is to describe the treatment of reimbursable costs under the Transportation CLIN as a consequence of a waiver from the Cost Accounting Standards (CAS) per Section L-903(5)(1)(c), which results in the authority to deviate from the following FAR provisions:

- (i) FAR 16.307 and FAR clause 52.216-7, Allowable Cost and Payment
- (ii) FAR 30, and FAR clauses 52.230-2, Cost Accounting Standards and 52.230-3, Disclosure and Consistency of Cost Accounting Practices.
- (iii) FAR 31 Contract Cost Principles
- (iv) FAR 42.703-2(f) and FAR clause 52.242-4, Certification of Final Indirect Costs
- (v) FAR 42.709-6 and FAR clause 52.242-3, Penalties for Unallowable Costs;
- (vi) FAR 42.802 and FAR clause 52.242-1, Notice of Intent to Disallow Costs.

(2) The statements herein are based on selected principles of these FAR Parts and the understanding that the coordinator performing the DTCI contract is considered a commercial organization (see FAR Subpart 31.103).

(3) The contractor shall invoice on a cost reimbursement basis for the direct cost of transportation under the Transportation CLIN pursuant to Section G, paragraph G-7. The government will not reimburse the contractor for any indirect costs, general & administrative costs, or profit under this CLIN associated with the actual direct carrier costs (excluding accessorials). The NTE rates established in the contract, based upon the applicable mode of transportation represent the maximum allowable costs under this contract. (Accessorial charges will be established IAW Section C, PWS, Para 1.4.5.16 and Appendix B, and fuel surcharges will be established IAW Para 1.4.5.15 and Appendix F). The Government will rely upon the Defense Table of Official Distances (DTOD) in effect on the date of shipment pick-up for determining the reasonableness of appropriate mileage included as part of the direct cost of transportation invoiced to the Government. (Information about DTOD may be accessed at <https://dtod.sddc.army.mil>.) The following provisions apply to the actual direct carrier cost portion of the Transportation CLIN to be paid to the contractor on a cost reimbursement basis.

#### (b) Definitions

“Actual costs” means amounts determined on the basis of costs incurred, as distinguished from forecasted costs.

#### (c) Availability of Accounting Guide

Contractors needing assistance in developing or improving their accounting systems and procedures may request a copy of the Defense Contract Audit Agency Pamphlet No. 7641.90, Information for Contractors. The pamphlet is available via the Internet at <http://www.dcaa.mil>.

#### (d) Determining Allowability

(1) A cost is allowable only when the cost complies with all of the following requirements:

- (i) Reasonableness.
- (ii) Allocability.
- (iii) Generally accepted accounting principles and practices appropriate to the circumstances.



## (iv) Term

## (e) Determining Reasonableness

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business. Reasonableness of specific costs must be examined with particular care in connection with firms or their separate divisions that may not be subject to effective competitive restraints. No presumption of reasonableness shall be attached to the incurrence of costs by a contractor. If an initial review of the facts results in a challenge of a specific cost by the contracting officer or the contracting officer's representative, the burden of proof shall be upon the contractor to establish that such cost is reasonable.

What is reasonable depends upon a variety of considerations and circumstances, including –

- (1) Whether it is the type of cost generally recognized as ordinary and necessary for the conduct of the contractor's business or the contract performance;
- (2) Generally accepted sound business practices, arm's-length bargaining, and Federal and State laws and regulations;
- (3) The contractor's responsibilities to the Government, other customers, the owners of the business, employees, and the public at large; and
- (4) Any significant deviations from the contractor's established practices.

## (f) Determining Allocability

A cost is allocable if it is assignable or chargeable to one or more cost objectives on the basis of relative benefits received or other equitable relationship. Subject to the foregoing, a cost is allocable to the contract if it:

- (1) Is incurred specifically for the contract;
- (2) Benefits both the contract and other work, and can be distributed to them in reasonable proportion to the benefits received; or

## (g) Credits

The applicable portion of any income, rebate, allowance, or other credit relating to any allowable cost and received by or accruing to the contractor shall be credited to the Government either as a cost reduction or by cash refund.

## (h) Auditing

(1) The contractor is responsible for accounting for costs consistently and for maintaining records, including supporting documentation, adequate to demonstrate that costs claimed have been incurred, are reasonable, allocable to the contract, and comply with the statements in the applicable special provisions herein. (Reference FAR 52-215-2 – Audit and Records – Negotiation). The Contracting Officer may disallow all or part of a claimed cost that is inadequately supported. In addition, the contractor is required to supply relevant subcontractor data and the contractor shall preserve the right with its subcontractors to obtain such subcontractor data when required by DCAA in support of the government's evaluation of allowable costs under CLIN 0002 of this contract.

(2) In accordance with Section G-7, all transportation costs will be paid through PowerTrack®. The actual direct carrier costs (excluding accessorial) portion of the invoice will be considered contingent liabilities subject to

final audit by the Defense Contract Audit Agency (DCAA) and final determination of allowability by the Contracting Officer. Section G-7 describes the separate public voucher process used by the contractor to claim these provisionally paid actual direct carrier costs (excluding accessorials) for final payment subject to the provisions herein.

(3) At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be --

- (i) Reduced by amounts found by the Contracting Officer not to constitute allowable costs; or
- (ii) Adjusted for prior overpayments or underpayments.

(4) The Contracting Officer may at any time issue to the Contractor a written notice of intent to disallow specified costs incurred or planned for incurrence under this contract that have been determined not to be allowable under the contract terms; and

(i) The Contractor may, after receiving a notice under subparagraph (4) above, submit a written response to the Contracting Officer, with justification for allowance of the costs. If the Contractor does respond within 60 days, the Contracting Officer shall, within 60 days of receiving the response, either make a written withdrawal of the notice or issue a written decision.

