

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

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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 (air freight, rail, specialized, and flatbed shipments only)
- 1.1.3.3 OCONUS Unit Moves
- 1.1.3.4 Universal Services Contract and Regional Domestic Contract ocean carrier contracts
- 1.1.3.5 Household goods to include Direct Procurement Method (DPM) shipments
- 1.1.3.6 Movements using DoD organic equipment (unless otherwise identified in this PWS)
- 1.1.3.7 Shipments under on-site local drayage contracts and/or agreements
- 1.1.3.8 Bulk and missile fuels
- 1.1.3.9 Shipments moved under other existing Small Package/Parcel contracts
- 1.1.3.10 Privately owned vehicles (POV) moved via any conveyance
- 1.1.3.11 Sensitive and/or classified shipments
- 1.1.3.12 Arms, Ammunition and Explosives (AA&E)
- 1.1.3.13 Cash/Collect on Delivery (C.O.D) Shipments

1.1.3.14 Specialized/Flatbed Equipment (with the exception of Air Force shipments and flatbeds substituted for rollerbed equipment and Scheduled/Dedicated routes)

1.1.3.15 Air Shipments (outlined in Attachment 17 – PWS APP J – Equipment Code Listing)

1.1.4 **Optional Services.** Government shippers are not required to utilize the DTCI under this contract for CONUS unit movements or vendor shipments. However, if requested or directed for Surge Support (reference paragraphs 1.4.5.27 and 1.4.5.28), the contractor shall provide transportation services for requested portions of a CONUS Unit Move (for cargo not exempted under paragraph 1.1.3 above) or vendor shipments.

1.2 **Implementation.** The DTCI will be implemented through a spiral phased approach. Spiral I, the only spiral to be implemented under this contract, may include multiple phases. Phase I will include 18 Defense Distribution Centers (DDC's) as identified in Figure 1. Phase II will include 29 selected DoD shippers within close proximity of the DDC's and selected aerial ports. Phase III and IV will include 49 additional selected Service shipper locations. Phase V (GSA) was not implemented and will remain as a place holder. Phase VI includes 19 additional selected Service shipper locations. Phase VII will include one additional selected **DLA Distribution – VSM** for First Destination Transportation vendor shipments **and DLA processed DLA Disposition Service shipments.**

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. (For example: Contract restart + 1 month means the end of the month following the month of contract restart.) Note: The contractor shall begin implementation at the first location identified below and work successively through the remainder of all locations in the order given below:

Figure 1: DDC's Locations

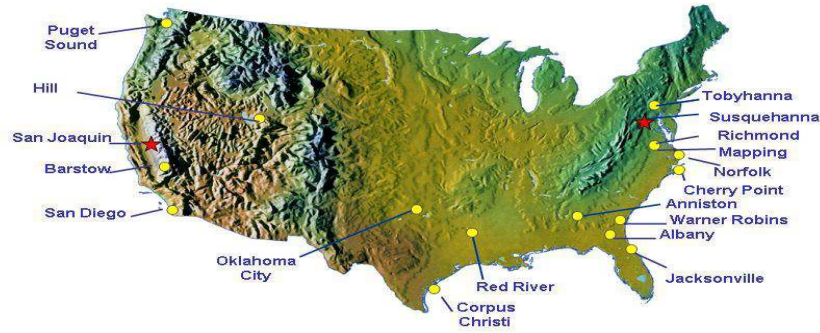


Table 1. Phase I Required Implementation Schedule

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

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

1.2.3 Program Management Reviews. The contractor shall conduct two Program Management Reviews (PMRs) during the Phase I implementation as follows: The first PMR shall be held within 20 days after completion of the DDCT – Corpus Christi TX location. The second PMR shall be held within 20 days after completion of the DDJC – San Joaquin, CA location. These PMRs will be conducted to evaluate current progress of the 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 bimonthly PMRs. Effective FY13, the contractor shall conduct quarterly PMRs. These meetings will be scheduled as far in advance as possible to facilitate preparation and travel arrangements. All PMRs will be held at or in the vicinity of Scott AFB IL. All PMRs will include review and discussion of the government assessment and a contractor self-assessment. The contractor shall prepare and distribute a PMR agenda and supporting documentation to attendees NLT 3 days prior to each scheduled PMR. The contractor shall complete and distribute PMR minutes within 10 days following each PMR

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

Table 2. Phase I Desired Implementation Schedule

Order Number	Depot	Desired Implementation Complete Date
1	DDPW Puget Sound, WA	Contract restart + 105 days
2	DDDC San Diego, CA	Contract restart + 135 days
3	DDCT Corpus Christi, TX	Contract restart + 165 days
	<i>Program Management Review</i>	
4	DDRT Red River, TX	Contract restart + 225 days
5	DDBC Barstow, CA	Contract restart + 255 days
6	DDJC San Joaquin, CA	Contract restart + 285 days
	<i>Program Management Review</i>	
7	DDOO Oklahoma City, OK	Contract restart + 12 months
8	DDHU Hill AFB, UT	Contract restart + 13 months
9	DDSP Susquehanna, PA	Contract restart + 14 months
10	DDNV Norfolk, VA	Contract restart + 15 months
11	DDAG Albany, GA	Contract restart + 16 months

Order Number	Depot	Desired Implementation Complete Date
12	DDJF Jacksonville, FL	Contract restart + 17 months
13	DDAA Anniston, AL	Contract restart + 18 months
14	DDTP Tobyhanna, PA	Contract restart + 19 months
15	DDWG Warner Robins, GA	Contract restart + 20 months
16	DDCN Cherry Point, NC	Contract restart + 21 months
17	DDRV Richmond, VA	Contract restart + 22 months
18	Defense Mapping Agency Richmond, VA	

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

1.2.5 Phase II and III. Phase II, III, IV, & VI. Phase II (Table 3), Phase III (Table 4), Phase IV (Table 4.A.), and Phase VI (Table 4.B) 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, 4, 4A, and 4B. (For example: Contract restart + 1 month means the end of the month following the month of contract restart.)

Table 3. Phase II Required Implementation Schedule

Co-located Depot Location	Phase II Co-located Sites and Aerial Port Locations	Co-located Site Required Implementation Complete Date
1	DDPW Puget Sound, WA	Naval Undersea Warfare Center Division, Keyport, WA
		FISC Puget Sound DET, Everett, WA
		NAS Whidbey Island, Oak Harbor, WA
		TRIDENT REFIT FAC Bangor, Silverdale, WA
		Fort Lewis, WA
		USPFO, Camp Murray, WA
2	DDDC San Diego, CA	SPAWAR SYSCEN, San Diego, CA
		FISC North Island, San Diego, CA
		MSFSC San Diego, CA

		MCAS Miramar, CA	Contract restart + 22 months
3	DDCT Corpus Christi, TX	NAS Corpus Christi, TX	
		NAS Kingsville, TX	
4	DDHU Hill AFB, UT	USPFO Draper, UT	
5	DDSP Susquehanna, PA	Navy NAVICP Code OSM, Mechanicsburg, PA	
		(Charles E Kelly Support Center, Annville, PA DELETED)	
6	DDNV Norfolk, VA	FISC Norfolk DET NSY, Portsmouth, VA	
		NAS Oceana, Virginia Beach, VA	Contract restart + 17 months
		FISC Oceana Terminal, Norfolk, VA	Contract restart + 17 months
		(SUPSHIP CONV Repair, Newport News, VA DELETED)	
		Military Sealift Fleet Support Command, Norfolk, VA	
		Fort Eustis, VA	Contract restart + 19 months
		NAVAIRTERM, Norfolk, VA	Contract restart + 22 months
		Langley AFB, VA	Contract restart + 22 months
7	DDJF Jacksonville, FL	(FISC Jacksonville DELETED)	
		USPFO Florida, St. Augustine, FL	
8	SUU Travis AFB, CA	Travis AFB, CA	Contract restart + 19 months
9	DOV Dover AFB, DE	Dover AFB, DE (Host Base Logistics Readiness Squadron and AMC Aerial Port Squadron Traffic Management Operations)	Contract restart + 21 months
10	WRI McGuire AFB, NJ	McGuire AFB, NJ (Host Base Logistics Readiness Squadron and AMC Aerial Port Squadron Traffic management Operations)	Contract restart + 21 months
11	CHS Charleston, SC	Charleston AFB, SC (Host Base Logistics Readiness Squadron and AMC Aerial Port Squadron Traffic Management Operations)	Contract restart + 21 months
		SPAWARSYSCEN CHAS DET, Norfolk, VA	Contract restart + 21 months
		HQ SPAWARSYSCEN Charleston, SC	Contract restart + 21 months
12	DDRV Richmond, VA	Ft. Lee, VA	Contract restart + 21 months

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

Table 4. Phase III Required Implementation Schedule

Service	Service Activity/Location	Required Implementation Complete Date
USA	Fort Hood, TX	Contract restart + 22 months
	Fort Bliss, TX	Contract restart + 22 months
	Fort Knox, KY	Contract restart + 20 months
	Fort Leonard Wood, MO	Contract restart + 23 months
	Fort Bragg, NC	Contract restart + 23 months
	Letterkenny AD, PA	Contract restart + 20 months
	Fort Carson, CO	Contract restart + 20 months
	Fort Riley, KS	Contract restart + 23 months
	Fort Polk	Contract restart + 21 months
USMC	Camp Pendleton, CA	Contract restart + 22 months
	Camp Lejeune, NC	Contract restart + 23 months
	Twenty-Nine Palms, CA	Contract restart + 23 months
USN	FISC ATAC San Diego, CA (DELETED)	
	NAS LeMoore, CA	Contract restart + 24 months
	NAVWPNSCEN China Lake, China Lake, CA	Contract restart + 24 months
	USPFO San Luis Obispo, CA	
	NAV OCEANOGRAPHIC OFC, Stennis Space Center, MS	
	Portsmouth Naval Shipyard, Portsmouth, NH	
	Naval Operational Logistics Support Center, Norfolk, VA (DELETED)	
USAF	Davis-Monthan AFB, AZ	Contract restart + 25 months
	Nellis AFB, NV	Contract restart + 25 months
	Eglin AFB, FL	Contract restart + 25 months

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

Table 4.A Phase IV Required Implementation Schedule

	LOCATION	GO LIVE
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	NCBC Port Hueneme, CA	
	Fort Irwin, CA	Contract restart + 26 months
	NAEC Lakehurst, NJ	Contract restart + 26 months
	McChord AFB, WA	Contract restart + 27 months
	Fort Stewart, GA	Contract restart + 27 months
	Tyndall AFB, FL	Contract restart + 28 months
	NSWC Panama City, FL	
	Navy CB Gulfport, MS	
	TRF Kings Bay, GA	Contract restart + 29 months
	841st Charleston, SC	Contract restart + 29 months
	NVLS Ventura, CA	Contract restart + 30 months
	Pt. Mugu, CA	Contract restart + 30 months
	(NAS Brunswick, ME – DELETED)	
	SUPSHIP Bath, ME	
	Fort Benning, GA	Contract restart + 31 months
	NSB New London, CT	
	SUPSHIP Groton, CT	Contract restart + 31 months
	NAVAIRFAC El Centro, CA	Contract restart + 31 months
	Ft Campbell, KY	Contract restart + 32 months
	NAS Fallon, NV	Contract restart + 33 months
	MCAS Yuma, AZ	Contract restart + 33 months
	NS Newport, RI	
	MCAS Beaufort, SC	Contract restart + 34 months
	MCAS Blount Island, FL	Contract restart + 34 months
	(NAS Patuxent River, MD – DELETED)	
	Hurlburt Field, FL	Contract restart + 35 months
	842nd Beaumont, TX	Contract restart + 35 months
	Sierra AD, CA	Contract restart + 36 months
	MCB Quantico, VA	Contract restart + 36 months
	JRB Ft. Worth, TX	

	SUPSHIP Pascagoula, MS	
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Table 4.B Phase VI Required Implementation Schedule

	LOCATION	GO LIVE
	Yuma Proving Grounds, AZ	Contract restart + 39 months
	Army Strategic Logistics Activity, SC	Contract restart + 39 months
	Barksdale AFB, LA	Contract restart + 40 months
	Fort Sill, OK	Contract restart + 41 months
	Redstone Arsenal, AL	Contract restart + 42 months
	Luke AFB, AZ	Contract restart + 42 months
	USATC Fort Jackson, SC	Contract restart + 42 months
	Shaw AFB, SC	Contract restart + 43 months
	Seymour Johnson AFB, NC	Contract restart + 44 months
	Whiteman AFB, MO	Contract restart + 44 months
	Fort Sam Houston, TX	Contract restart + 45 months
	Mountain Home AFB, ID	Contract restart + 45 months
	Blue Grass Army Depot, KY	Contract restart + 46 months
	Dyess AFB, TX	Contract restart + 46 months
	Aberdeen Proving Ground, MD	Contract restart + 47 months
	Goodfellow AFB, TX	Contract restart + 47 months
	Moody AFB, GA	Contract restart + 48 months
	Fort Huachuca, AZ	Contract restart + 49 months
	Edwards AFB, CA	Contract restart + 49 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. Phase IV will be completed within 37 months from contract restart per the schedule in Table 4A above. Phase VI will be completed within 49 months from contract restart per the schedule in Table 4B above.

