

Request for Information

V – Department of Defense Third Party Transportation Coordination and Related Services

Sources Sought Notice

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Classification Code V – Transportation, travel, & relocation services

NAICS Code: 488510 – Freight Transportation Arrangement

Contracting Office Address

United States Transportation Command, TCAQ (DTCI), 508 Scott Drive, Scott AFB IL 62225-5357

Title: Defense Transportation Coordination Initiative (DTCI)

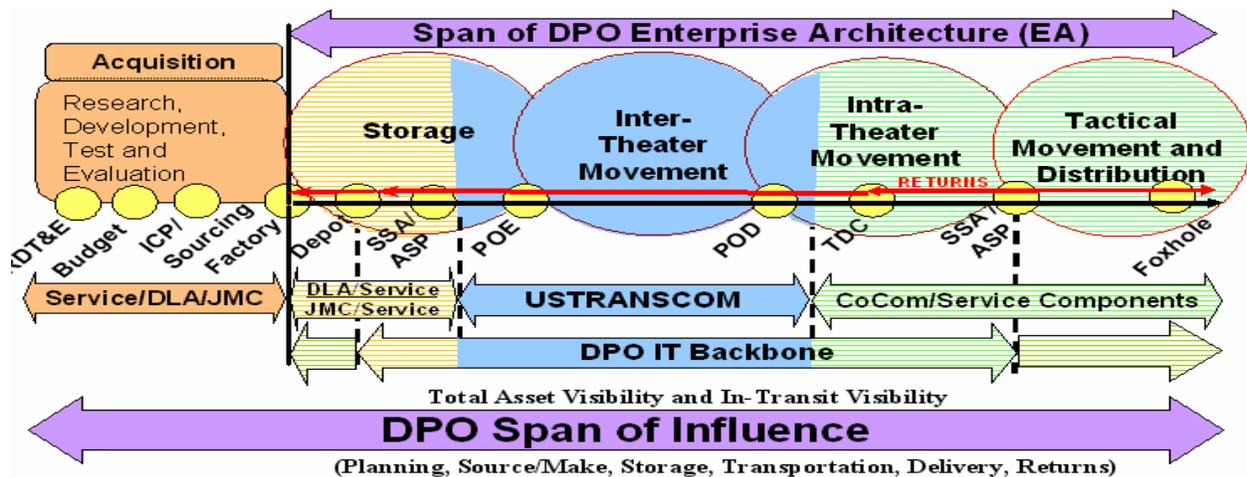
1. DESCRIPTION.

This is a Request for Information (RFI). This synopsis offers an additional opportunity for industry to elaborate on/clarify responses to the RFI and present ideas and comments on the DTCI project in regard to commercial best practices and commercial transportation management capabilities. The following description and background information was previously posted in our RFI dated 23 Mar 05.

The United States Transportation Command (USTRANSCOM) is responsible for providing for the transportation needs of the Department of Defense. On 16 Sep 03, the Secretary of Defense (SECDEF) designated the Commander, USTRANSCOM as Distribution Process Owner (DPO). Among the DPO's key responsibilities are to:

- Improve the overall efficiency and interoperability of distribution-related activities—deployment, sustainment, and deployment support during peace and war.
- Serve as the single entity to direct and supervise execution of the Strategic Distribution system.

The DPO's span of influence, as depicted on the following page, is from the factory, beginning with acquisition of needed supplies and materials, to the foxhole, from storage, to transport inter-theatre to transport intra-theatre, and to tactical movement and distribution.



DoD service agencies' current business processes and segregated transportation management arrangements need to be transformed to reach the desired end state of total asset management and in-transit visibility. The Defense Transportation Coordination Initiative (DTCI) is one project moving DoD closer to achieving this goal, focusing on the movement of requisitioned supplies/materials within the Continental United States (CONUS).

a. **DTCI Vision Statement:** Improve the reliability, predictability, and efficiency of DoD materiel moving within the Continental United States through a long-term partnership with a world-class coordinator of transportation management services.

b. **Goals:**

- Improve operational effectiveness
- Improve visibility, reliability, & predictability
- Improve customer confidence
- Reduce cycle times
- Increase efficiencies
- Use commercial best practices
- Ensure strong small business participation
- Performance improvement enabled by metrics
- Reduce overall cost to the government

c. **Value Proposition:** Improve performance of distribution to CONUS-based operational forces and depots--with corollary dollar savings.

d. **Strategy:** Gain management oversight of enterprise-wide transportation requirements and track performance trends and details. DTCI will:

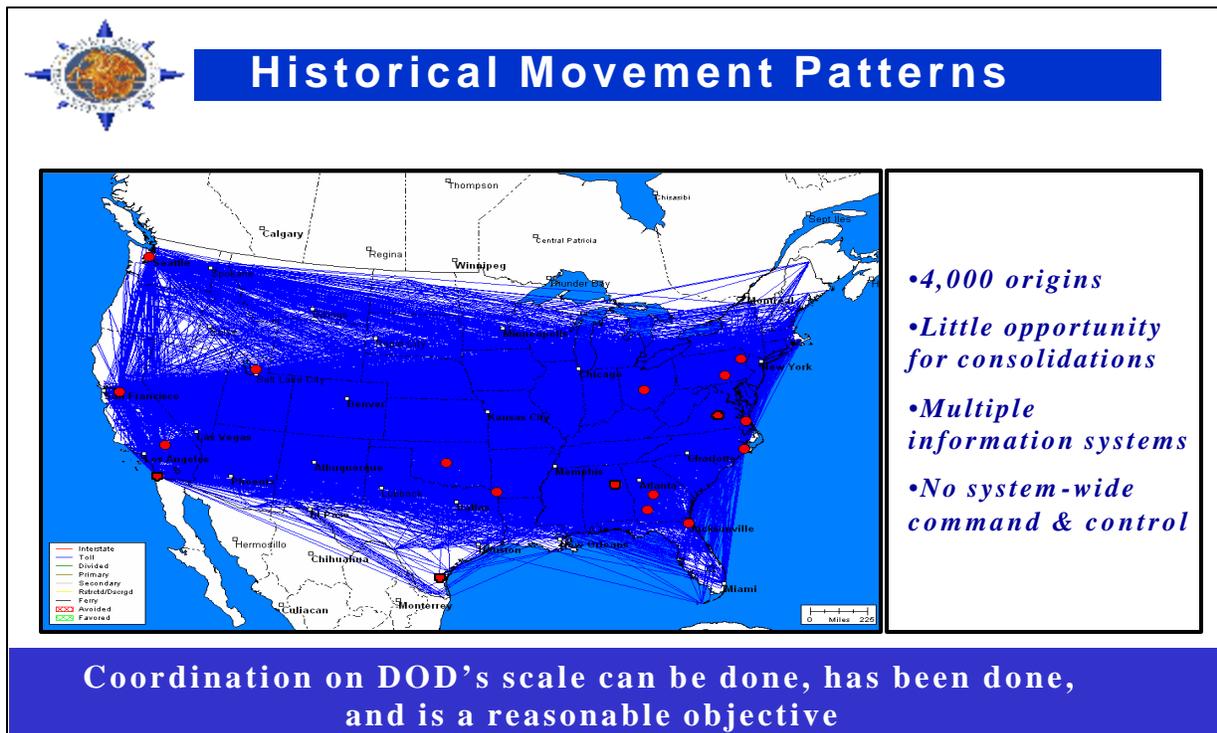
- Provide greater opportunities to generate full truck loads and modal shifts
- Provide opportunities to achieve efficiency through pooling and enroute consolidation
- Allow DoD management to re-focus more on bottom-line performance and results

- Provide needed visibility into system-wide transportation movements
- Support the capture of more effective, complete, and timely performance metrics
- Provide performance metrics against desired goals
- Allow for improved management of resources
- Allow DoD management and resources to become focused on achieving further gains in distribution efficiency and effectiveness in the future
- Manage and coordinate previously decentralized DoD domestic freight movement

The DoD is committed to continual service improvements that will result in improved support of operational forces based in the US as well as DoD repair depots. Improving visibility of all traffic movement patterns and performance across the supply chain is the key to the creation of an adaptive supply chain. In addition to operational benefits, the corollary dollar savings that will accrue to the DoD Components from DTCI will be available for other critical needs.

2. BACKGROUND.

Today, DoD shippers in the CONUS initiate freight movements using commercial freight transportation providers to myriad U.S. destinations, creating thousands of origin-destination pairs. Multiple information systems are employed to execute and manage shipment activity. There is no centralized planning, coordination, or control. Individual DoD shippers act unilaterally by independently selecting transportation mode, level of service, and transportation provider. There is limited collaborative visibility or coordination of movement requirements and therefore there are limited opportunities to leverage the entire DoD workload to create the volume needed to drive increased velocity and reduced cost. Such leverage is a well recognized “best practice” in high performing private sector distribution systems.



a. Scope of DTICI: DTICI is a CONUS transportation management initiative focused on increasing operational effectiveness while simultaneously obtaining efficiencies by reducing cycle times and using best practices, such as increased consolidations / load optimization and modal conversions. The premise is for DoD to competitively award a long-term contract with a world-class transportation coordinator/coordinator(s) that will employ best commercial practices to achieve the goals stated above. The coordinator's scope goes beyond traditional freight forwarding and brokerage transactions. The coordinator will leverage current commercial capabilities and proven best transportation practices of commercial shippers to manage, consolidate, and optimize specified CONUS freight movements using contractor-chosen modes among DoD shippers. A multiple phased implementation approach is envisioned based on location and possibly functionality. It is anticipated Phase 1 will begin with the 19 Defense Logistics Agency CONUS distribution centers. Based on the results of the DLA experience, the next phase may include the current Tailored Transportation Contract participants and other co-located DoD shippers within a specified radius to achieve maximum volume participation and corollary cost savings through consolidation and optimization of freight requirements. The final phase would include remaining DoD shippers throughout the CONUS.