(ii) Failure to issue a notice under this provision shall not affect the Government's rights to take exception to incurred costs.

(5) Auditing tests for allowable cost determinations will consider the applicable provisions of DFARS Subpart 242.75, Contractor Accounting Systems and Related Controls; FAR Subpart 15.4, Contract Pricing and; FAR Part 44, Subcontracting Policies and Procedures.

#### (i) Selected Costs

#### Material Costs to Include Purchased Services and Inter-Organizational Transfers

(1) Material costs identified herein include the costs for subcontracted or purchased transportation services and the costs for transportation services that are sold or transferred between any divisions, subdivisions, subsidiaries, or affiliates of the contractor under a common control.

(i) Broker Services: Services obtained from freight brokers, which typically include broker fees or commissions, are allowable to the extent they meet the provisions herein and other contract provisions as applicable. In addition, records must be maintained to show the amount of compensation received by the broker for the brokerage service performed.

(2) When services are purchased specifically for and are identifiable solely with performance under this contract, the actual purchase cost of those materials should be charged to the contract.

(3) Allowance for all materials, supplies, and services that are sold or transferred between any divisions, subdivisions, subsidiaries, or affiliates of the contractor under a common control shall be on the basis of cost incurred in accordance with these provisions. However, allowance may be based upon price when--

(i) It is the established practice of the transferring organization to price inter-organizational transfers at other than cost for commercial work of the contractor or any division, subsidiary, or affiliate of the contractor under a common control; and

(ii) The item being transferred qualifies for an exception under FAR 15.403-1(b) and the contracting officer has not determined the price to be unreasonable.

(4) When a commercial item under paragraph (e) of this subsection is transferred at a price based on a catalog or market price, the contractor--

(1) Should adjust the price to reflect the quantities being acquired; and

(2) May adjust the price to reflect the actual cost of any modifications necessary because of contract requirements.

#### Termination Costs

The cost principles and procedures in FAR Subpart 31.2 shall be applicable and utilized in proposing, negotiating, or determining costs under terminated contracts (see 49.103 and 49.113).

#### Changes and Other Contract Modifications

The cost principles and procedures in FAR Subpart 31.2 shall be applicable and utilized in proposing, negotiating, or determining costs under contract changes and other contract modifications whenever cost and pricing data are required in accordance with 15.404-1.

#### (j) Final payment

(1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph G-7, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs not previously paid.

(2) Within 60 days (or longer period if approved in writing by the Contracting Officer) after the end of each year of the contract, the Contractor shall submit a completion invoice or voucher to reflect the final costs incurred associated with the direct carrier costs subject to the allowable cost and payment provisions herein.

(3) If the Contractor fails to submit a completion invoice or voucher within the time specified, the Contracting Officer may--

(i) Determine the amounts due to the Contractor under the contract; and

(ii) Record this determination in a unilateral modification to the contract.

(iii) This determination constitutes the final decision of the Contracting Officer in accordance with the Disputes clause.

(4) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the

Government. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver --

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except --

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier.

#### **H-11. Contractor Liability**

For purposes of FAR Clause 52.247-22, Contractor Liability for Loss of and/or Damage to Freight Other than Household Goods, included in Section I of this contract, the term "Contractor" is defined as the "transportation provider" transporting DoD cargo under this contract. In addition, "full liability" is defined per Section C, Para 1.4.5.23.1, Liability Standards, for purposes of assessing the full liability of the transportation provider moving DoD shipments under this contract.

#### **H-12. Cost Accounting Standards (CAS) Waiver**

USTRANSCOM has obtained CAS waiver authority and associated FAR deviation authority from the Office of the Under Secretary of Defense, Acquisition, Technology, & Logistics, Director for Defense Procurement and Acquisition Policy. Waiver of CAS is hereby granted to Menlo Worldwide Government Services in accordance with their request within their proposal dated 11 Aug 2006. Menlo Worldwide Government Services meets the conditions for waiver of CAS as stated in Section L-903 of the DTCI solicitation. This waiver of CAS only applies to this DTCI contract.

#### **H-13. Proposal Incorporation**

The proposal submitted by Menlo Worldwide Government Services as originally submitted on 18 Aug 06 and including all revisions through 5 July 2007 is hereby incorporated into this contract in its entirety.

## Section I - Contract Clauses

## CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	JUL 2004	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.203-3	Gratuities	APR 1984	
52.203-5	Covenant Against Contingent Fees	APR 1984	
52.203-6	Restrictions On Subcontractor Sales To The Government	SEP 2006	
52.203-7	Anti-Kickback Procedures	JUL 1995	
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997	
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997	
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	SEP 2005	
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000	
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	SEP 2006	
52.211-15	Defense Priority And Allocation Requirements	SEP 1990	
52.215-2	Audit and Records--Negotiation	JUN 1999	
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997	
52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data--Modifications	OCT 1997	
52.216-7	Allowable Cost And Payment	DEC 2002	
52.219-4	Notice of Price Evaluation Preference for HUBZone Small Business Concerns	JUL 2005	
52.219-8	Utilization of Small Business Concerns	MAY 2004	
52.219-9 Alt II	Small Business Subcontracting Plan (Sep 2006) Alternate II	OCT 2001	
52.219-16	Liquidated Damages-Subcontracting Plan	JAN 1999	
52.219-25	Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting	OCT 1999	
52.222-1	Notice To The Government Of Labor Disputes	FEB 1997	
52.222-3	Convict Labor	JUN 2003	
52.222-21	Prohibition Of Segregated Facilities	FEB 1999	
52.222-26	Equal Opportunity	MAR 2007	
52.222-35	Equal Opportunity For Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	SEP 2006	
52.222-36	Affirmative Action For Workers With Disabilities	JUN 1998	
52.222-37	Employment Reports On Special Disabled Veterans, Veterans Of The Vietnam Era, and Other Eligible Veterans	SEP 2006	
52.222-41	Service Contract Act Of 1965, As Amended	JUL 2005	
52.222-43	Fair Labor Standards Act And Service Contract Act - Price Adjustment (Multiple Year And Option)	NOV 2006	
52.223-5	Pollution Prevention and Right-to-Know Information	AUG 2003	
52.223-6	Drug-Free Workplace	MAY 2001	
52.223-10	Waste Reduction Program	AUG 2000	
52.224-1	Privacy Act Notification	APR 1984	
52.224-2	Privacy Act	APR 1984	
52.225-13	Restrictions on Certain Foreign Purchases	FEB 2006	