1.2.8 Implementation Approach.

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

1.2.8.2 Location Unique Requirements. Due to the unique requirements of many of the shipping locations, the contractor and DoD shall partner to tailor the implementation approach to achieve the appropriate level of support at each location. The collaboration and partnership between the contractor and DoD will result in documented "as is" business processes that pertain to the performance of this contract (there may be significant variations in operating processes by installation).

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

1.2.8.3.1 Establish information systems communications integration to meet DoD Information Assurance requirements (refer to paragraph 1.4.6.1) as specified in DoD Directive 8500.1, "Information Assurance."

1.2.8.3.2 Finalize and successfully complete a joint test plan to fully implement and operationally test/validate IT interoperability and integration. Integration must be successfully demonstrated before shipments start (refer to paragraph 1.2.8.4).

1.2.8.3.3 Provide training to government personnel on the use of the contractor's systems.

1.2.8.3.4 Provide required equipment

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

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

1.2.8.4 Joint Test Plan. The contractor shall prepare and deliver (NLT 15 days after contract restart) a draft DTCI test plan that details the development, integration, and operational testing approach. The DTCI test plan shall identify the testing strategy, schedule, procedures, failure tracking/resolution, and required resources (both government and contractor) to achieve the site rollout implementation go-live time-line of this PWS. The test plan shall define the critical success criteria for development, integration, and operational test readiness. The PMO in turn will have 7 days from the latter of the due date or the date provided to the PMO to review and approve or return the draft test plan to the contractor for clarification or changes. The contractor shall prepare and deliver a final test plan 30 days after contract restart. The PMO will have 14 days from the latter of the due date or the date provided to the PMO to review and approve.

To accommodate any site specific differences, the contractor shall deliver a site specific addendum to the DTCI test plan no later than 30 days prior to go-live 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.

- 1.2.8.4.1 First Destination Transportation (FDT).** The contractor shall prepare and deliver a test plan that details the operational testing approach using Defense Logistics Agency Vendor Shipping Module. The contractor shall test any Menlo and DOD systems interfacing required to support FDT. The contractor shall provide a joint test plan, unit testing, systems integration testing (SIT), user acceptance testing, and parallel testing to include both enterprise level and site-specific testing and training. The contractor shall provide training on the contractor's transportation management system. To accommodate site specific differences, the contractor shall deliver a site specific addendum to the plan no later than 30 days prior to go-live. Upon completion 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 conclusion of site operational 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 or Service Site 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 for movement" unless a specific time is requested by the shipper (e.g. Scheduled LTL/Air pickups). For Air Force only, over dimensional /overweight permitted loads shall be picked up within 6 operational hours from receipt of permit. See 1.3.9.1 for First Destination Transportation (FDT) on-time pick up. Rail (boxcar/flatcar) pick up will be coordinated with the shipper. For scheduled trucks, pick-up times shall be specifically agreed to during the Site Unique Requirements Visit (SURV) and will vary by site. The contractor shall abide by the Dedicated Truck Schedule provided monthly by the DLA Defense Distribution Center (DDC). The pick-up times agreed to during the SURV shall apply for the duration of the contract. If, however, changes are required due to mission requirements, the shipper may request a change to pick-up times. The Contractor may request changes to improve the operational effectiveness of the network. Any changes must be coordinated with the Service/DLA COR and the PMO.

NOTE: IAW DTR II Chapter 202.O.3: Carriers are required to obtain all necessary permits. Shipping activities must not release DOD oversize/overweight cargo shipments until the carrier has presented the shipping activity with the permit for the origin state prior to shipment release. The Coordinator certifies that the carrier will obtain the required state road use permits for the entire route of travel to meet delivery requirements.

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. The Contractor will abide by the Dedicated Truck Schedule provided monthly by the DDC.

- 1.3.9.1** FDT shipments only: When the EDI 219 is **received by the contractor before** 1400 Eastern Standard Time (EST) of a business day, the EDI 220 is returned no later than 1500 EST the **next business day following receipt of the EDI 219**. The carrier will pick up the shipment **on the second business day following receipt of the EDI 219 or later if requested in the EDI 219**.

When the EDI 219 is **received by the contractor** after 1400 EST of a business day, the EDI 220 is returned by 1500 EST of the second **business day following receipt of the EDI 219**, the carrier will pick up **on the third business day following receipt of the EDI 219 or later if requested in the EDI 219**. Note: Saturdays and Sundays are not business days for FDT shipments.

For shipments which require pickup later than **seven calendar days** following the receipt of the EDI 219, the contractor will provide an EDI 220 at least 48 hours prior to the pickup required in the EDI 219.

If shipments require a specific pickup time or appointment, then shippers will designate a five minute pickup increment on the EDI 219, i.e., if pickup is required at 1000, the shipper will designate 0955 – 1000 as the pickup window. This five minute window is the contractor's notification that a pickup appointment is required for pickup. In turn, the contractor is authorized +/- one hour from the desired appointment time to pickup the shipment (the contractor's pickup window would be 0900 – 1100).

The Contracting Officer may approve shipper requests for FDT shipments to be moved outside of the DTCI program when the contractor has failed to provide an EDI 220 within the required time limits. Shippers may not move shipments outside the contract without Contracting Officer approval.

- 1.3.9.2** DLA Disposition Service shipments only: When the EDI 219 is received by the contractor before 1400 Eastern Standard Time (EST) of a business day, the EDI 220 is returned no later than 1500 EST the next business day following receipt of the EDI 219 or later if requested in the EDI 219.

When the EDI 219 is received by the contractor after 1400 EST of a business day, the EDI 220 is returned by 1500 EST of the second business day following receipt of the EDI 219. The carrier will pick up on the third business day following receipt of the EDI 219 or later if requested in the EDI 219.

For shipments which require pickup later than **seven calendar days** following the receipt of the EDI 219, the contractor will provide an EDI 220 at least **72** hours prior to the pickup required in the EDI 219.

If shipments require a specific pickup time or appointment, then shippers will designate a five minute pickup increment on the EDI 219, i.e., if pickup is required at 1000, the shipper will designate 0955 – 1000 as the pickup window. This five minute window is the contractor's notification a pickup appointment is required. In turn, the contractor is authorized +/- one hour from the desired appointment time to pickup the shipment (the contractor's pickup window would be 0900 – 1100).

The Contracting Officer may approve shipper requests for DLA Disposition Service shipments to be moved outside of the DTCI program when the contractor has failed to provide an EDI 220 within the required time limits. Shippers may not move shipments outside the contract without Contracting Officer approval.

- 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 Service/DLA COR for next level resolution and 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 cost savings under this contract is 19.1% below the baseline costs for the last 6 month increment of Base Year 3, not for the entire period of performance. The Government expects the contractor to show significant annual progress toward that goal. The Government expects the contractor to continue to seek additional savings opportunities and communicate these efforts with the Government.

The baseline established at the start of the contract will represent the average cost per hundred weight by lane at three levels: 1) 3 digit origin zip code to 3 digit destination zip code, 2) 3 digit origin zip code to destination state, and 3) all shipments grouped by branch of service. When measuring cost avoidance, actual shipments will be compared initially with the most specific baseline (3 digit origin zip code to 3 digit destination zip code). If no match is found, the actual shipment will be measured against a less specific baseline (3 digit origin zip code to destination state). If no match is found for either 3 digit or state baseline, actual shipments will be measured against the least specific baseline (shipper branch of service).

Examples of baseline construction:

#	Branch	Origin Zip	Origin State	Dest Zip	Dest State	Linehaul	Weight
1	DLA	17070	PA	31098	GA	\$250	1520
2	DLA	17070	PA	31704	GA	\$275	1800
3	Army	76544	TX	08640	NJ	\$2100	28000
4	Army	76544	TX	08641	NJ	\$550	2700
5	Army	76544	TX	07036	NJ	\$580	2950

3 to 3 Zip Baseline Example: 765 to 086 includes shipments #3 and #4.

$$CWT = ((2100+550)/(28000+2700))*100 = \$8.63$$

3 to State Baseline Example: 170 to GA includes shipments #1 and #2.

$$CWT = ((250+275)/(1520+1800))*100 = \$15.81$$

Branch Baseline Example: Army includes shipments #3, #4, and #5.

$$CWT = ((2100+550+580)/(28000+2700+2950))*100 = \$9.60$$

Actual versus Baseline Calculations:

Baseline CWT = value based on the matching method described above.

$$\text{Shipment CWT} = \text{Actual Cost} / \text{Actual Weight} * 100$$

$$\text{Shipment Savings} = (\text{Baseline CWT} - \text{Shipment CWT}) * \text{Actual Weight} / 100$$

$$\text{Baseline Cost} = \text{Baseline CWT} * \text{Actual Weight} / 100$$

Actual versus Baseline Calculations Example:

Actual Shipment moves from 76544 to 08640, weighs 28000 lb., cost \$1800 linehaul.

Baseline CWT = 765 to 086 applies = \$8.63

Actual CWT = $(1800 / 28000) * 100 = \$6.43$

Shipment Savings = $(8.63 - 6.43) * 28000 / 100 = \616

All Shipment Savings, Actual Costs, and Baseline Costs are then summed to create the enterprise gross costs and savings.

Net Savings % = $(\text{Sum of Savings} - \text{Management Services}) / \text{Sum of Baseline Cost}$

When reporting site or branch Net Savings %, management services are allocated to a site or branch based on the percentage of shipments for that site or branch versus the enterprise.

The savings will be calculated for 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.

1.4.2.1 Option and Award Term Option Calculations

During the Option and Award Term Option Years, the original baseline becomes less relevant and cost savings less reliable due to the shifts and changes in the DoD's network over time. The best way to address these profile changes over time is to enforce lane level and equipment type analysis and begin year over year measurements.

Lane (origin to destination) level analysis ensures fidelity in metrics due to its review of year over year lanes. This method allows for direct comparison of shipment volumes through the same geographic channels between the baseline and the current period. As example, a new customer in the current year will have no match to measure against in the previous year, and therefore no cost avoidance. In the same manner, if a customer deploys or stops receiving from the shipper, no actual shipments occur in the current year and no cost avoidance is created by the metric.

Equipment Type analysis allows for proper measurement of cost avoidance that occurs either within the general cargo category of shipments or within specialized equipment types. General cargo (air, LTL, and dry van) is subject to a wide variety of manual and automated optimization techniques and is best measured as a pool of shipments that considers the optimization methods and rate structures applied to the pool. Commodities requiring specialized equipment do not lend themselves readily to optimization techniques. Most often these types of commodities can only ride on a singular type of specialized equipment. In essence, the commodity itself defines the method of transportation. Accordingly, specialized equipment is segregated and the only appropriate comparisons are year over year comparisons of similar equipment moving on similar lanes. Utilizing specialized equipment categories for savings analysis mitigates against large profile shifts that can be common at the service shipper level. As example, a predominantly LTL customer that begins moving vehicles and heavy equipment will be measured against specialized equipment baselines for those specialized equipment volumes. By segregating the vehicles and heavy equipment moves from general cargo the analysis eliminates mathematical inflation of savings caused by sudden and dramatic volume increases.

