

**VISA EXECUTIVE WORKING GROUP (EWG)
MEETING MINUTES, 21 FEBRUARY 2002**

1. NOTICE: The Executive Working Group (EWG) was organized by the National Defense Transportation Association (NDTA) Sealift Committee in March 1995, and consists primarily of representatives from the Department of Defense (DOD), the Department of Transportation (DOT) and the transportation industry. Industry representatives on the EWG are selected by Mr. James Henry, Chairman of the NDTA Sealift Committee (telephone (301) 423-3335). The purpose of the EWG is to study transportation issues of interest to government and industry and report the status of these issues to the NDTA membership. The EWG is a forum for the exchange of information. DOD officials participating in the EWG may not transfer any authority or responsibility for government decisions to industry or to the industry members of the EWG. By making the minutes of EWG meetings available electronically, DOD, DOT, and the NDTA promote other forums for the exchange of information. DOD invites interested parties to comment on issues considered at EWG meetings, to provide additional information, or to request further information. The DOD point of contact is CDR Humberto Quintanilla, who can be contacted by e-mail *humberto.quintanilla@hq.transcom.mil*, telephone (618) 229-1529, fax (618) 256-6877, or by mail: USTRANSCOM, ATTN: TCJ5-AS (CDR Quintanilla), 508 Scott Drive, Scott Air Force Base, Illinois, 62225-5357. Interested parties also may contact the NDTA through Mr. James Henry [telephone (301) 423-3335], the DOT through Mr. James Caponiti [telephone (202) 366-5400], or any industry member of the EWG. Industry members of the EWG are (in alphabetical order):

<u>Name</u>	<u>Organization</u>	<u>Telephone</u>
Mr. Edward Fortunato	Crowley Maritime Corp.	(703) 684-3132
Mr. Michael Garvin	Matson Navigation Company	(415) 957-4200
Mr. Kenneth Gaulden	Maersk - SeaLand	(703) 351-9200
Mr. Edward Kelly	American Maritime Officers	(202) 628-6322
Mr. Ans Kristbergs	Farrell Lines, Inc.	(201) 896-8979
Mr. J. Robert Leyh	Waterman Steamship	(202) 659-3804
Mr. Eric Mensing	APL	(202) 434-8761
Mr. Steve Gill	American Roll-on Roll-off Carriers	(201) 571-0441
Mr. James Wachtel	Lykes Lines Limited	(813) 276-4698

2. The agenda is at Attachment 1.
3. The list of EWG attendees is at Attachment 2.
4. The updated list of tasks from the EWG is shown at Attachment 3.
5. MEETING SUMMARY.

a. Opening Remarks

(1) LTG Brown (USTRANSCOM) welcomed the meeting participants. He provided an overview of Monday's NDTA/Industry Security Advisory meeting. He also commented on a meeting that Gen Handy attended on collaborative planning. One of the advantages of advanced collaborative planning would be greater potential involvement of surface transportation for the movement of contingency operations cargo requirements.

b. Operations Update

(1) ADM Fahy (USTRANSCOM) provided a courtesy recap of the 10 Dec 01 VISA members informal meeting held prior to the NDTA Security Advisory Committee meeting. A briefing

update on Operation Enduring Freedom and the movement of sustainment via surface mode was provided. The Admiral provided an overview of activities in the Philippines, Southwest Asia and the Horn of Africa.

c. Enduring Freedom Surface Update

(1) Mr. Scott Correll (USTRANSCOM) stated that Operation Enduring Freedom surface movements are increasing and will continue. Cost comparisons between air and surface movements have been accomplished by USTRANSCOM. The results show an overwhelming price advantage to moving cargo by surface. The continuing issue is timely identification of DOD requirements so that DTS has the necessary time to route movements via surface cargo.

(a) The DTS in Operation Enduring Freedom

(b) Over 3,00 refueling missions

(c) Deployed over 57,000 troops

(d) Delivered over 113,000 tons of cargo

(e) Supported U.S. and int'l humanitarian operations

1) 3.2 million Humanitarian Daily Rations

2) Over 3 million pounds of wheat

3) 80,000+ blankets

(f) A Mobility Challenge: Operation Enduring Freedom in Afghanistan

1) Landlocked

2) Limited Overflight

3) Poor Road Network

4) Limited Airfields

5) Long Distances

a) CONUS

b) Europe

6) Pol - Mil Relationships

d. USC 03 Extension Discussion

(1) Mr. Frank Giordano (MTMC) opened the discussion on extending the USC 03 contract. He stated that MTMC would like to execute the option to extend the contract and asked the carriers what their thoughts were on a contract extension. MTMC would like to propose a 6-month extension on the current contracts.