52.225-14	Inconsistency Between English Version And Translation Of Contract	FEB 2000	
52.227-3	Patent Indemnity	APR 1984	
52.228-5	Insurance - Work On A Government Installation	JAN 1997	
52.228-7	Insurance--Liability To Third Persons	MAR 1996	
52.228-9	Cargo Insurance	MAY 1999	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.229-3	Federal, State And Local Taxes	APR 2003	
52.232-1	Payments	APR 1984	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.232-4	Payments Under Transportation Contracts and Transportation-Related Services Contracts	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.232-8	Discounts For Prompt Payment	FEB 2002	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.232-11	Extras	APR 1984	
52.232-17	Interest	JUN 1996	
52.232-18	Availability Of Funds	APR 1984	
52.232-20	Limitation Of Cost	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002
52.232-23	Assignment Of Claims	JAN 1986	
52.232-25 Alt I	Prompt Payment (Oct 2003) Alternate I	FEB 2002	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002

52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	OCT 2003	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.232-34	Payment By Electronic Funds Transfer--Other Than Central Contractor Registration	MAY 1999	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.232-36	Payment by Third Party	MAY 1999	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.233-1 Alt I	Disputes (Jul 2002) - Alternate I	DEC 1991	
52.233-3 Alt I	Protest After Award (Aug 1996) - Alternate I	JUN 1985	
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004	
52.237-2	Protection Of Government Buildings, Equipment, And Vegetation	APR 1984	
52.237-3	Continuity Of Services	JAN 1991	
52.242-1	Notice of Intent to Disallow Costs	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.242-3	Penalties for Unallowable Costs	MAY 2001	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.242-4	Certification of Final Indirect Costs	JAN 1997	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.242-13	Bankruptcy	JUL 1995	
52.243-1 Alt I	Changes--Fixed Price (Aug 1987) - Alternate I	APR 1984	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.243-2 Alt I	Changes--Cost-Reimbursement (Aug 1987) - Alternate I	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.243-7	Notification Of Changes	APR 1984	

52.244-2	Subcontracts	AUG 1998	
52.244-2 Alt I	Subcontracts (Aug 1998) - Alternate I	JAN 2006	
52.244-5	Competition In Subcontracting	DEC 1996	
52.244-6	Subcontracts for Commercial Items	MAR 2007	
52.245-4	Government-Furnished Property (Short Form)	JUN 2003	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.245-5	Government Property (Cost-Reimbursement Time-And-Materials, Or Labor Hour Contracts)	MAY 2004	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.245-9	Use And Charges	AUG 2005	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.246-25	Limitation Of Liability--Services	FEB 1997	
52.247-1	Commercial Bill Of Lading Notations	FEB 2006	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-2	Permits, Authorities, or Franchises	JAN 1997	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-5	Familiarization With Conditions	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-7	Freight Excluded	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-8	Estimated Weights or Quantities Not Guaranteed	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002



52.247-12	Supervision, Labor, or Materials	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-14	Contractor Responsibility for Receipt of Shipment	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-15	Contractor Responsibility for Loading and Unloading	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-16	Contractor Responsibility for Returning Undelivered Freight	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-17	Charges	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-18	Multiple Shipments	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-19	Stopping in Transit for Partial Unloading	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-21	Contractor Liability for Personal Injury and/or Property Damage	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-22	Contractor Liability for Loss of and/or Damage to Freight Other Than Household Goods	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-24	Advance Notification by the Government	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-27	Contract Not Affected by Oral Agreement	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.247-28	Contractor's Invoices	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.248-1	Value Engineering	FEB 2000	

52.249-2	Termination For Convenience Of The Government (Fixed-Price)	MAY 2004	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.249-6	Termination (Cost Reimbursement)	MAY 2004	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.249-8 Alt I	Default (Fixed-Price Supply and Service) (Apr 1984) - Alternate I	APR 1984	Applicable CLINs: 0001, 0003, 0004, 0005, 1001, 1003, 1004, 1005, 2001, 2003, 2004, 2005, 3001, 3003, 3004, 3005, 4001, 4003, 4004, 4005, 5001, 5003, 5004, 5005, 6001, 6003, 6004, 6005
52.249-14	Excusable Delays	APR 1984	Applicable CLINs: 0002, 1002, 2002, 3002, 4002, 5002, 6002
52.252-2	Clauses Incorporated By Reference	FEB 1998	
52.253-1	Computer Generated Forms	JAN 1991	
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	DEC 2006	
252.231-7000	Supplemental Cost Principles	DEC 1991	
252.231-7000	Supplemental Cost Principles	DEC 1991	Applicable CLINs: 0001, 1001, 2001, 3001, 4001, 5001, 6001
252.232-7010	Levies on Contract Payments	DEC 2006	
252.242-7004	Material Management And Accounting System	NOV 2005	