Equipment Types are determined by the Equipment Code used and listed in the equipment type table below. If Equipment Codes are used that are not listed, no baseline and no actual cost avoidance is calculated.

Equipment Code	Equipment Type
A30	Gooseneck
A5	Driveaway/Towaway
A6	Driveaway/Towaway
AB2	Gooseneck
AB3	Gooseneck
AB4	Gooseneck
AB5	Gooseneck
AB6	Gooseneck
AC2	Expandable Lowboy
AC3	Expandable Lowboy
AE0	Stepdeck
AE2	Stepdeck
AE3	Stepdeck
AE4	Stepdeck
AE5	Stepdeck
AE6	Stepdeck
AE7	Stepdeck
AE9	Stepdeck
AF1	General Cargo
AF2	General Cargo
AF3	Flatbed
AG6	Tautliner
AH2	Stepdeck
AK	Frozen
AL4	Expandable Lowboy
AN	Adjustable Tiltbed
AO1	General Cargo
AO2	General Cargo
AO3	General Cargo
AO4	General Cargo
AO7	General Cargo
AR	Reefer
AV1	General Cargo
AV2	General Cargo
AV3	General Cargo
AV6	Rollerbed
AZ3	Flatbed
QQ:DTD Same day	General Cargo
QQ:DTD2D	General Cargo
QQ:DTD3D	General Cargo

QQ:DTDAM	General Cargo
QQ:DTDEcon	General Cargo
QQ:DTDND	General Cargo
KW1	General Cargo
KW2	General Cargo
(All Others)	Not Measured

Table – Equipment Type Conversions

Year-over-year baselining ensures that the baseline will never be more than 12 months old thus improving the chances of matching prior year shipments to current year shipments. Mission changes occur from time to time and will be shown in the metric once the new missions are baselined in the following year.

1.4.2.1.1 Methodology

The following methodology shall be utilized to create the baseline for the Option and Award Term Option Years:

NOTE: All cost avoidance calculations will start at the individual shipper site level and be accumulated up through the parent Service/Agency and then be rolled up again to the overall network level. The savings goals will apply at the network level.

Year 4 will be compared to Year 3 baseline (based on Year 3 actual shipment attributes and cost data) and will represent the average cost per hundred weight by shipper, by lane, and by equipment type at two levels: 1) shipper combined with 3 digit origin zip code to 3 digit destination zip code and 2) shipper combined with 3 digit origin zip code to destination state. When measuring cost avoidance, actual shipments will be compared initially with the most specific baseline (same shipper, 3 digit origin zip code to 3 digit destination zip code). If no match is found, the actual shipment will be measured against a less specific baseline (same shipper, 3 digit origin zip code to destination state). If no match is found using the above process, actual shipments will be captured for cost purposes but no cost avoidance calculations can be made.

Examples of baseline construction:

#	Shipper	Origin Zip	Origin State	Dest Zip	Dest State	Linehaul	Weight	Equipment Type
1	DDSP	17070	PA	31098	GA	\$250	1520	General Cargo
2	DDSP	17070	PA	31704	GA	\$275	1800	General Cargo
3	DDRT	76544	TX	08640	NJ	\$2,100	28000	Flatbed
4	DDRT	76544	TX	08640	NJ	\$917	4500	Flatbed
5	DDRT	76544	TX	08641	NJ	\$550	2700	General Cargo
6	DDRT	76544	TX	07036	NJ	\$580	2950	General Cargo

3 zip to 3 zip Flatbed Baseline: DDRT – 765 to 086 includes shipments #3 and #4

$$\text{CWT} = (2100+917)/(28000+4500)*100 = \$9.28$$

3 zip to 3 zip General Cargo baseline: DDRT – 765 to 086 includes only shipment #5
 $\text{CWT} = (550)/(2700)*100 = \20.37

3 zip to State General Cargo: DDSP – 170 to GA includes shipments #1 and #2
 $\text{CWT} = (250+275)/(1520+1800)*100 = \15.81

Actual versus Baseline Calculations:

Baseline CWT = value based on the matching method described above.

Shipment CWT = Actual Cost / Actual Weight * 100

Shipment Cost Avoidance = (Baseline CWT – Shipment CWT) * Actual Weight / 100

Baseline Cost = Baseline CWT * Actual Weight / 100

NOTE: Savings will be calculated only for each specific shipper site and be accumulated up through the Service/Agency level and then the enterprise level. If actual shipment workload cannot be matched to a baseline rate using the rules above, the shipment cost will be captured for total freight spend calculations for that site but the cost avoidance will be recorded as \$0.

Actual versus Baseline Calculations Example:

Actual Shipment moves from DDRT with zip codes 76544 to 08640, weighs 28000 lb., cost \$1800 linehaul, flatbed (AF3) equipment used.

Baseline CWT = DDRT – 765 to 086 lane, flatbed type applies = \$9.28

Actual CWT = $1800/28000*100 = \$6.43$

Shipment Cost Avoidance = $(9.28-6.43)*28000/100 = \798

All shipment level Cost Avoidance, Actual Costs, and Baseline Costs are then summed from the individual site level up to Service /Agency and then again for the whole network to create the total enterprise cost avoidance.

Total freight costs exclude accessorials and fuel surcharges. The contractor will report these actual costs and cost avoidance percentages on a semi-annual basis at least 10 days before the award fee evaluation period on an aggregate and per location basis as compared to the same six month period in the previous baseline.

NOTE: The following shipments are eligible for movement under DTCI and will be included in the baseline data.

1. Shipments weighing less than 150 pounds that are excluded from existing Small Package and Small Parcel contracts. For example, hazardous and overdimensional shipments.

2 Shipments of ammunition Hazard Class (HC)/Div 1.4 up to 1,001 lbs aggregate gross weight of the 1.4 component, less packaging and packaging materials, may be shipped as FAK/non-bulk.

1.4.2.1.2 Baseline

Each year after Year 3 will be measured against a baseline created from the prior year's actual shipment attributes and cost data.

Contract Year	Dates	Baseline Dates
Option Year 1	11/1/10 to 10/31/11	11/1/09 to 10/31/10
Option Year 2	11/1/11 to 10/31/12	11/1/10 to 10/31/11
Award Term Option Year 1	11/1/12 to 10/31/13	11/1/11 to 10/31/12
Award Term Option Year 2	11/1/13 to 10/31/14	11/1/12 to 10/31/13

1.4.2.1.3 Cost Avoidance Goals : Cost avoidance goals are related to freight only and do not include Management Fee or PMO cost.

Cost Avoidance **goals** by contract year are as follows:

Option Year 1 = 2% of Base Year 3

Option Year 2 = 2% of Option Year 1

Award Term Option Year 1 = 2% of Option Year 2

Award Term Option Year 2 = 1% of Award Term Option Year 1

The Government expects the contractor to show significant annual progress toward that goal. The Government expects the contractor to continue to seek additional savings opportunities and communicate these efforts with the Government.

1.4.2.2 Revision to Calculations for Option Year 2 and Award Term Options (Years 5 – 7)

The calculation during Option Year 2 will add specific refinements to the calculation outlined in section 1.4.2.1. Through continuous improvement efforts, growing experience with DTCI, and better transportation data fidelity, past methods of cost avoidance calculations can be enhanced to a higher level of precision. As the contract implementation winds down and the program reaches a steady state, future measurements will require some additional level of detail to measure performance. The best way to refine the calculation is to further differentiate the measurement for special equipment and to eliminate outliers and unique movements that can potentially misrepresent overall cost avoidance figures.

A separate method of calculation that is unique to each equipment type and that is reflective of the way that each type is procured allows for proper measurement of the behaviors that drive cost avoidance. Because general cargo will be measured as a pool of shipments considering optimization efforts, cost performance is heavily influenced by weight. Accordingly, general cargo will be measured using cost per hundredweight. Specialized equipment, however, is generally unaffected by optimization techniques and is not influenced by weight. Specialized equipment is purchased based on total distance travelled. Therefore, specialized equipment will be measured using a cost per mile calculation.

Service level analysis for each equipment type allows for proper measurement of cost avoidance that occur in the specific instances within the specialized equipment category where measuring by cost per hundredweight is appropriate.

Outlier removal in the baseline and actual shipment data will ensure that cost avoidance is measured against a known and accurate baseline history. Certain equipment types are so unique that they are often subject to market factors. These movements often have a large cost and can potentially misrepresent the cost avoidance results. Removing multi-axle drop deck trailers from the calculation will address this and will allow the cost avoidance calculation to reflect only actions that the contractor has the ability to influence.

Additionally, some historical lanes contain so few shipments that a quality performance measurement is not possible. Shipping lanes that did not move more than one shipment per month do not provide an accurate baseline for comparison. For example, a predominantly LTL shipper previously moved only one expedited shipment to a particular destination now begins to frequently ship LTL volume to the destination. Comparing large volumes of LTL shipments to one air expedite would produce an inflated cost avoidance figure. Accordingly, all baseline comparisons will consist only of lanes where 12 or more shipments occurred in history within the past year.

Lastly, to prevent any data anomalies from potentially misrepresenting the cost avoidance all shipments that are greater than 120,000 pounds as well as any shipment record containing incomplete or null values in miles, cost, weight, or zip code fields will be removed.

The contractor will provide a summary report of shipments excluded from the cost avoidance analysis. At a minimum the report will include the number of shipments excluded, the exclusion type (e.g., low volume lane, super load, etc.), and total transportation spend excluded from the analysis.

Equipment Types for option year 2 are determined by the Equipment Code used and listed in the Equipment Type Conversion Table – Version 1 (below). If Equipment Codes are used that are not listed, no baseline and no actual savings are calculated.

1.4.2.2.1 Additional Cost Avoidance Calculation Process:

In determining cost avoidance the contractor shall accomplish the following in addition to the methodology identified in 1.4.2.1 above:

1. General cargo will be measured using cost per hundredweight.
2. Specialized equipment will be measured using cost per mile.
3. Flatbed equipment, including LTL flatbed service, will be measured using cost per mile.
4. Remove multi-axle drop deck trailers from the calculation.
5. Baseline comparisons will consist only of lanes where 12 or more shipments occurred within the past year.
6. Shipments greater than 120,000 pounds and shipment record containing incomplete or null values in miles, cost, weight, or zip code fields will be removed.
7. Equipment types AE0, AE3, AE4, AE5, AE6, AE7, and AE9 will no longer be included in cost avoidance measurement.
8. Equipment types AF1 and AF2 will be changed from 'General Cargo' to 'Flatbed'.

1.4.2.2.2 Cost Avoidance Goals : Cost avoidance goals are related to freight only and do not include Management Fee or PMO cost.

Cost Avoidance **goals** by contract year are as follows:

Option Year 2 = 2% of Option Year 1

Award Term Option Year 1 = 2% of Option Year 2

Award Term Option Year 2 = 1% of Award Term Option Year 1

The Government expects the contractor to show significant annual progress toward that goal. The Government expects the contractor to continue to seek additional savings opportunities and communicate these efforts with the Government.