(2) Universal Service Contract 03

Extension Option

1. Universal Service Contract 03

2. Extension Option

3. Recommended at Dec 01 VISA EWG to extend USC03

4. Extension allows IPT time to simplify evaluation process and assess feasibility of multi-year contract

5. Incorporate USC03 Lessons Learned

6. Develop valid cargo projection

7. Unilateral Right of Government - prefer consensus

8. Minimums not required/Provided in USC02 per EWG Agreement

9. Determine minimum guarantee adjustments

10. Execute modifications NLT March 15, 2002

11. Decision needed quickly

(3) Discussion

Mr. Lucas asked that a decision on contract extension be made quickly. The modifications would have to be made by March 15, 2002. Carriers agreed to a six-month extension, but they expressed their concerns on minimum commitments in the contract. Some commitments may not be met. The carriers would like a more accurate estimate of the minimums. Examples of shifts due to the current world issues were made by the carriers and government. There were still concerns expressed by the carriers on the current minimums and any new route minimums.

e. VCC/DCC Extensions

(1) Mr. Giordano (MTMC) provided information on the status of VCC extensions.

(a) Executed modifications which extended VCC 01 contracts until August 31, 2002

(b) Currently updating Stage III rate package to include audits received since initial submission

(c) 90-day extensions of VCC 01 are necessary

(2) Mr. Jim Fischer (MSC) stated that the DCCs are good up to August.

(3) Discussion

(a) Carrier audits were discussed. DCAA is nearing completion of the current audits. The government mentioned indexing of carrier rates. It would be modeled on commercial indices. The Method A & B contracts would be adjusted according to the index. Some carriers have developed automated tools to generate their future rates.

f. Rapid Improvement Team (RIT) Update

(1) Mr. Correll (USTRANSCOM) provided a progress update on the RIT activities. The RIT met its objectives and has provided valuable results.

(a) Rapid Improvement Team (RIT) Update by topic

1) Dedicated Liner Service

a) Not enough requirements to warrant continued pursuance

2) Tug and Barge

a) No pre-pricing of tug and barge services

3) Payment Process

a) Process was too large for RIT to tackle during this period

b) Will be addressed separately

(2) MAJ Todd Robbins (USTRANSCOM) briefed the sunset of the RIT and proposed next steps. There is work to be accomplished on the payment process as well as continued contract refinement. A government team will identify areas for additional effort. The target areas will be briefed to the EWG members at a future meeting.

(a) Review of Findings

(b) Identification of potential topics for further refinement

(3) Discussion.

- (a) Mr. Bill Lucas (MTMC) advised that MTMC would remove Dedicated Liner as well as Tug and Barge specifications from USC 03. Carrier RIT members agreed that requirement for Dedicated Liner service was too small to continue efforts. The carrier members suggested a JPAG with additional functional area involvement. It was suggested that contracting officers, voyage planners, lawyers and others from the carrier side would be involved in the JPAG process. The government would have similar individuals attend. The business side of the VISA activation process would be exercised. Areas of specific interest are the payment process and VCC/DCC execution during activation.
- (b) Interest in incorporating a Basic Operating Agreement (BOA) into USC03 was met with both concern and interest from the government and carriers. It would provide some added flexibility, but its use in the current contract may not be in accordance with the FAR. Concepts of the BOA may be integrated into the next contract. It was also mentioned that more interagency involvement was required in analyzing the use of a BOA. Additional efforts to ensure their involvement will be made for the next meeting.
- (c) Note: Carriers were concerned about a MTMC released contract for storage in Mombasa and a separate MSC inquiry into carrier availability in SWA. Short notice, splitting of services, and lack of contact were all issues expressed by the carriers. LTG Brown addressed some the concerns, but will have Mr. McMillin gather additional information on the issue.

g. Security Clearances Issues and Procedures

- (1) Mr. Owen Doherty (MARAD) provided an update on member security clearances. Process diagrams were presented that showed the interaction of MARAD, DSS, and the Carriers in obtaining their security clearances. Success stories of some of the carriers in getting their clearances were also discussed.
 - (a) Security Clearances
Improvements and progress has been made in members obtaining their security clearances. However some members must still finish the process. The process for facility and individual clearances was described. Mr. Doherty has been contacting VISA members to remind and assist them in obtaining their clearances. His contact information is:

Email - owen.doherty@hq.transcom.mil
Telephone number: 618-229-1450
Fax number: 618-256-6877
 - (b) Facility Clearance Process
 - 1) MARAD's Director, Office of Sealift Support, forwards DD-254 for VISA Carrier Participant
 - 2) MARAD's Security Officer receives DD-254 and forwards to DSS
 - 3) DSS performs initial investigation
 - 4) Interim Facility Clearance is granted by DSS if there are no problems
 - (c) Individual Clearance Process
 - 1) Facility clearance is approved by DSS
 - 2) Individuals are required to submit clearance paperwork to DSS

- 3) DSS will grant Interim clearance if no problems found on initial review
- 4) Cleared VISA Participant can attend Secret level meetings

(d) Discussion

It was noted that the Carriers must monitor their clearance expirations and initiate actions when their clearances are due for renewal and not let them lapse.

h. Mariner Manning Survey Update

- (1) Mr. Jim Caponiti (MARAD) briefed the members on the efforts underway to collect data on mariners. MARAD believes that there is a manpower problem in relation to mariners. There is no current source of data for an accurate accounting of personnel and their skills.
 - (a) MARAD is further developing their Mariner Tracking System.
 - (b) The Coast Guard is proposing the development of a system to catalog mariners and their certifications.
 - (c) MARAD is working with the Navy on a Memorandum of Agreement pertaining to the use of Merchant Marine Reserves once they are activated.
 - (d) New survey is being developed to gather additional information and assess interest from respondents. Survey will be open to other organizations for their input.

(2) Discussion

- (a) No definitive mariner count is available

i. Mariner Update

- (1) Mr. Ed Kelly (AMO) briefed members on the activities of American Maritime Officers (AMO) Simulation, Training, Assessment, and Research Center (STAR). Mr. Kelly informed the attendees on mariner issues, chem/bio training, and provided the opportunity for a guided tour of the training programs conducted at the STAR Center.
 - (a) Mariner Recruitment
 - 1) Programs to recruit new mariners are underway
 - (b) Mariner Retention
 - (c) Mariner Manning
 - (d) Chem/Bio Training
 - 1) Multiple courses are offered
 - a) A one day course with equipment
 - b) A five day course is available on the East and West coasts
 - (e) Chem/Bio Training Status within Industry
 - (f) Training Facility Tour

(2) Discussion

- (a) The STCW requirement has been extended by six-months. It is believed that after the deadline for STCW has expired, all interested mariners will have updated their certification. Vessel security issues are being addressed. Security officers for companies and for ships along with security plans for ships and offshore are all being addressed and developed.
- (b) Port vulnerability assessments are underway. Port of origin container inspection and profiling cargo are being considered. Security with continued flow of cargo is the goal.

j. EWG Recognition

- (1) LTG Brown thanked Mr. Ed Kelly and other members of the STAR Center for their hospitality and presentations. In addition, Mr. Eric Mensing (APL) was recognized for his participation and commitment to VISA and the Defense Transportation System. Mr. Mensing is in moving to another position within APL and will no longer be a member of the EWG. LTG Brown also noted that RADM Fahy was retiring soon and that this was one of his last EWG meetings.

k. Port Tour

- (1) Members gathered for a tour of Crowley's Port Everglades facility.

l. Review the Taskers. See Attachment 3.

m. Review/Amend EWG Schedule

- (1) Current schedule shows the following dates:
- (2) EWG meeting on 21 Mar 02

21 Mar 02 VTC	16 Jan 03
18 Apr 02 Scott AFB	20 Mar 03
16 May 02 (tentative VTC)	15 May 03
20 Jun 02 (Washington DC TBD)	17 Jul 03
18 Jul 02 (tentative VTC)	18 Sep 03
15 Aug 02 (TBD)	20 Nov 03
19 Sep 02 (tentative VTC)	15 Jan 04
17 October 02 (TBD)	
14 Nov 02 (tentative VTC)	
12 Dec 02 (TBD)	

n. Friction Points/Issues

None

o. Rate the EWG Meeting. Ratings: 9.15 9 9.07 9.07

p. Closing Remarks

LTG Brown thanked the VISA EWG members for their attendance.