#### CLAUSES INCORPORATED BY FULL TEXT

##### 52.216-18 ORDERING. (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from contract award through 16 Aug 2014, if all options and award term options earned are exercised.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(End of clause)

#### 52.216-19 ORDER LIMITATIONS. (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than \$1.00, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor:

(1) Any order for a single item in excess of the total amount of CLINs 0001, 0004, and 0005 (and each associated CLIN during option years/award term option years) identified in Section B;

(2) Any order for a combination of items in excess of the total amount of CLINs 0001, 0004, and 0005 (and each associated CLIN during option years/award term option years) identified in Section B; or

(3) A series of orders from the same ordering office within 5 working days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 2 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

#### 52.216-21 REQUIREMENTS (OCT 1995)

(a) This is a requirements contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. Subject to any limitations in the Order Limitations clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the Ordering clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(c) Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or

services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule.

(d) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.

(e) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(f) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after 16 Aug 2014, if all option and award term options are exercised.

(End of clause)

#### 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 30 calendar days.

(End of clause)

#### 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 15 calendar days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 calendar days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 7 years, if all options and award term options are exercised. An additional 6 months beyond the 7 years may be included pursuant to the Option to Extend Services clause, FAR 52.217-8.

(End of clause)

#### 52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)

(a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed \$0 or the overtime premium is paid for work --

(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of

production equipment, or occasional production bottlenecks of a sporadic nature;

(2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;

(3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or

(4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--

(1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;

(2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;

(3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and

(4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

\* Insert either "zero" or the dollar amount agreed to during negotiations. The inserted figure does not apply to the exceptions in paragraph (a)(1) through (a)(4) of the clause.

(End of clause)

#### 52.222-39 NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES (DEC 2004)

(a) Definition. As used in this clause--

United States means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.

(b) Except as provided in paragraph (e) of this clause, during the term of this contract, the Contractor shall post a notice, in the form of a poster, informing employees of their rights concerning union membership and payment of union dues and fees, in conspicuous places in and about all its plants and offices, including all places where notices to employees are customarily posted. The notice shall include the following information (except that the information pertaining to National Labor Relations Board shall not be included in notices posted in the plants or offices of carriers subject to the Railway Labor Act, as amended (45 U.S.C. 151-188)).

#### Notice to Employees

Under Federal law, employees cannot be required to join a union or maintain membership in a union in order to retain their jobs. Under certain conditions, the law permits a union and an employer to enter into a union-security agreement requiring employees to pay uniform periodic dues and initiation fees. However, employees who are not

union members can object to the use of their payments for certain purposes and can only be required to pay their share of union costs relating to collective bargaining, contract administration, and grievance adjustment.

If you do not want to pay that portion of dues or fees used to support activities not related to collective bargaining, contract administration, or grievance adjustment, you are entitled to an appropriate reduction in your payment. If you believe that you have been required to pay dues or fees used in part to support activities not related to collective bargaining, contract administration, or grievance adjustment, you may be entitled to a refund and to an appropriate reduction in future payments.

For further information concerning your rights, you may wish to contact the National Labor Relations Board (NLRB) either at one of its Regional offices or at the following address or toll free number:

National Labor Relations Board  
Division of Information  
1099 14th Street, N.W.  
Washington, DC 20570  
1-866-667-6572  
1-866-316-6572 (TTY)

To locate the nearest NLRB office, see NLRB's website at <http://www.nlr.gov>.

(c) The Contractor shall comply with all provisions of Executive Order 13201 of February 17, 2001, and related implementing regulations at 29 CFR part 470, and orders of the Secretary of Labor.

(d) In the event that the Contractor does not comply with any of the requirements set forth in paragraphs (b), (c), or (g), the Secretary may direct that this contract be cancelled, terminated, or suspended in whole or in part, and declare the Contractor ineligible for further Government contracts in accordance with procedures at 29 CFR part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures. Such other sanctions or remedies may be imposed as are provided by 29 CFR part 470, which implements Executive Order 13201, or as are otherwise provided by law.

(e) The requirement to post the employee notice in paragraph (b) does not apply to--

- (1) Contractors and subcontractors that employ fewer than 15 persons;
- (2) Contractor establishments or construction work sites where no union has been formally recognized by the Contractor or certified as the exclusive bargaining representative of the Contractor's employees;
- (3) Contractor establishments or construction work sites located in a jurisdiction named in the definition of the United States in which the law of that jurisdiction forbids enforcement of union-security agreements;
- (4) Contractor facilities where upon the written request of the Contractor, the Department of Labor Deputy Assistant Secretary for Labor-Management Programs has waived the posting requirements with respect to any of the Contractor's facilities if the Deputy Assistant Secretary finds that the Contractor has demonstrated that--
  - (i) The facility is in all respects separate and distinct from activities of the Contractor related to the performance of a contract; and
  - (ii) Such a waiver will not interfere with or impede the effectuation of the Executive order; or
- (5) Work outside the United States that does not involve the recruitment or employment of workers within the United States.

(f) The Department of Labor publishes the official employee notice in two variations; one for contractors covered by the Railway Labor Act and a second for all other contractors. The Contractor shall--

(1) Obtain the required employee notice poster from the Division of Interpretations and Standards, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-5605, Washington, DC 20210, or from any field office of the Department's Office of Labor-Management Standards or Office of Federal Contract Compliance Programs;

(2) Download a copy of the poster from the Office of Labor-Management Standards website at <http://www.olms.dol.gov>; or

(3) Reproduce and use exact duplicate copies of the Department of Labor's official poster.