Equipment Code	Equipment Type	Service
A30	Gooseneck	All
A5	Driveaway/Towaway	All
A6	Driveaway/Towaway	All
AB2	Gooseneck	All
AB3	Gooseneck	All
AB4	Gooseneck	All
AB5	Gooseneck	All
AB6	Gooseneck	All
AC2	Expandable Lowboy	All
AC3	Expandable Lowboy	All
AE0	Not Measured	All
AE2	Stepdeck	All
AE3	Not Measured	All
AE4	Not Measured	All
AE5	Not Measured	All
AE6	Not Measured	All
AE7	Not Measured	All
AE9	Not Measured	All
AF1	Flatbed LTL	All
AF2	Flatbed LTL	All
AF3	Flatbed	All
AG6	Tautliner	All
AH2	Stepdeck	All
AK	Frozen	All
AN	Expandable Lowboy	All
AO1	General Cargo	All
AO2	General Cargo	All
AO3	General Cargo	All
AO4	General Cargo	All
AO7	General Cargo	All
AR	Reefer	All
AV1	General Cargo	All
AV2	General Cargo	All
AV3	General Cargo	All
AV5	Rollerbed	All
AV6	Rollerbed	All
AZ3	Flatbed	All
QQ:DTD Same day	General Cargo	All
QQ:DTD2D	General Cargo	All
QQ:DTD3D	General Cargo	All
QQ:DTDAM	General Cargo	All
QQ:DTDEcon	General Cargo	All
QQ:DTDND	General Cargo	All
(All Others)	Not Measured	All

Equipment Type Conversion Table – Version 1

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 System (TPPS) 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.

1.4.4.4.1 For Services shipments only, electronic data transactions may occasionally fail between DoD shipper systems and the contractor's Transportation Management System (TMS). When this occurs, an alternate shipment billing process is necessary. This process shall apply 30 days after actual pick-up date or when data resolution with the DOD shipper systems help desk, proves negative. The following scenarios apply, but are not limited to:

- a. No EDI 219 (offer) is submitted by DoD shipper system and carrier invoices contractor

Course of Action: If no EDI 219 (offer) was received by the contractor and contractor had no opportunity to rate and route the shipment, the carrier in this case will invoice the shipper directly through TPPS, and will be paid by the shipper not the contractor. The shipper shall generate a matching order to the invoice within three (3) government business days. Such shipments will be excluded from DTCI contractor metrics.

- b. EDI 219 submitted, EDI 220 response received by DoD shipper system but no EDI 858 (bill of lading)

Course of Action: Contractor shall create a manual invoice in the TPPS account of the agency/service shipper and notify the shipper of the invoice via e-mail. The shipper's agency/service shall generate a matching order to the invoice within three (3) government business days.

- c. No EDI 219 but have bill of lading data

Course of Action: If no EDI 219 (offer) was received by the contractor and contractor had no opportunity to rate and route the shipment, the carrier in this case will invoice the shipper directly through TPPS, and will be paid the shipper not the contractor. The shipper shall generate a matching order to the invoice within three (3) government business days. Such shipments will be excluded from DTCI contractor metrics.

1.4.4.4.2 For DLA shipments, contact the DLA Distribution contracting officer representative and/or DLA J6 for procedures.

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 Begin and end dates on rates

1.4.4.5.2.3 Accessorial charges (e.g., fuel surcharge, detention, etc.)

1.4.4.5.3 Billing information. Ensure carrier invoices identify the correct shipper or Service. This function must include the following:

1.4.4.5.3.1 Ability to allocate (at the shipment level) the freight charge to multiple billing addresses for multiple-stop loads based upon a logical, consistent and auditable allocation process (e.g. based upon weight, distance, etc.) If multiple shipments are consolidated into a single shipment by the contractor, the contractor shall allocate the costs to the original shipment level offered.

1.4.4.5.3.2 Invalid invoices – Identify and prevent payment under this contract of carrier invoices submitted for non-DTCI shipments.

1.4.4.5.3.3 Other invoice information – Ensure carrier invoices contain all the necessary information to properly bill the government.

1.4.4.6 Industry Interaction and Collaboration. The contractor shall affirmatively engage transportation association leaders and industry partners throughout the total life cycle of the contract. The purpose of such engagement will be to share information, address current issues or concerns, capacity issues across all transportation modes, and increase situational awareness as deemed necessary to support the contractor's performance under the contract. These interactions and industry collaboration will facilitate the contractor's assessment of its own capability to maintain adequate capacity to meet existing requirements and unforeseen surge. The contractor shall inform the DTCI CO of any issues identified during any such engagement, with either now or in the future, may jeopardize the contractor's successful performance of the DTCI requirements. The requirements of this paragraph should in no way conflict with the requirements of paragraphs 1.4.3.1 and 1.4.5.3. Any concerns in regard to such a conflict shall be immediately be brought to the attention of the CO.

1.4.5 Operations.

1.4.5.1 Staffing. The contractor shall provide sufficient staffing to ensure the requirements of the PWS can be accomplished in an effective and efficient manner whether providing day-to-day steady state or surge support. Contractor personnel shall possess sufficient experience and knowledge to successfully perform all PWS requirements to include the DoD unique requirements of this contract. Contractor personnel shall be knowledgeable of and experienced in providing third party logistics services which require consolidation and optimization of freight. Contractor's proposed management staff shall have sufficient authority to make decisions on behalf of the contractor while performing in either a corporate or on-site position under this contract.

1.4.5.2 Background Investigations and Common Identification Standard for Contractors. In accordance with FAR Clause 52.204-9, Personal Identity Verification of Contractor Personnel, incorporated in the contract, the contractor shall comply with personal identity verification procedures identified herein that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24, as amended, and Federal Information Processing Standards Publication (FIPS PUB) Number 201, as amended. The contractor shall provide the government with a list, updated as changes are made, of personnel requiring a background investigation for DTCI.

1.4.5.2.1 Access to "Federally Controlled Facilities": Contractor employees who require access to "Federally Controlled Facilities", as defined in OMB guidance M-05-24, will require a National Agency Check with Inquiry (NACI) and will be issued a DoD Common Access Card (CAC) as their identity credentials. This will apply at a minimum to contractor permanent on-site employees required per PWS par. 1.4.5.11 at DDSP, DDJC, DDRT, and DDNV. (Notes: 1) this requirement does not apply to intermittent access/visits to any DTCI shipper locations as normal location specific visitor control/security procedures apply; 2) this requirement does not apply to access by DTCI carriers to shipper/receiver installations for pick-up/delivery of DTCI freight – installation unique pick-up/delivery access/security procedures will apply.

1.4.5.2.2 Access to "Federally Controlled Information Systems": Contractor employees who require access to "Federally Controlled Information Systems", as defined in OMB guidance M-05-24, will require a National Agency Check with Inquiry (NACI) and will be issued a DoD Common Access Card (CAC) as their identity credentials. This will apply to any contractor employees who are granted access to DoD shipper systems (e.g. DSS, CMOS, GFM, & VSM) or other systems as defined "Federally Controlled Information Systems" per OMB guidance M-05-24. (Note: HSPD-12, OMB Memo M-05-24 states that a contractor accessing a government system from their own facility or via a secure web site, may not be subject to the personal identification credential and associated NACI requirement).

1.4.5.2.3 Access to "Sensitive Information": Contractor employees who require access to "sensitive information", in accordance with the DoD 5200.1-R, Information Security Program, dated January 1997, to include requirements for protection of certain information as defined in the Computer Security Act of 1987 may require a background investigation. The determination of a background investigation is dependent upon a risk determination by USTRANSCOM, taking into consideration the requirements of the Act: Contractor personnel with access to sensitive DTCI DoD enterprise-wide visibility data

and/or management of DoD shipping activities and freight movements, will require a National Agency Check (NAC) but will not be issued identity credentials or DOD Common Access Card (CAC) unless they meet the requirements in 1.4.5.2.1 and 1.4.5.2.2 above.

- 1.4.5.3 Non-Disclosure Certificate.** Any 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 to include the implementation of all Phased sites. 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 base lining performance data, the contractor shall make performance data available. The contractor shall employ metrics in managing the DTCI project over the entire life-cycle of the contract. The use of metrics shall provide for adjustment of performance when necessary to ensure the requirements of the PWS are met in an effective and efficient manner and shall be used to project potential process improvements. Metrics will be made available to all approved stakeholders. The Government will review metrics and performance data during the monthly PMR's (reference paragraph 1.2.3) but will not utilize the performance data to withhold funds for non-performance of the services required under this contract until after six months following implementation at each site.
- 1.4.5.4.2 Risk Identification, Analysis and Mitigation.** The contractor shall accomplish risk identification, analysis and mitigation in the performance of the DTCI project.
- 1.4.5.4.3 Customer Satisfaction.** The contractor shall monitor and measure customer satisfaction on an on-going basis to ensure that any customer concerns are addressed upon receipt and resolved as quickly as possible (Reference paragraph 1.4.6.4.3 Customer Feedback).
- 1.4.5.4.4 Quality Assurance.** The contractor shall control the quality of services provided under this contract and shall tender to the Government for acceptance only those services that conform to the requirements of the contract. In accordance with FAR Clause 52.246-4, Inspection of Services – Fixed Price, and FAR Clause 52.246-5, Inspection of Services – Cost Reimbursement, incorporated into Section I of the contract, the contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. The Contractor shall deliver their inspection system documentation for review and approval to the Contracting Officer (CO) within 30 days after contract restart. The Government in turn will have 10 days from the latter of the due date or the date provided to the PMO to review and approve or return the inspection system documentation to the contractor for clarification or changes. The contractor shall submit a final schedule no later than 10 days after receipt of any Government comments.

1.4.5.5 Optimization and Consolidation. Upon release of freight by the government or vendor, 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 van equipment is available to meet shipper's requirements. In addition for Air Force shipments only, the contractor shall ensure a mix of general equipment and specialized equipment i.e., low-boys, rollerbeds, air ride, open equipment, etc. For DLA shipments the contractor shall ensure a mix of general equipment, rollerbeds and flatbeds to support scheduled/dedicated routes. 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.

1.4.5.6.1 Rail Cars: The Coordinator may require the use of specialized transportation equipment such as rail cars for the movement of military-unique items (i.e. military tanks and tank removers). The success of DTCI's rail program is dependent on the Coordinators ability to leverage commercial best practices to gain efficiencies and garner savings. Therefore, the Coordinators shall negotiate and establish carrier rates for each DTCI rail move. SDDC must maintain visibility of DoD rail moves in order to manage capacity and de-conflict competing priorities. Therefore, the Coordinators shall notify SDDC of all rail moves requested by DTCI shippers.

For all DTCI rail movements, the Coordinator shall submit rail car requests received from the shipper to SDDC's Defense Freight Railway Interchange Fleet (DFRIF) car distributor via telephone or via e-mail. The DFRIF car distributor will determine the availability of DODX cars to support the entire requirement. If there are insufficient DODX cars to support the requirement, DFRIF will provide the Coordinator with the number of available DODX cars and the number of commercial cars the Coordinator must source from its resources. DFRIF will ensure the requested DODX cars are made available at the onload location in time to support the requirement.

Once the Coordinator receives DODX confirmation from DFRIF, the Coordinator shall make arrangement for the entire rail requirement with applicable carriers.

Process:

1. The Shipper shall contact the Coordinator via e-mail and/or phone as early as possible (recommended 15 business days prior to the planned origin departure date) with the anticipated requirement for rail. Shipper shall provide the Coordinator with as many details as possible to include the number and type of cars requested, estimated weight per car, origin/destination locations, and accessories required, Hazmat, etc.
2. The Coordinator will review the requirement and make an initial determination of its ability to support the requirement ensuring the Contractor has contracts in place with carriers and if Government approved rates are on file. If Government approved rates are not on file, the Coordinator must follow established process to obtain rate approval. The rate approval process may take several days.
3. The Coordinator will contact the shipper within 3 business days following the initial email/phone inquiry to either accept the shipment or to provide an update on their efforts to obtain approved rates with the Government/carrier. Final determination of support must be completed NLT 5 business days following the initial inquiry.

NOTE: DTCI is a requirements contract; therefore, the Coordinator may not refuse any shipment on the program. The coordinator must accept all rail shipments and if the Coordinator is unable to support the requirement, the Coordinator shall provide supporting justification and request a waiver from the Contracting Officer. If the Contracting Officer approves the waiver request, the Contracting Officer will notify the Coordinator and copy the shipper so the shipper may seek support via SDDC.

4. When the Shipper receives confirmation of support from the Coordinator, the Shipper submits EDI 219 request for movement IAW current practices.