6. Point of contact for updates or corrections to these minutes is CDR Humberto Quintanilla at (618) 229-1529, fax (618) 256-6877, e-mail: humberto.quintanilla@hq.transcom.mil.

Attachments:

1. EWG Agenda
2. EWG Attendees
3. Tasker list from EWG

**VISA EXECUTIVE WORKING GROUP
21 FEBRUARY 2002**

AGENDA

Time	Topic	POC
0800	Opening Remarks	DCINC
	Operations Update (Unclass)	TCJ5
	<ul style="list-style-type: none">• Operational Overview• Sustainment Update	
	USC 03 Extension Discussion	MTMC
	Rapid Improvement Team (RIT) Update	TCJ4-BCQ
	<ul style="list-style-type: none">• VISA Carriers Comments on Military RIT's Briefing Charts• BOA Concept Paper for Logistical Services in Hot Spots	Mr. Gaulden / Mr. Mensing
	Security Clearance Issues/Procedures	MARAD
	<ul style="list-style-type: none">• Follow -up	
1100	Working Lunch	EWG Members
	Mariner Manning Survey	MARAD/USTC/ MSC
	<ul style="list-style-type: none">• Update	
	Mariner Update	Mr. Kelly
	<ul style="list-style-type: none">• Mariner Recruitment• Mariner Retention• Mariner Manning• Chem Bio Training• Chem/Bio Training Status within Industry• Training Facility Tour	
1300	Review/Amend EWG Schedule	Mr. McMillin
	Review EWG Taskers	Mr. McMillin
	Friction Points/Rate the Meeting	DCINC
1310	Closing Remarks	DCINC
1315	Meeting Adjourns	
1330	Transportation Departs for Crowley Facility	Mr. Fortunato
1400	Arrive Crowley Facility. Walk-through Tour	Mr. Fortunato
1600	Transportation Departs Crowley Facility for AMO STAR Center	Mr. Fortunato

ATTENDEES FOR 21 FEBRUARY 2002 EWG MEETING

LTG Daniel Brown	USTRANSCOM/TCDC
RADM Edward Fahy (Ed)	USTRANSCOM/TCJ5
Brig Gen James Swanson (Jim)	USTRANSCOM JA
Mr. Daniel McMillin (Dan)	USTRANSCOM J5-V
Mr. James Caponiti (Jim)	MARAD
Mr. Owen Doherty	MARAD
Mr. Richard Haynes (Rick)	MSC
Mr. John Henry	MSC
Ms. Anne Dougherty	MSC
Mr. Alan Mendelsohn	MSC
Mr. James Fischer (Jim)	MSC
Mr. William Lucas (Bill)	MTMC
Mr. Francis Giordano (Frank)	MTMC
Mr. Greg Ircink	MTMC
Mr. Mark Trechter	DCAA
Mr. Kenneth Gauden (Ken)	Maersk Line Ltd.
Mr. Eric Mensing	American President Lines, Ltd.
Mr. James W. Wells (Jim)	American Roll-On Roll-Off Carrier, LLC
Mr. Edward Fortunato (Ed)	Crowley Logistics
Mr. Michael Garvin (Mike)	Matson Navigation Company
Mr. James Wachtel (Jim)	Lykes Lines Limited, LLC
Mr. James Madden (Jim)	Farrell Lines / P&O Nedlloyd
Mr. Edward Kelly (Ed)	AMO
Mr. Lary Mohl	USTRANSCOM JA
Mr. Roger Correll (Scott)	USTRANSCOM J4-BCQ
Mr. Dave Dias	USTRANSCOM J5-A
Mr. Kenneth Mills (Ken)	USTRANSCOM J5-AS
MAJ Todd Robbins	USTRANSCOM J5-AS
Mr. John Boysha	Stanley Associates

TASKERS FROM 21 FEBRUARY 2002 EWG

TASK

ECD

1. Develop more inclusive JPAG exercise
Lead: CDR Burt Quintanilla
2. Gather additional information on Mombasa storage and MSC vessel RFI
Lead: Mr. Dan McMillin
3. Ensure invitations to attend EWG's are made to all government agencies
Lead: Mr. Ken Mills
4. Establish a USC04 IPT
Lead: Mr. Dan McMillin
5. Generate discussions with carriers on a BOA-type concept paper for logistical services in hot spots
Lead: Mr. Frank Giordano