(g) The Contractor shall include the substance of this clause in every subcontract or purchase order that exceeds the simplified acquisition threshold, entered into in connection with this contract, unless exempted by the Department of Labor Deputy Assistant Secretary for Labor-Management Programs on account of special circumstances in the national interest under authority of 29 CFR 470.3(c). For indefinite quantity subcontracts, the Contractor shall include the substance of this clause if the value of orders in any calendar year of the subcontract is expected to exceed the simplified acquisition threshold. Pursuant to 29 CFR part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures, the Secretary of Labor may direct the Contractor to take such action in the enforcement of these regulations, including the imposition of sanctions for noncompliance with respect to any such subcontract or purchase order. If the Contractor becomes involved in litigation with a subcontractor or vendor, or is threatened with such involvement, as a result of such direction, the Contractor may request the United States, through the Secretary of Labor, to enter into such litigation to protect the interests of the United States.

(End of clause)

#### 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION  
Employee Class Monetary Wage-Fringe Benefits

Employee Class	Monetary Wage -- Fringe Benefits
Heavy Truck Driver	WG-7 \$20.11
Medium Truck Driver	WG-7 \$20.11
Tractor Trailer Driver	WG-7 \$20.11
Dispatcher, Motor Vehicle	GS-5, Step 5 \$13.68
Computer Systems Analyst III	GS-12, Step 5 \$30.06

(End of clause)

52.247-67 SUBMISSION OF TRANSPORTATION DOCUMENTS FOR AUDIT (FEB 2006)

(a) The Contractor shall submit to the address identified below, for prepayment audit, transportation documents on which the United States will assume freight charges that were paid--

(1) By the Contractor under a cost-reimbursement contract; and

(2) By a first-tier subcontractor under a cost-reimbursement subcontract thereunder.

(b) Cost-reimbursement Contractors shall only submit for audit those bills of lading with freight shipment charges exceeding \$100. Bills under \$100 shall be retained on-site by the Contractor and made available for on-site audits. This exception only applies to freight shipment bills and is not intended to apply to bills and invoices for any other transportation services.

(c) Contractors shall submit the above referenced transportation documents to--

-----  
-----  
-----

[To be filled in by Contracting Officer]

(End of clause)

252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-  
CONTRACT-RELATED FELONIES (DEC 2004)

(a) Definitions. As used in this clause—

(1) “Arising out of a contract with the DoD” means any act in connection with—

(i) Attempting to obtain;

(ii) Obtaining, or

(iii) Performing a contract or first-tier subcontract of any agency, department, or component of the Department of Defense (DoD).

(2) “Conviction of fraud or any other felony” means any conviction for fraud or a felony in violation of state or Federal criminal statutes, whether entered on a verdict or plea, including a plea of nolo contendere, for which sentence has been imposed.

(3) “Date of conviction” means the date judgment was entered against the individual.

(b) Any individual who is convicted after September 29, 1988, of fraud or any other felony arising out of a contract with the DoD is prohibited from serving--

(1) In a management or supervisory capacity on this contract;

(2) On the board of directors of the Contractor;



- (3) As a consultant, agent, or representative for the Contractor; or
- (4) In any other capacity with the authority to influence, advise, or control the decisions of the Contractor with regard to this contract.
- (c) Unless waived, the prohibition in paragraph (b) of this clause applies for not less than 5 years from the date of conviction.
- (d) 10 U.S.C. 2408 provides that the Contractor shall be subject to a criminal penalty of not more than \$500,000 if convicted of knowingly--
  - (1) Employing a person under a prohibition specified in paragraph (b) of this clause; or
  - (2) Allowing such a person to serve on the board of directors of the contractor or first-tier subcontractor.
- (e) In addition to the criminal penalties contained in 10 U.S.C. 2408, the Government may consider other available remedies, such as—
  - (1) Suspension or debarment;
  - (2) Cancellation of the contract at no cost to the Government; or
  - (3) Termination of the contract for default.
- (f) The Contractor may submit written requests for waiver of the prohibition in paragraph (b) of this clause to the Contracting Officer. Requests shall clearly identify—
  - (1) The person involved;
  - (2) The nature of the conviction and resultant sentence or punishment imposed;
  - (3) The reasons for the requested waiver; and
  - (4) An explanation of why a waiver is in the interest of national security.
- (g) The Contractor agrees to include the substance of this clause, appropriately modified to reflect the identity and relationship of the parties, in all first-tier subcontracts exceeding the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation, except those for commercial items or components.
- (h) Pursuant to 10 U.S.C. 2408(c), defense contractors and subcontractors may obtain information as to whether a particular person has been convicted of fraud or any other felony arising out of a contract with the DoD by contacting The Office of Justice Programs, The Denial of Federal Benefits Office, U.S. Department of Justice, telephone (301) 809-4904.
- (End of clause)

252.203-7002 DISPLAY OF DOD HOTLINE POSTER (DEC 1991)

- (a) The Contractor shall display prominently in common work areas within business segments performing work under Department of Defense (DoD) contracts, DoD Hotline Posters prepared by the DoD Office of the Inspector General.

(b) DoD Hotline Posters may be obtained from the DoD Inspector General, ATTN: Defense Hotline, 400 Army Navy Drive, Washington, DC 22202-2884.

(c) The Contractor need not comply with paragraph (a) of this clause if it has established a mechanism, such as a hotline, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.

(End of clause)

#### 252.204-7000 DISCLOSURE OF INFORMATION (DEC 1991)

(a) The Contractor shall not release to anyone outside the Contractor's organization any unclassified information, regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless--

(1) The Contracting Officer has given prior written approval; or

(2) The information is otherwise in the public domain before the date of release.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Contracting Officer at least 45 days before the proposed date for release.

(c) The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.