NOTES:

1. For GFM users, request will be for AV1 equipment. Shipper will send email to Coordinator requesting rail support indicating the total rail car requirement and other special requirements (e.g. carrier load/unload, etc).
2. Shippers should communicate with their load planner to ensure requirements are understood by all parties.
5. The Coordinator shall contact DFRIF via telephone or via e-mail to relay rail requirement.
6. DFRIF will determine if the requirement can be supported entirely with DODX cars or will require a combination of DODX and Commercial cars. DFRIF will transmit the results back to the Coordinator (e.g. Offer # zxc1234; 75 DODX, 25 Comm cars).

NOTE: DFRIF is responsible for positioning all DODX cars to meet shipment timing. The contractor will not be held liable for any delays in positioning of DODX cars.

7. If the entire requirement cannot be supported by DODX cars, the Coordinator will source the remaining commercial cars required and determine the total cost of the entire requirement (combined DODX/Commercial cars and applicable accessories) IAW its carrier agreements. EDI 220 will be returned to shipper with NTE costs within 6 hours of SDDC's confirmation of DODX car availability.

The manager of the Defense Freight Railway Interchange Fleet (DFRIF) can be reached at (618)220-6870; via email or via regular mail to: SDDC, ATTN: AMSSD-SBI-R, 1 Soldier Way, Scott AFB, IL 62225.

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, **DLA Disposition Service**, 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.

NOTE: Due to contract implications, changes to established pickup and delivery requirements for dedicated truck schedules shall be coordinated between the Government and the Contractor no later than 15 business days prior to the effective date. All other change requests (change in weekend operations, requests to change LTL/Air pickup times, etc.) shall be coordinated between the Government and the

Contractor no later than 3 business days prior to the effective date. All change requests must be coordinated through the respective COR (if originated by the Government) or through the SDDC DTC OST (if originated by the Contractor). All changes will be coordinated with the TCAQ CO.

1.4.5.8.1 Pickup and delivery requirements: Appointment (pickup and delivery) requirements vary by site and should be listed in the Transportation Facilities Guide (TFG) or vendor profile table in VSM. The Contractor shall refer to and follow the guidance contained in the TFG or VSM when scheduling carriers to pickup and/or deliver freight at government locations unless provided specific instruction on the BoL from the individual sites as indicated below. Interim guidance may be released via the SDDC Customer/Carrier Advisory Network. The carrier, at the direction of the Contractor, is required to refer to and follow the guidance contained in the TFG / SDDC Customer/Carrier Advisory Network when scheduling carriers to pickup and/or deliver freight at government locations unless provided specific instructions from the individual sites as indicated below.

1.4.5.8.1.1 Pickups: The transportation coordinator is normally authorized 8 operational hours from receipt of the shipping request (219) until pickup of the shipment. However, if shipments require a specific pickup time or appointment, then shippers will designate a 5 minute pickup increment on the 219, i.e., if pickup is required at 1000, the shipper will designate 0955 - 1000 as the pickup window. This 5 minute window is the transportation coordinators notification that an appointment is required. In turn, the transportation coordinator is authorized +/- 1 hour from the desired appointment time to pick-up the shipment (in the example above, the transportation coordinator's pickup window would be 0900 - 1100). This procedure does not apply to shipments that are on dedicated trucks or scheduled daily pickups (air or surface). It also does not apply to expedite (EXP) shipments.

1.4.5.8.1.1.1 FDT shipments only: When the EDI 219 is **received by the contractor before** 1400 Eastern Standard Time (EST) of a business day, the EDI 220 is returned no later than 1500 EST the **next business day following receipt of the EDI 219**. The carrier will pick up the shipment **on the second business day following receipt of the EDI 219 or later if requested in the EDI 219**.

When the EDI 219 is **received by the contractor** after 1400 EST of a business day, the EDI 220 is returned by 1500 EST of the second **business day following receipt of the EDI 219**. The carrier will pick up **on the third business day following receipt of the EDI 219 or later is requested in the EDI 219**. **Note: Saturdays and Sundays are not business days for FDT shipments.**

For shipments which require pickup later than a week following the receipt of the EDI 219, the contractor will provide an EDI 220 at least 48 hours prior to the pickup required in the EDI 219.

However, if shipments require a specific pickup time or appointment, then shippers will designate a five minute pickup increment on the EDI 219, i.e., if pickup is required at 1000, the shipper will designate 0955 – 1000 as the pickup window. This five minute window is the contractor's notification that a pickup appointment is required. In turn, the contractor is authorized +/- one hour from the desired appointment time to pickup the shipment (the contractor's pickup window would be 0900 – 1100).

The Contracting Officer may approve shipper requests for FDT shipments to be moved outside of the DTCI program when the contractor has failed to provide an EDI 220 within the required time limits. Shippers may not move shipments outside the contract without Contracting Officer approval.

1.4.5.8.1.1.2 DLA Disposition Service shipments only: When the EDI 219 is received by the contractor before 1400 Eastern Standard Time (EST) of a business day, the EDI 220 is returned no later than 1500 EST the next business day following receipt of the EDI 219. The carrier will pickup the shipment on the second business day following receipt of the EDI 219 or later if requested in the EDI 219.

When the EDI 219 is received by the contractor after 1400 EST of a business day, the EDI 220 is returned by 1500 EST of the second business day following receipt of the EDI 219. The carrier

will pick up on the third business day following receipt of the EDI 219 or later if requested in the EDI 219. Note: Saturdays and Sundays are not business days for DLA Disposition shipments.

For shipments which require pickup later than a week following the receipt of the EDI 219, the contractor will provide an EDI 220 at least 48 hours prior to the pickup required in the EDI 219.

If shipments require a specific pickup time or appointment, then shippers will designate a five minute pickup increment on the EDI 219, i.e., if pickup is required at 1000, the shipper will designate 0955 – 1000 as the pickup window. This five minute window is the contractor's notification that a pickup appointment is required. In turn, the contractor is authorized +/- one hour from the desired appointment time to pickup the shipment (the contractor's pickup window would be 0900 – 1100).

The Contracting Officer may approve shipper requests for DLA Disposition Service shipments to be moved outside of the DTCI program when the contractor has failed to provide an EDI 220 within the required time limits. Shippers may not move shipments outside the contract without Contracting Officer approval.

1.4.5.8.1.2 Delivery: The contractor and/or its carriers will abide by guidance contained in the TFG/SDDC customer advisories as applicable. For **DLA Distribution – VSM and DLA Disposition Service shipments**, contact VSM team for additional information at 1-800-456-5507 or via email delivery@dla.mil.

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: Most Federal Agencies observe the following 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. In addition, other days may be designated as a Holiday by Federal Statute or Executive Order (e.g. day before or after Christmas, etc).

FDT and DLA Disposition Service shipments (BoLs ending with DP): Only the following commercial shipper holidays will be observed - New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve, and Christmas Day. The contractor will be expected to provide normal pickup service on all other holidays.

Some DOD shipping activities will not observe a Federal Holiday due to mission requirements and will operate on a normal work schedule. In these cases, the contractor will be expected to provide normal pickup service (to include Expedited shipments) to these sites. The government will provide the contractor with prior notice of which sites will be operating under normal work hours NLT 10 business days prior to the holiday, except in emergencies or other situations (Presidential Executive Order) where 10 days is not feasible. SDDC's Customer Advisory Program will normally be used to report holiday schedules.

With the exception of expedited shipments, the contractor shall deliver freight with MDDs that fall on a federal holiday on the next normal business day and request a holiday exception for late delivery using the Exception Reporting process outlined in this document. Normal business days and operating hours for DOD facilities can be found in the Transportation Facilities Guide (TFG). Expedited shipments shall be delivered on time regardless of the holiday period. An example is: If delivery is required on Christmas Day, the holiday accessorial would apply. Menlo must meet the Christmas Day delivery.

The contractor shall also provide normal pickup Service and Expedited Service (Pickup and Delivery) on declared or published industry down days (e.g. Carrier tariff down days during Good Friday, day after Thanksgiving, Christmas Eve, and New Years Eve). With the exception of expedited shipments, the contractor shall be granted additional transit days in direct relationship of the declared industry down days. If the MDD falls on a declared down day (ex. day after thanksgiving), the shipment will be delivered on the

next business day (Monday following Thanksgiving) and the contractor shall request an exception for late delivery using the exception reporting process. The contractor will notify the PMO and affected shipper sites at least 10 business days prior to the first industry down day. The Government expects the contractor to meet all expedited MDDs regardless of the holiday period.

On designated Federal Holidays, accessorial rates will apply to accommodate pickup and delivery requirements. Specific holiday charges are depicted in the Performance Work Statement, Attachment 1 – Accessorial Rates.

For further clarification on Federal Holidays, the DTCI contractor should review the Office of Personnel Management (OPM) website at: http://www.opm.gov/Operating_Staus_Schedules (under the holiday tab), and other holidays listed in the Transportation Facilities Guide (TFG) or through notification of a SDDC Customer Advisory.

1.4.5.11 On-Site Personnel. The contractor shall provide permanent on-site staffing at DDSF, DDJC, DDRT and DDNV. Permanent on-site staffing shall be provided by DLA determined work hours for one full-time shift per day, Monday – Friday. Contractor shall provide temporary on-site staffing at all locations during implementation of Phase I (with the exception of DDSF, DDDC, DDJC, DDNV, and DDRT). They shall remain on-site until all location-unique requirements have been implemented (as agreed upon in accordance with PWS paragraph 1.2.8.2) and all testing and evaluation identified in the contractor's test plan, which has been approved by the Government, is complete (reference PWS paragraph 1.2.8.4, Joint Test Plan). Approval to release temporary on-site staffing will be granted by the DTCI Program Manager or his designee. It is estimated that this approval will be granted within approximately 60 days after site implementation. Phase II requirements will be staffed for the collocated region and not for individual sites. Phase III requirements shall not be less than regional support with periodic on-site visits as mutually agreed upon. Additional site requirements under paragraph 1.2.9 shall not be less than regional support with periodic on-site visits as mutually agreed upon.

1.4.5.12 Customer Support. The contractor shall staff, manage, and provide resources for customer support Monday – Friday, 0500 – 2400 CST, Saturday, 0500 – 1730 CST, Sunday, 0900 – 1730 CST. In the rare circumstance that a mission critical shipment requires immediate action after these customer support hours, the shipment shall be moved outside the contract. 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 coordinator shall indicate on the billing documents those shipments that have been adjusted for weight, dimension or cube or out of route miles and follow the procedures below for billing and documentation requirements.

1.4.5.13.1 Billing.

If the carrier believes the shipping weight, dimension or cube varies more than 10% from the shipping activity's weight, they must notify the coordinator of the discrepancy. The coordinator will then notify the shipper of the revised measurement and request approval for the additional charges.

Note: When scales for weight verification are available and furnished from a consignor or consignee assets, the carrier should reweigh at these facilities at no charge.

The shipper, if desired, may request a re-weigh of the shipment by the destination TO to confirm the new weight. The destination TO will provide re-weighs information back to the origin TO.

Note: If the re-weigh process takes longer than allowable carrier free time, any detention charges incurred due to the re-weigh process will be paid by the shipping TO. No detention costs will be paid if the re-weigh variance is less than 10%.

A copy of the carrier's certified weight ticket annotated with the revised weight taken at the first stop-off point must be provided by the coordinator as indicated below within 10 business days of the occurrence:

The coordinator will identify valid carrier re-weighs and enter this information in Syncada through the "Notes" feature (regardless of whether NTE is exceeded or not).

Note: In Syncada, the re-weigh amount is presented as the billed amount.

The TO and coordinator must agree upon the billed amount before approval.

The coordinator will post a copy of each certified re-weigh certificate, with bill of lading number indicated on the certificate into their transportation information system (currently TMS) under the folder labeled: Project Office/DTCI documents/Invoice Support Documents/Specific Location (DDRT, DDJC, etc) or Syncada.