(End of clause)

#### 252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT (APR 1992)

The Contractor's procedures for protecting against unauthorized disclosure of information shall not require Department of Defense employees or members of the Armed Forces to relinquish control of their work products, whether classified or not, to the contractor.

(End of clause)

#### 252.204-7004 CENTRAL CONTRACTOR REGISTRATION (52.204-7) ALTERNATE A (NOV 2003)

(a) Definitions. As used in this clause--

“Central Contractor Registration (CCR) database” means the primary Government repository for contractor information required for the conduct of business with the Government.

“Commercial and Government Entity (CAGE) code” means--

(1) A code assigned by the Defense Logistics Information Service (DLIS) to identify a commercial or Government entity; or

(2) A code assigned by a member of the North Atlantic Treaty Organization that DLIS records and maintains in the CAGE master file. This type of code is known as an "NCAGE code."

"Data Universal Numbering System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.

"Data Universal Numbering System +4 (DUNS+4) number" means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see Subpart 32.11 of the Federal Acquisition Regulation) for the same parent concern.

"Registered in the CCR database" means that--

(1) The Contractor has entered all mandatory information, including the DUNS number or the DUNS+4 number, into the CCR database;

(2) The Contractor's CAGE code is in the CCR database; and

(3) The Government has validated all mandatory data fields and has marked the records "Active."

(b)(1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee shall be registered in the CCR database prior to award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.

(2) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" or "DUNS +4" followed by the DUNS or DUNS +4 number that identifies the offeror's name and address exactly as stated in the offer. The DUNS number will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.

(c) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An offeror may obtain a DUNS number-

(i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711 or via the Internet at <http://www.dnb.com>; or

(ii) If located outside the United States, by contacting the local Dun and Bradstreet office.

(2) The offeror should be prepared to provide the following information:

(i) Company legal business.

(ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.

(iii) Company Physical Street Address, City, State, and Zip Code.

(iv) Company Mailing Address, City, State and Zip Code (if separate from physical).

(v) Company Telephone Number.

(vi) Date the company was started.

(vii) Number of employees at your location.

(viii) Chief executive officer/key manager.

(ix) Line of business (industry).

(x) Company Headquarters name and address (reporting relationship within your entity).

(d) If the Offeror does not become registered in the CCR database in the time prescribed by the Contracting Officer, the Contracting Officer will proceed to award to the next otherwise successful registered Offeror.

(e) Processing time, which normally takes 48 hours, should be taken into consideration when registering. Offerors who are not registered should consider applying for registration immediately upon receipt of this solicitation.

(f) The Contractor is responsible for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the CCR database to ensure it is current, accurate and complete. Updating information in the CCR does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(g)

(1)

(i) If a Contractor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in Subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day's written notification of its intention to (A) change the name in the CCR database; (B) comply with the requirements of Subpart 42.12 of the FAR; and (C) agree in writing to the timeline and procedures specified by the responsible Contracting Officer. The Contractor must provide with the notification sufficient documentation to support the legally changed name.

(ii) If the Contractor fails to comply with the requirements of paragraph (g)(1)(i) of this clause, or fails to perform the agreement at paragraph (g)(1)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the CCR information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the "Suspension of Payment" paragraph of the electronic funds transfer (EFT) clause of this contract.

(2) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the CCR record to reflect an assignee for the purpose of assignment of claims (see FAR Subpart 32.8, Assignment of Claims). Assignees shall be separately registered in the CCR database. Information provided to the Contractor's CCR record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the "Suspension of payment" paragraph of the EFT clause of this contract.

(h) Offerors and Contractors may obtain information on registration and annual confirmation requirements via the internet at <http://www.ccr.gov> or by calling 1-888-227-2423, or 269-961-5757.

(End of clause)

## 252.205-7000 PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS (DEC 1991)

(a) Definition.

"Cooperative agreement holder" means a State or local government; a private, nonprofit organization; a tribal organization (as defined in section 4(c) of the Indian Self-Determination and Education Assistance Act (Pub. L. 93-268; 25 U.S.C. 450 (c))); or an economic enterprise (as defined in section 3(e) of the Indian Financing Act of 1974 (Pub. L. 93-362; 25 U.S.C. 1452(e))) whether such economic enterprise is organized for profit or nonprofit purposes; which has an agreement with the Defense Logistics Agency to furnish procurement technical assistance to business entities.

(b) The Contractor shall provide cooperative agreement holders, upon their request, with a list of those appropriate employees or offices responsible for entering into subcontracts under defense contracts. The list shall include the business address, telephone number, and area of responsibility of each employee or office.

(c) The Contractor need not provide the listing to a particular cooperative agreement holder more frequently than once a year.

(End of clause)

#### 52.219-7003 SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS) (APR. 1996)

This clause supplements the Federal Acquisition Regulation 52.219-9, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan, clause of this contract.

(a) *Definitions. Historically black colleges and universities*, as used in this clause, means institutions determined by the Secretary of Education to meet the requirements of 34 CFR 608.2. The term also means any nonprofit research institution that was an integral part of such a college or university before November 14, 1986.

*Minority institutions*, as used in this clause, means institutions meeting the requirements of section 1046(3) of the Higher Education Act of 1965 (20 U.S.C. 1135d-5(3)). The term also includes Hispanic-serving institutions as defined in section 316(b)(1) of such Act (20 U.S.C. 1059c(b)(1)).

(b) Except for company or division-wide commercial items subcontracting plans, the term *small disadvantaged business*, when used in the FAR 52.219-9 clause, includes historically black colleges and universities and minority institutions, in addition to small disadvantaged business concerns.