TO's will validate the original characteristics/weight of the shipment by noting the bill of lading number on the re-weigh certificate and subsequently search on the characteristics of the shipment in the query mode of the TMS system. Additionally, the TO will use any re-weigh information obtained from the destination TO, as required to validate the revised weight.

Disputes between the carrier's revised weight and the shippers re-weigh will follow the current contractual dispute process.

TOs will request their Service/Agency CORs review the documents and facts.

Service/Agency CORs will consider all facts and make a decision to accept or reject the re-weigh claim.

The coordinator may request further consideration from DTCI PMO, who is the final appellate authority (similar to exception and detention processes).

In those cases where the shipment has already been invoiced with the original weight, and it requires modification, the coordinator will submit a linked e-bill to the origin shipper for validation/payment of the modified weight. If the bill of lading number is not annotated on the certified weight ticket, TO's will not approve the re-weigh. The coordinator will ensure the BoL number is on each re-weigh certificate.

1.4.5.13.2 Out of Route Miles. When out of route miles apply, the carrier will annotate these miles on business letterhead signed and posted to Project Office in the Contractor's TMS system for future audit. Charges associated with out of route mileage are billable separately, via an e-bill to the origin shipping site, from charges based upon applicable DTOD mileages.

1.4.5.14 High Value Items. A variety of high value items (i.e. aircraft engines, aircraft engine propellers, etc...) may move under the contract. Depending on the high value items (HVI) characteristics, it may be moved by van, TL, and/or flatbed equipment. If a shipper ships an HVI to move specifically with no other freight, shippers define HVI by annotating exclusive use (EXC) on request (EDI 219) and ensure its annotated on the BoL and ships as a TL. If the HVI must be moved to re-distribute weight, the Coordinator must obtain written consent from the origin ordering officer prior to breaking the chains and/or removing the blocking and bracing. The ordering officer shall provide the coordinator with the appropriate technical order for the item moved. The coordinator must adhere to the blocking and bracing requirements identified in the provided technical order for the item moved. For multi-stop HVI shipments, if the need arises of re-distribution of equipment at the stop-off location, blocking and bracing shall be conducted by government representatives.

1.4.5.15 Fuel Surcharge. The contractor shall use the SDDC Fuel-related Rate Adjustment Policy No. TR-12, as updated 5 October 2005, incorporating a fuel baseline of \$1.30 per gallon. This will serve as the basis for all fuel surcharges within DTCI for the contractor's carriers for surface transportation. Reference Appendix F – Technical Directives. For air transportation, the contractor shall utilize the USTRANSCOM-

DTCI Fuel Adjustment Procedure established by the Contracting Officer within 60 days after contract restart. This procedure will establish a fuel rate adjustment for air transportation taking into consideration DTCI air shipment requirements, an appropriate industry established index for jet fuel prices, and a mechanism that facilitates the billing and payment for fuel surcharges within the current Third Party Payment System. The selected index may or may not fully reimburse the contractor for air fuel costs, but will generally provide compensation for future adjustments in air fuel costs commensurate with changing prices in the air fuel market.

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

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

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

1.4.5.17 Expedited Service (EXP). The contractor is required to meet all expedited **service** requirements. The DTCI coordinator will utilize the TFG to determine a destination's normal receiving business hours. An EXP shipment is defined as a shipment (air or surface) requiring a pickup in less than the contractual requirement for pick-up within 8 operational hours. EXP accessorial shall be used to identify all expedited requirements.

Note: Pickups required in less than the 8 operational hours will be supported in a reasonable period of time following initial notification of the requirement but pickup will be no earlier than 2 hours from notification unless coordinator can reasonably accommodate on a case by case basis.

Requests for expedited pick-up after normal business hours require manual action, e.g. telephonic notification to the coordinator's toll free contact number, to meet shipper requirements. An electronic data interchange request will follow normal process after manual notification within 2 hours following telephonic notification.

Note: Oversized air freight shipments will normally allow for an additional (1) day of transit time unless otherwise agreed to by the shipper and the contractor (See Appendix B for specific details). In the event of an OD/OW EXP shipment, the coordinator is required to provide a cost estimate for the shipper to make determination as to whether or not to proceed or to adjust the MDD.

Effective 03 January 2011, DTCI changed the denominator in the dimension and weight calculation from 194 to 166.

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

Dedicated truck lanes under DTCI PWS, Appendix A. Shipper Unique Requirement, which exceed the contractual capacity shall be considered additional truckloads and are subject to the normal freight ordering process outlined in this contract. An additional truckload shipment requiring pick-up in less than the initial eight (8) hour notification is subject to the EXP accessorial. The shipper will communicate the EXP accessorial when submitting the EDI request. Verbal notification must be given to the DTCI coordinator.

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

1.4.5.17.1 **FDT and DLA Disposition Service shipments:** The contractor is required to meet all expedited shipping requirements. The contractor will utilize the TFG to determine a destination's normal receiving business hours. Any shipment requiring pickup in less time than stated in paragraphs 1.4.5.8.1.1.1 and 1.4.5.8.1.1.2, the shipper must request EXP.

To define the level of service required, the shipper must authorize the EXP requirement by selecting the EXP accessorial code when creating and transmitting the EDI 219 to the contractor. The BoL will be annotated with the EXP accessorial for the expedited service to be performed.

1.4.5.18 Exception Reporting and Procedures. Contractor shall manage exceptions as outlined in PWS Appendix D.

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 government training personnel during implementation at each site for shippers, other government personnel, and government contractors on the contractor's systems (freight management system, loss and damage reporting, metrics etc), operations, and reports for initial implementation and contractor-system upgrades or modifications. The contractor shall work with the DoD to establish an on-going training curriculum for government personnel which will be kept up to date to reflect current operating procedures of the contractor. Where appropriate, the contractor shall incorporate Computer Based Training (CBT) and distance learning as part of their overall training approach. For implementation, the training for Phase I will be on-site. During Phase II and III, the contractor may conduct the training on a per-site or regional basis. For any additional site requirements under Paragraph 1.2.9 the contractor may conduct the training on a per-site or regional basis. The training shall be conducted no earlier than 4 weeks before and no later than 1 week before site implementation. The contractor shall prepare and deliver a draft training plan to the government within 30 days after contract restart. The training plan should include roles and responsibilities, schedules, and resources necessary to meet the requirements of this PWS. The Government will review and provide any recommended changes NLT 14 days from the latter of the due date or the date provided to the PMO. The contractor shall deliver a final training plan within 7 days of receipt of government changes or comments.

1.4.5.21 Reporting. The contractor shall collect all data required to provide complete insight into DTCI-wide operations and report on required metrics, baselines, and other performance data for the DTCI program as identified in Paragraph 2, Service Delivery Summary. The contractor shall supply all required performance data to the Program Management Office (PMO) and the Customer (consignor and/or consignee). The contractor's system must capture and maintain all the data elements listed in Appendix C - Required Data at the individual shipment level (transportation control number (TCN)) pertaining to material movement. (The TCN is a military unique shipment number assigned to control and manage every shipment unit throughout the transportation pipeline.) Additionally, the contractor must provide the government secure, on-line access to all data. This data must be available at all times to stakeholders via web type access through the contractor's system. It must also be exportable to Microsoft Access, Excel, or downloadable via secure file transfer protocol (FTP) in an agreed upon format.

1.4.5.21.1 Access to Data. The contractor shall provide web-based access to all DTCI shipment data in the contractor's possession to the DTCI Program Manager or the CO.

1.4.5.21.2 Reporting Performance Requirements. The contractor shall provide monthly reports as identified in Table 5. These reports shall include information at the overall performance level DTCI-wide and at

shipper specific location levels. The reports shall be provided to the DTCI Program Manager (PM) (or his designee) and the individual shipper locations on the 15th business day of each month after implementation start for the shipments delivered the previous month. All reports shall be accessible electronically via the web. All reports can be in the format developed by the contractor with the exception of number 9, Accessorials and Exceptions (reference Table 5) and FDT shipments, 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. For sites under a regional or joint base transportation office (e.g. RTO – Norfolk or JB San Antonio), satellite site level performance will be reported only for those sites that make up the majority (85%) of the total volume of shipments under the regional office. For example, RTO – Norfolk has 15 satellite shippers, however; 7 (seven) of these sites make up 85% of the total RTO – Norfolk volume. Therefore, these 7 (seven) sites will be listed individually on each category of reports and the remaining sites will be rolled up as “other RTO Norfolk” for each category of reports.

Table 5. Transportation Reports

	Report Name	Report Description
1	Trailer pool availability	Manual yard management report. Distribution center location specific. (Only pertains to those sites with a permanent on-site DTCI contractor representative.) Reports will be provided directly to the affected site TO daily or as required by local requirements. Ad hoc capability should be available upon request.
2	Carrier on-time performance Summary (per site)	Summary of on-time loads for each carrier. Report format based on a 12 month rolling schedule.
3	Contractor score card	Measures contractor performance freight pay vs. contract standards and business rules. Monthly report based on a rolling 12 month schedule. Freight payment performance should consider both payment to the contracted carrier and closing out invoices with the government. Track and trace need not be reported monthly; however, ad hoc capability should be available upon request.
4	Percentage of premium (expedited) freight	Deleted
5	Loss and damage claims performance	Monitors freight claims by customer based on performance (e.g. claims submitted/closed, average days to close, and recovered amount). 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. Monthly report shall show rolling 12 month schedule. Loss/damage percentage will be reported during the PMR/AFRB venues or as requested by PMO.
6	Percent of order consolidation	Deleted
7	Delivery summary – enterprise level	Measures enterprise-wide delivery performance by mode and contractual definition. Delivery summary should only report completed shipments (to include all known exceptions). Pending exceptions should not be reported. Report format using a 12 month rolling scheduled.
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. Report should be viewed by mode and cost per mile; cost per hundred weight; or cost per pound where appropriate. Report format using a 24 month rolling schedule.

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. Report format using a 12 month rolling schedule for accessorial usage and a 24 month rolling schedule for exceptions usage.
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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 quarterly basis in conjunction with Award Fee Review Board meetings (both Interim and End of Period). For planning purposes, the D-PIT meetings will be held at or in the vicinity of Scott AFB, IL.

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

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

1.4.5.23.1 Liability Standard. Whether the contractor functions as a transportation provider itself or whether the contractor enters into a contractual or other arrangement with a transportation provider, the transportation provider shall be liable to the government for not less than the actual loss or injury to the property transported under a Task Order (BoL) pursuant to this contract while the property is in the possession of the transportation provider. The transportation provider shall not be liable to the extent such loss or damage is caused by an act of God, of a public enemy, of a public authority, of the shipper, or due to the inherent vice or nature of the goods. 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 November 2012), Defense Transportation Regulation (DTR) 4500.9-R, Part II Cargo Movement (June 2008), 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 (July 2011), DTR 4500.9-R, Part II Cargo Movement (June 2008), 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, 4500.9-R, Part II Cargo Movement (June 2008), including assisting the government with the development of Transportation Discrepancy Reports in accordance with Chapter 210 (updated November 2012), DTR, 4500.9-R, Part II Cargo Movement (June 2008), 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 Emergency Notifications, Astray Freight, and Government Cargo Recovery Effort (GOCARE).

1.4.5.25.1 Emergency Notifications. The Contractor shall report emergencies (e.g. accidents, incidents, significant delays) using USTRANSCOM's LOGBOOK application tool. The URL is <https://logbook.transcom.mil/elbnet/Logbook.aspx>. If the tool is unavailable or out of service, telephonic notifications will be made to **1-800-524-0331**.