(c) Work under the contract or its subcontracts shall be credited toward meeting the small disadvantaged business concern goal required by paragraph (d) of the FAR 52.219-9 clause when:

(1) It is performed on Indian lands or in joint venture with an Indian tribe or a tribally-owned corporation, and

(2) It meets the requirements of 10 U.S.C. 2323a.

(d) Subcontracts awarded to workshops approved by the Committee for Purchase from People Who are Blind or Severely Disabled (41 U.S.C. 46-48), may be counted toward the Contractor's small business subcontracting goal.

(e) A mentor firm, under the Pilot Mentor-Protege Program established under Section 831 of Pub. L. 101-510, as amended, may count toward its small disadvantaged business goal, subcontracts awarded--

(f) The master plan approval referred to in paragraph (f) of the FAR 52.219-9 clause is approval by the Contractor's cognizant contract administration activity.

(g) In those subcontracting plans which specifically identify small, small disadvantaged, and women-owned small businesses, the Contractor shall notify the Administrative Contracting Officer of any substitutions of firms that are

not small, small disadvantaged, or women-owned small businesses for the firms listed in the subcontracting plan. Notifications shall be in writing and shall occur within a reasonable period of time after award of the subcontract. Contractor-specified formats shall be acceptable.

(End of clause)

**252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS (SEP 2004)**

(a) Definitions. As used in this clause--

Indian means--

(1) Any person who is a member of any Indian tribe, band, group, pueblo, or community that is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs (BIA) in accordance with 25 U.S.C. 1452(c); and

(2) Any "Native" as defined in the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

Indian organization means the governing body of any Indian tribe or entity established or recognized by the governing body of an Indian tribe for the purposes of 25 U.S.C. chapter 17.

Indian-owned economic enterprise means any Indian-owned (as determined by the Secretary of the Interior) commercial, industrial, or business activity established or organized for the purpose of profit, provided that Indian ownership constitutes not less than 51 percent of the enterprise.

Indian tribe means any Indian tribe, band, group, pueblo, or community, including native villages and native groups (including corporations organized by Kenai, Juneau, Sitka, and Kodiak) as defined in the Alaska Native Claims Settlement Act, that is recognized by the Federal Government as eligible for services from BIA in accordance with 25 U.S.C. 1452(c).

Interested party means a contractor or an actual or prospective offeror whose direct economic interest would be affected by the award of a subcontract or by the failure to award a subcontract.

Native Hawaiian small business concern means an entity that is--

(1) A small business concern as defined in section 3 of the Small Business Act (15 U.S.C. 632) and relevant implementing regulations; and

(2) Owned and controlled by a Native Hawaiian as defined in 25 U.S.C. 4221(9).

(b) The Contractor shall use its best efforts to give Indian organizations, Indian-owned economic enterprises, and Native Hawaiian small business concerns the maximum practicable opportunity to participate in the subcontracts it awards, to the fullest extent consistent with efficient performance of the contract.

(c) The Contracting Officer and the Contractor, acting in good faith, may rely on the representation of an Indian organization, Indian-owned economic enterprise, or Native Hawaiian small business concern as to its eligibility, unless an interested party challenges its status or the Contracting Officer has independent reason to question that status.

(d) In the event of a challenge to the representation of a subcontractor, the Contracting Officer will refer the matter to--

(1) For matters relating to Indian organizations or Indian-owned economic enterprises: U.S. Department of the Interior, Bureau of Indian Affairs, Attn: Chief, Division of Contracting and Grants Administration, 1849 C Street NW, MS-2626-MIB, Washington, DC 20240-4000. The BIA will determine the eligibility and will notify the Contracting Officer.

(2) For matters relating to Native Hawaiian small business concerns: Department of Hawaiian Home Lands, PO Box 1879, Honolulu, HI 96805. The Department of Hawaiian Home Lands will determine the eligibility and will notify the Contracting Officer.

(e) No incentive payment will be made--

(1) While a challenge is pending; or

(2) If a subcontractor is determined to be an ineligible participant.

(f)(1) The Contractor, on its own behalf or on behalf of a subcontractor at any tier, may request an incentive payment in accordance with this clause.

(2) The incentive amount that may be requested is 5 percent of the estimated cost, target cost, or fixed price included in the subcontract at the time of award to the Indian organization, Indian-owned economic enterprise, or Native Hawaiian small business concern.

(3) In the case of a subcontract for commercial items, the Contractor may receive an incentive payment only if the subcontracted items are produced or manufactured in whole or in part by an Indian organization, Indian-owned economic enterprise, or Native Hawaiian small business concern.

(4) The Contractor has the burden of proving the amount claimed and shall assert its request for an incentive payment prior to completion of contract performance.

(5) The Contracting Officer, subject to the terms and conditions of the contract and the availability of funds, will authorize an incentive payment of 5 percent of the estimated cost, target cost, or fixed price included in the subcontract awarded to the Indian organization, Indian-owned economic enterprise, or Native Hawaiian small business concern.

(6) If the Contractor requests and receives an incentive payment on behalf of a subcontractor, the Contractor is obligated to pay the subcontractor the incentive amount.

(g) The Contractor shall insert the substance of this clause, including this paragraph (g), in all subcontracts exceeding \$500,000.

(End of clause)

#### 252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)

When costs are a factor in any price adjustment under this contract, the contract cost principles and procedures in FAR part 31 and DFARS part 231, in effect on the date of this contract, apply.

Applicable CLINs: 0001, 1001, 2001, 3001, 4001, 5001, 6001

#### 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (MAR 1998)

(a) The amount of any request for equitable adjustment to contract terms shall accurately reflect the contract adjustment for which the Contractor believes the Government is liable. The request shall include only costs for performing the change, and shall not include any costs that already have been reimbursed or that have been separately claimed. All indirect costs included in the request shall be properly allocable to the change in accordance with applicable acquisition regulations.