The number for non-explosive hazardous cargo emergency response guidance is **1-800-851-8061**

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

1.4.5.25.2 Astray Freight. The contractor shall report astray freight. When a Menlo sub-contracted carrier discovers astray freight in their terminal or warehouse the carrier shall do the following:

- (1) Seek assistance from local GOCARE representatives as indicated in the SDDC GOCARE Guidelines
- (2) If the local representative is unavailable, or not known, call the number below in paragraph 4.
- (3) Pending final disposition a carrier may turn the astray shipment over to the nearest military transportation office
- (4) DOD-registered carriers should be provided with GOCARE posters and booklets, which are available from the following address: Military Surface Deployment & Distribution Command, Attn: AMSSD-SBI-Q, 1 Solider Way, Bldg. 1900W, Scott AFB, IL 62225
Telephone Commercial: (618) 220-6886 or 6791, DSN 770-6886 or 6791
HOTLINE: 800-526-1465
Email: sddc.ops.gocare@us.army.mil

1.4.5.25.3 GOCARE.

(A) The contractor shall participate in the SDDC GOCARE Program in an effort to help resolve astray government shipments. As a participant in the GOCARE program, the contractor and/or its sub-contracted carriers shall allow government GOCARE POCs access to freight terminals/yards to inspect for potential astray government freight.

(B) Carriers will be provided the **GOCARE HOTLINE number, 800-526-1465** to report suspected astray government freight. The Contractor and/or its sub-contracted carriers shall allow government GOCARE POCs access to freight terminals/yards to inspect for potential astray government freight with prior approval. All visits to carrier facilities should be coordinated with the Coordinator in advance and scheduled for a mutually convenient time.

(C) The contractor will report astray freight to SDDC at (618)220-6886/6791 and receive specific instructions on how to handle recovered freight. SDDC will furnish the forwarding/disposition instructions to the contractor. If instructions are not provided, the contractor will notify the TO closest to the location where astray freight is held for instructions.

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/guidebook.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/>. 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 DTCI, 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 DTCI, 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 DTCI. Additional detail regarding the IA controls can be found in DoDI 8500.2, Enclosure 4, Attachments 3 and 5.

Table 6. DTCI-required Information Assurance Controls		
Mission Assurance Category (MAC) III Controls for Integrity and Availability for DTCI		
Subject	Control Number, Name	IA Service Area
Security Design and Configuration		
	DCAR-1 Procedural Review	Availability

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

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

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

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

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

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

1.4.6.1.4.1.2 The contractor must authorize a network and system validation test of the applicable IA controls by DoD representatives NLT 60 days after contract restart to support an IATO accreditation decision. The IATO accreditation decision will specify an Authorization Termination Date (ATD) that is within 180 days of the authorization date. A DoD information system may not be granted more than two consecutive 180-day IATO's. A request for IATO must be accompanied by a Plan

of Action and Milestones (POA&M) for correcting or satisfactorily mitigating any identified weaknesses. Before an IATO will be granted, the contractor will be responsible for taking corrective action based upon the impact and severity of identified weaknesses.

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

1.4.6.1.4.2 The Contractor shall be compliant with DOD Security Policies on Public Key Infrastructure (PKI) (as defined by memo JTF GNO CTO 07-15, Public Key Infrastructure (PKI), Phase 2). The Contractor shall provide Single Sign-On capability using DOD digital certificates (CAC enabled), encrypted cookie authentication or transportation worker identification credential for authentication to gain access to the transportation management system.

1.4.6.1.4.3 **Data Interchanges.** The contractor shall exchange shipment data with the three DoD shipper systems via electronic data interchange (EDI) transactions, and, on a limited basis as required, via other means such as Extensible Markup Language (XML)-based exchanges. For EDI exchanges, the contractor shall establish a secure primary connection with the DoD shipper systems through a value added network (VAN) via the Global Exchange (GEX), a service jointly operated by the Defense Automatic Addressing System Center (DAASC) and the DoD Business Transformation Agency (BTA). The contractor shall send and receive non-EDI transactions with the shipper systems via secure file transfer protocol (SFTP) and simple object access protocol (SOAP) and not through a VAN which is in accordance to USTRANSCOM J6 security standards.

Figure 3 illustrates the technical architecture and data flows with which the contractor shall comply. Additional detail about VANSs connected to the DAASC GEX is available at <https://www.daas.dla.mil/daashome.edi-vanlist-dla.asp>. Further details on DAASC and BTA are available at <https://www.daas.dla.mil> and <http://www.dod.mil/bta>, respectively.

1.4.6.2 Consolidation/aggregation/mode shift functionality. Upon receiving an EDI offer of freight from one of the DoD shipper systems (DSS, GFM, CMOS, or VSM), the contractor will utilize its expertise, tools, and best commercial business practices to determine the proper transportation solution to meet shippers' requirements, to include the best method (such as consolidations, aggregations, and stop-offs) and type mode to move the freight in order to lower DoD cost and/or meet the MDD. The contractor will relay its transportation solution and shipment plan via EDI back to the shipper system. Government shipper systems will make appropriate software and hardware changes and/or enhancements to receive the specific shipment instructions from the contractor's transportation management system and execute those instructions as appropriate.

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>. The new DSS XML/SOAP interface will be used by DSS in the "dimension and weight" process in DLA distribution centers. DSS generates a pre-alert and forwards it to XML-SOAP for Mode Instructions. DSS receives the modal instructions from XML-SOAP and uses this data to route the freight through the system and prepare the formal request for transportation. Files sent in XML format rather than EDI format will

remove and expedite files absorbed directly by ONE TMS rather than translated. Figure 3 is also revised to add a box above DTCI Coordinator that states “XML SOAP.”

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

Figure 3.

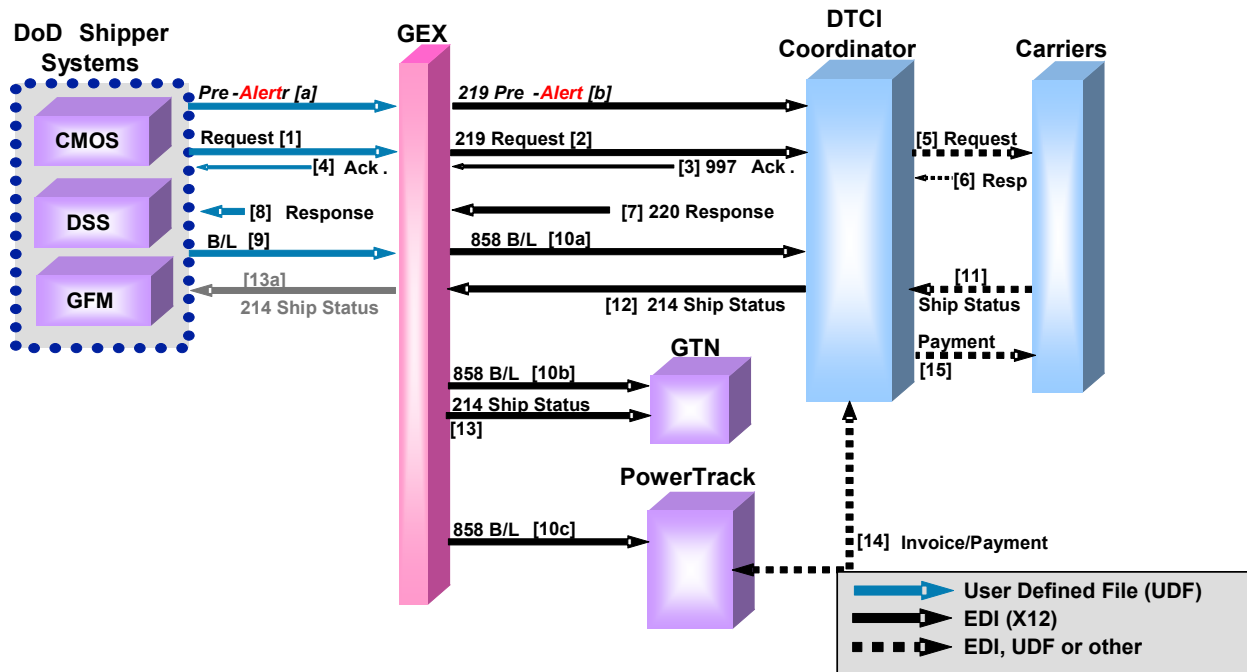


Table 7 below describes in detail the trading partner data exchanges for DTCI. Additional detail regarding the EDI exchanges can be found at the Defense Transportation Electronic Business committee’s web site located at <https://dteb.lmi.org>.

Table 7. Data Exchanges for DTCI

Step	Sending Party	Receiving Party	Data Format	Description
a	DDC Shipper System (DSS)	GEX	UDF pre-alert	A DDC shipper generates a pre-alert, and forwards it to GEX. Note: does not apply to Service shippers..
b	GEX	DTCI Coordinator	ASC X12 219	GEX receives the pre-alert, converts it to an ASC X12 219 EDI set and forwards it to the coordinator. The coordinator, if able, conducts early shipment optimization planning while awaiting the formal request for transportation.
c	DDC Shipper System (DSS)	DTCI Coordinator	XML 219	A DDC shipper generates a pre-alert for a “direct load” shipment, and forwards it directly to the DTCI Coordinator
d	DTCI Coordinator	DDC Shipper System (DSS)	XML 220	The DTCI coordinator, if able, conducts early shipment optimization planning while awaiting the formal request for transportation, and returns a response directly to DSS.
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.

1a	Vendor Shipment Module (VSM)	GEX	EDIX12 219A	VSM generates a request for transportation for the coordinator and forwards it to GEX.
2	GEX	DTCI Coordinator	ASC X12 219	GEX converts the request into an ASC X12 219 EDI set and forwards it to the coordinator.
3	DTCI Coordinator	GEX	ASC X12 997	Upon receipt of the 219 transportation request from GEX, the coordinator shall respond with an ASC X12 997 functional acknowledgment.
4	GEX	DoD Shipper System	UDF acknowledgment	GEX receives the 997 acknowledgment from the coordinator, converts it into the appropriate UDF, and forwards it to the shipper system instance that generated the request. (GEX also may forward the untranslated 997 directly to the shipper system if desired.)
5	DTCI Coordinator	Carriers	UDF transportation response	After receiving the 219 transportation request, the coordinator engages its network of carriers to secure transportation arrangements in accordance with the shipper's request. Where possible, the coordinator conducts shipment optimization and consolidation among several requests it receives from shippers.
6	Carriers	DTCI Coordinator	UDF transportation arrangement acceptance	The carrier confirms its arrangements with the coordinator, including any special equipment requests.
7	DTCI Coordinator	GEX	ASC X12 220	Within 4 hours of receiving the 219 transportation request from GEX, the coordinator shall respond with an ASC X12 220 transportation response, containing the carrier and equipment details, and a not-to-exceed (NTE) rate for the shipment.
8	GEX	DoD Shipper System	UDF transportation response	GEX receives the 220 response from the coordinator, converts it into the shipper system's UDF, and passes it to the requesting shipper location.
8a	GEX	VSM	EDI X12 220A	GEX receives the 220A response from the coordinator and passes to VSM.
9	DoD Shipper System (DSS and VSM included)	GEX	UDF bill of lading (858R)	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 Syncada)	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: ➤ Shipment pickup

				<ul style="list-style-type: none"> ➤ Shipment delivery ➤ Any event which will cause the carrier to miss its scheduled/required delivery
12	DTCI Coordinator	GEX	ASC X12 214	The coordinator shall convert this notification into an ASC X12 EDI 214 shipment status message and shall forward it to GEX within 2 hours of the shipment status event.
13	GEX	GTN	ASC X12 214	GEX forwards the 214 status message to GTN, which it appends to the 858 bill of lading it received from the DoD shipper system.
13a	GEX	DoD Shipper System	UDF status message	If desired by the shipper, GEX will convert the 214 into a UDF and forward it to the appropriate shipper system location.
14	DTCI Coordinator	Commercial Bank	EDI invoice, EFT payment	The coordinator shall bundle shipment movement data, at the bill of lading and TCN level of detail, and shall invoice the Commercial Bank for the transportation costs. Upon web-based validation by the shipper, Commercial Bank pays the coordinator via electronic funds transfer (EFT).
15	DTCI Coordinator	Carrier	EFT payment	When paid by the Commercial Bank, the coordinator shall in turn pay its carriers for shipments they transported.