(b) In accordance with 10 U.S.C. 2410(a), any request for equitable adjustment to contract terms that exceeds the simplified acquisition threshold shall bear, at the time of submission, the following certificate executed by an individual authorized to certify the request on behalf of the Contractor:

I certify that the request is made in good faith, and that the supporting data are accurate and complete to the best of my knowledge and belief.

-----  
(Official's Name)

-----  
(Title)

(c) The certification in paragraph (b) of this clause requires full disclosure of all relevant facts, including--

(1) Cost or pricing data if required in accordance with subsection 15.403-4 of the Federal Acquisition Regulation (FAR); and

(2) Information other than cost or pricing data, in accordance with subsection 15.403-3 of the FAR, including actual cost data and data to support any estimated costs, even if cost or pricing data are not required.

(d) The certification requirement in paragraph (b) of this clause does not apply to----

(1) Requests for routine contract payments; for example, requests for payment for accepted supplies and services, routine vouchers under a cost-reimbursement type contract, or progress payment invoices; or

(2) Final adjustment under an incentive provision of the contract.

#### 252.245-7001 REPORTS OF GOVERNMENT PROPERTY (MAY 1994)

(a) The Contractor shall provide an annual report --

(1) For all DoD property for which the Contractor is accountable under the contract;

(2) Prepared in accordance with the requirements of DD Form 1662, DoD Property in the Custody of Contractors, or approved substitute, including instructions on the reverse side of the form;

(3) In duplicate, to the cognizant Government property administrator, no later than October 31.

(b) The Contractor is responsible for reporting all Government property accountable to this contract, including that at subcontractor and alternate locations.

(End of clause)

Applicable CLINs: 0001, 1001, 2001, 3001, 4001, 5001, 6001



**TCAQ 07-03 TASK AND DELIVERY ORDER OMBUDSMAN.** (Jan 2007)

In accordance with FAR 16.505(b)(5), the following individual is designated Ombudsman, for all awarded USTRANSCOM contracts. The Ombudsman is an independent official designated to review complaints and to ensure contractors are afforded a fair opportunity to be considered, consistent with the procedures in the contract. Consulting the ombudsman does not alter or postpone the timelines for any other processes. Interested parties should first address their concerns, issues, disagreements, and/or recommendations to the contracting officer for resolution. If resolution cannot be made by the contracting officer, concerned parties may contact:

Mr. Dale Huegen  
Deputy Director, Acquisition  
Directorate of Acquisition  
Telephone Number: 618-256-4292 FAX: 618-256-4702  
Email Address: [dale.huegen@ustranscom.mil](mailto:dale.huegen@ustranscom.mil)

**WIDE AREA WORK FLOW****WIDE AREA WORK FLOW****WIDE AREA WORK FLOW (WAWF)**

**INVOICING PROCEDURES** – Submit electronic invoices monthly through Wide Area Work Flow (WAWF-RA).

**WIDE AREA WORKFLOW – RECEIPT AND ACCEPTANCE (WAWF-RA)**  
**ELECTRONIC RECEIVING REPORT AND INVOICING INSTRUCTIONS**

IN ACCORDANCE WITH DFARS 232.7002, USE OF ELECTRONIC PAYMENT REQUESTS IS MANDATORY. USE OF WAWF WILL SPEED UP YOUR PAYMENT PROCESSING TIME AND ALLOW YOU TO MONITOR YOUR PAYMENT STATUS ONLINE. THERE ARE NO CHARGES OR FEES TO USE WAWF.

Requests for payments must be submitted electronically via the Internet through the Wide Area WorkFlow – Receipt and Acceptance (WAWF-RA) system at <https://wawf.eb.mil>.

Questions concerning payment should be directed to the Defense Finance Accounting Services (DFAS) Omaha at (800) 330-8168 or faxed to (800) 554-0527. Please have your order number and invoice number ready when contacting DFAS about payment status. You can also access payment information using the DFAS Vendor Pay Inquiry System (VPIS) web site at <http://www.dfas.mil/money/vendor>.

THE FOLLOWING CODES WILL BE REQUIRED TO ROUTE YOUR RECEIVING REPORTS, INVOICES AND ADDITIONAL E-MAILS CORRECTLY THROUGH WAWF.

CONTRACT NUMBER:

HTC711-07-D-0032

DELIVERY ORDER NUMBER:

TBD ON EACH TASK  
ORDER

TYPE OF DOCUMENT:

COMBO

CAGE CODE:

ISSUE BY DODAAC:

ADMIN DODAAC:

INSPECT BY DODAAC:

SERVICE ACCEPTOR / SHIP TO:

PAY OFFICE DODAAC:

SEND MORE E-MAIL NOTIFICATIONS:

CONTRACT ADMINISTRATOR:

CONTRACTING OFFICER:

ADDITIONAL NOTIFICATION:

ADDITIONAL NOTIFICATION:

ADDITIONAL NOTIFICATION:

# **REMITTANCE ADDRESS**

As stated in Menlo Worldwide Government Services proposal dated 18 Aug 2006 and revised through 5 July 2007 which is incorporated into this contract in its entirety per paragraph H-13, the contractor's remittance address is as follows:

Menlo Logistics, Incorporated

P.O. Box 3980

Portland, Oregon 97209

Section J - List of Documents, Exhibits and Other Attachments

LIST OF DOCUMENTS

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

**SECTION J**

**LIST OF ATTACHMENTS**

<u>DOCUMENT</u>	<u>DESCRIPTION</u>	<u>DATE</u>
Atch 1	Accessorial Rate Tables	14 July 2006
Atch 2	Award Fee Plan	21 June 2006
Atch 3	Award Term Option Plan	21 June 2006