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

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

1.4.6.4.1.1 Simple queries completed in less 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 Alt II, Small Business Subcontracting Plan (April 2008), incorporated into Section I of the contract, the contractor shall submit an Individual Subcontracting Report (ISR), and a Summary Subcontract Report (SSR), 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. The Contractor shall use the Electronic Subcontracting Reporting System (eSRS), which is an internet system launched by the Small Business Administration.

- 1.4.7.3 Small Business Interaction.** The contractor shall submit a quarterly report to the DTCI CO describing the specific efforts the contractor has made to meet the small business subcontracting goals established in the contractor's approved subcontracting plan. The first quarterly report is due 90 days after contract restart. As a result of contract restart on November 2, 2007, quarterly small business reports are due February 1, May 1, August 1, and November 1 of each year. Reports shall describe the following at a minimum: (1) efforts the offeror has made to ensure all categories of small businesses have been given an equitable opportunity to compete for subcontracts; (2) outreach efforts undertaken to identify various categories of small businesses to facilitate their participation as subcontractors; and (3) assistance provided to various categories of small businesses to facilitate their participation as subcontractors.

1.4.7.4 Transparency Website. The contractor shall develop and implement a web-site capability for DTCI subcontract carriers or interested carriers to submit their concerns, grievances, complaints or disputes in a structured format. The contractor shall respond to all concerns, grievances or disputes received in a timely manner. The contractor shall periodically review the number and types of complaints received to identify adverse trends which warrant a change to their subcontract management practices to ensure fair and equitable treatment of its subcontract carriers. The contractor shall make available the criteria for selecting, suspending, terminating, and reinstating subcontract carriers. The Contractor shall notify its subcontract carriers and other carriers interested in doing business under DTCI of its web-site information. At each Program Management Review (PMR), the contractor shall brief the DTCI Program Management Office (PMO) on subcontract carriers who have entered the program, subcontract carriers who have been suspended or terminated from the program, and subcontract carriers that have been reinstated to the program.

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 DTCI-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.** The overall classification of work associated with this PWS is at the UNCLASSIFIED level. All employees assigned to this contract will require favorable suitability for a Public Trust. A DD Form 254 is not required. Contractor provided on-site personnel must comply with local installation policies and security requirements.
- 5.2.1 Positions designated by the Government at the Sensitive/ADP-III/IT-III rating require a NACI favorably adjudicated (a favorable adjudication issues a Position of Trust determination as prescribed by DOD 5200.2-R and DOD DTM 08-003 (Dated Dec 08). Favorable NACI results must be posted in the Joint Personnel Adjudication System (JPAS) before a Common Access Card (CAC) or Non-classified Internet Protocol Router Network (NIPRNET) access will be granted. To obtain interim CAC/NIPRNET access, NACI investigations will be opened with fingerprint, name and criminal records checks returned favorably before the credentials (CAC and NIPRNET) are issued. No classified access will be granted based on the NACI investigation.
- NOTE: The above requirements for Sensitive/ADP-III/IT-III are for access to unclassified systems only. Contractors who require access to classified systems or areas must have interim or final adjudication of background investigations at the Critical or Non-Critical Sensitive levels. SDDC G2 will only process National Agency Check with Inquiries (NACI)/Position of Trust investigations and will not complete any personnel security investigations for classified access. It is incumbent upon the contractor to have the appropriate investigations completed upon start of the contract.
- 5.2.2 Personnel Validation: Once contract is awarded, all names of contract employees will be submitted to HQ SDDC G2 for vetting through JPAS to ensure investigative requirements have been obtained. This will be completed prior to the COR/Trusted Agent (TA) submitting new contract employees for the Common Access Card (CAC) in the DMDC, Trusted Associate Sponsorship System (TASS). If a contract member does not have the appropriate investigative requirement the contract employee will be denied the ability to work in support of this PWS and will not be loaded into (TASS).
- 5.2.3 Common Access Card Issuance Procedures: Upon notification by HQ SDDC G2 that contractor personnel meet the required investigative criteria, the personnel will be loaded in CVS for an expiration on their CAC for the base year, plus two option years, for a three year total, if the contract is fully funded. If the contract is unfunded or funded on a yearly basis requiring recertification of funding SDDC AQ, CACs will only be loaded for the current period of performance.
- 5.2.4 Persons employed by Army contractors will report threat-related incidents, behavioral indicators, and other matters of Counter-Intelligence (CI) interest specified in AR 381-12, chapter 3, to the Facility Security Officer, the nearest military CI Office, the Federal Bureau of Investigation, or the Defense Security Service.
- 5.2.5 The Government shall ensure roles/privileges assigned to contract employees on the Government computing platforms are limited to those required for that individual's performance of their assignments. These roles/privileges can be limited or revoked by the Government for any reason.
- 5.2.6 Derogatory Information. If the Government notifies the contractor that the employment or the continued employment of any contractor personnel is prejudicial to the interests or endangers the security of the United States of America, that employee shall be removed and barred from the worksite. This includes security deviations/incidents and credible derogatory information on contractor personnel during the course of the contract's period of performance as noted in JPAS. Personnel who have incident reports posted in JPAS will be denied the ability to support the contract until the issues have been resolved and the incident has been removed in JPAS. The contractor shall make any changes necessary in the appointment(s).
- 5.3 Identification Badges.** Contractor personnel assigned to on-site support shall obtain all necessary base passes. Contractor employees shall wear an identification badge visible at all times while on government property.

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

6. Contract Deliverables.

Deliverable	PWS Reference	Draft Schedule	Final Schedule
Pre-Program Management Review (PMR) Agenda and Briefings	1.2.3	N/A	NLT 3 days prior to scheduled PMR
Post-Program Management Review (PMR) minutes	1.2.3	N/A	NLT 10 days following PMR
Implementation Plan	1.2.8.1	Draft plan due 15 calendar days after contract restart	7 days after receipt of government comments
Transportation Reports	Table 5.	Draft skeleton reports due within 60 days after contract restart	15 th business day of each month beginning 15 May 08
Draft DTCI Test Plan	1.2.8.4	NLT 15 calendar days after contract restart	N/A
Final DTCI Test Plan	1.2.8.4	N/A	NLT 30 calendar days after contract restart
Site Specific Test Plan Addendum	1.2.8.4	N/A	NLT 30 calendar days prior to implementation
Test Report	1.2.8.4	N/A	NLT 14 calendar days from conclusion of site operational

			testing
Inspection System Documentation	1.4.5.4.4	NLT 30 days after contract restart	NLT 10 days following receipt of government comments
Training Plan	1.4.5.20	NLT 30 Days after contract restart	7 days after receipt of government comments
Draft Security Policy	1.4.6.1.4.1.1	N/A	NLT 15 days after contract restart
System/Security Architecture Diagram	1.4.6.1.4.1.1	N/A	NLT 15 days after contract restart
System Availability Report	1.4.6.10	N/A	Due every 90 days following initial site implementation
Small Business Interaction Report	1.4.7.3	N/A	Due every 90 days following contract restart

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

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

Appendix A: Shipper Unique Requirements

Appendix B: Accessorial Codes

Appendix C: Reporting Data Requirements

Appendix D: Exception Codes

Appendix E: Training Events (TBP)

Appendix F: Technical Directives

Appendix G: Account Management Plan

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
FDT	First Destination Transportation
FTP	File Transfer Protocol
GEX	Global Electronic Exchange
GTN	Global Transportation Network
GFE	Government Furnished Equipment
GFS	Government Furnished Software

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

Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Calculate dimensional weight for air shipments:

Multiply length X width X height. Divide by 166. Round all calculations up to the nearest pound. Multiply then by the quantity of applicable pieces.

Example: 2PCS – 24” X 36” X 48”/166 = 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.

DLA Disposition Service shipment – DLA Disposition Services disposes of excess property received from the military services.

Drayage – Movement that terminates within 30 miles of origin.

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

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

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

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

Expedited – The contractor is required to meet all expedited shipping requirements. An Expedited Service shipment; e.g., counter-to-counter, next flight out, Casualty Report (CASREP), Aircraft on Ground (AOG), Partially Mission Capable-Supply (PMCS), Non-Mission Capable-Supply (NMCS) or Mission Impaired Capability Awaiting Parts (MICAP) support requirements, is defined a shipment (air or surface) requiring a pick-up in less than the contractual requirement for pick-up within 8 operational hours (For Air Force only - 6 hours after permit receipt for OD/OW). (See PWS 1.4.5.17 for additional information.)

First Destination Transportation - The transportation of materiel from the vendor to the point of delivery where the Department of Defense (DOD) agency initially takes possession is referred to as First Destination Transportation (FDT). In this case, the procurement source is any supplier outside of the DOD supply system or any DOD industrial activity that fabricates new materiel. For purposes of this PWS, the procurement source or the first point of delivery is limited to CONUS suppliers and shipments to CONUS destinations or to the CONUS port of embarkation.

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 MDD is the latest date and/or date and time (as applicable) that a shipment must be delivered. The MDD is requested by the TO. Weekends and federal holidays will not be counted as transit days for Air and LTL shipments. Transit time begins the 1st business day following pickup with the following exceptions:

1. For LTL and non-expedite air freight shipments, if pickup occurs after site cutoff time on Friday, any time on Saturday or any time on Sunday, transit time will be calculated as if the shipments picked up on Monday. Meaning the first transit day would be Tuesday.
2. For any air shipments picked up after site cutoff time on Friday, any time on Saturday or any time on Sunday with a Monday MDD, the shipping activity must request and approve "EXP" on the shipment to ensure Monday delivery in accordance with 1.4.5.17. The shipping activity should also make verbal notification to the contractor of the EXP request. Shipments should be delivered NLT COB on the last day of authorized transit.
3. For any air shipments picked up after site cutoff time on Friday, all day Saturday and all day Sunday with a Monday MDD, the shipping activity must request and approve "EXP" on the shipment to ensure Monday delivery in accordance with 1.4.5.17. The shipping activity should also make verbal notification to the contractor of the EXP request. Shipments should be delivered NLT COB on the last day of authorized transit.

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 (e.g. Scheduled LTL/Air pickups). For Air Force only, over dimensional /overweight permitted loads shall be picked up within 6 operational hours from receipt of permit. Rail (boxcar/flatcar) pick up will be coordinated with the shipper. For scheduled trucks, pick-up times shall be specifically agreed to during the Site Unique Requirements Visit (SURV) and will vary by site. The contractor shall abide by the Dedicated Truck Schedule provided monthly by DDC. The pick-up times agreed to during the SURV shall apply for the duration of the contract. If, however, changes are required due to mission requirements, the shipper may request a change to pick-up times. Any changes must be coordinated with the Service/DLA COR and the PMO.

Pickup time – Pickup time is defined as the latest time in the day that a carrier can pickup cargo from the installation in time to meet the carriers latest line haul/air freight processing times on that same day, and be counted as the day of pickup.

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).

Site cut-off time – is the latest time that an offer can be received by the Coordinator for pickups that day.

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.

Unit Move - For the purposes of DTCI, a unit move is the movement of unit assigned equipment and accompanying supplies, from its CONUS location to/from a CONUS deployment/exercise location, staging, or holding area or to/from an aerial/seaport of embarkation/debarkation (APOE/SPOE) for onward movement within CONUS or to an overseas location in support of contingencies and/or Services, JCS or FEMA exercises or other taskings identified in Time Phased Force Deployment Data (TPFDD) or as directed by higher headquarters.

If Higher Headquarters does not direct movement via the DTCI program, then movement of the CONUS-portion of unit moves via DTCI is at the discretion of the Installation Transportation Office (ITO). The ITO, in coordination with contingency planners, exercise planners, or unit transportation officers, may direct the use of DTCI as the primary provider of transportation services for CONUS portions of the movement only. The DTCI contractor may not refuse unit moves offered for movement and will provide planning support to any organization desiring this capability, along with a cost estimate. Reference the DTCI PWS, 1.4.5.27 Surge Support, and 1.4.5.28 Large Scale Planned events, for more detailed information.

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.

Vendor - Commercial source of supply from which the Department of Defense procures material.