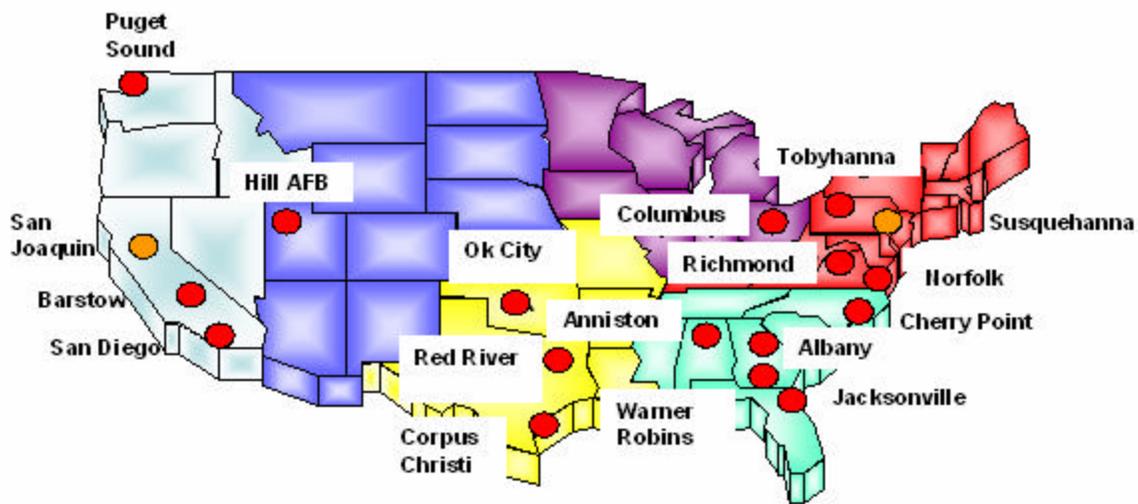
The DTICI coordinator must have visibility of targeted freight movement requirements across the CONUS and have immediate access to a nationwide network of transportation providers to schedule and fulfill those requirements.

b. Requirements: The DTICI coordinator(s) will provide transportation management services to arrange, coordinate, monitor, and control outbound freight shipments from receipt of shipment request information through final delivery; process timely payment to subcontractors and carriers for services provided; accept, process, and settle claims resulting from loss or damage; manage carrier quality and performance; and assist in the identification and delivery of astray freight; provide In-Transit Visibility (ITV) information to the government's Global Transportation Network (GTN) within 4 hours of freight pick-up, delivery, and exception notices (any time a planned delivery will not be delivered as required by the shipper). The contractor must have a near-real-time shipment tracking system and provide full access to the shipper and other government employees specifically designated by the contracting officer. The contractor must initiate process improvement (continuous network improvements including shipment optimization, consolidation, routing improvements and other value-added services), and the contractor must provide the contract officer or his or her designee with customized management information reports related to shipment volume, costs, and other criteria that characterize and provide performance-related views of the transactions included in this contract. The potential number of shipments that may be included in this initiative could exceed 2 million shipments a year with a combined freight weight of over 1 billion pounds per year. The contractor must have the capability to meet surges for wartime and other contingencies. This contract will have a phased approach predicated by location, commodities, and possibly functionality.

c. Exclusions: In the initial phase, the government will exclude arms, ammunition, explosives or fireworks; missiles or rockets; narcotics and dangerous drugs; etiologic agents; government firearms and weapons; live animals; bulk commodities; human remains; coins; currency; precious metals; refrigerated cargo; food, fresh, frozen, or requiring refrigeration;

postage stamps or stamped envelopes; express small packages less than 150 pounds; postal shipments; unit moves destined for locations outside of the CONUS (by exception); sensitive and classified shipments or any items requiring transportation security service (Constant Surveillance Service is not excluded), the CONUS segment of transportation services provided under the SDDC Universal Services ocean carrier contracts; household goods, privately owned vehicles, hazardous waste. During the period of performance of the contract, and based on competitive pricing analysis, government may add some or all of the initially excluded workload to this contract.

d. Phased Approach (Draft): The initial phase of DTCI is a partnership between the United States Transportation Command (USTRANSCOM) and the Defense Logistics Agency (DLA). The first phase will service 19 DLA depots:



Subsequent phasing will incorporate additional shipping locations to be served, i.e. locations within a 50-mile radius of the DLA depots (to include current TTC sites), service installations, and other DOD shipping activities. In final phases, the Military Services and other Defense Agencies will be encompassed into a total DoD partnership. A jointly staffed Project Management Office (PMO) has been established at USTRANSCOM to develop requirements, execute the acquisition, and provide implementation guidance over the life of the project.

1) **Phase 1:** DLA Depots (tentatively rolled out in increments over 12 months)

- DDTP – Tobyhanna, PA
- DDRV - Richmond, VA
- DDMA – Richmond, VA (Mapping)
- DDSP – New Cumberland, PA
- DDNV – Norfolk, VA
- DDCN – Cherry Point, NC
- DDWG – Warner Robins, GA
- DDAG – Albany, GA
- DDJF – Jacksonville, FL

- DDCO – Columbus, OH
- DDOO – Oklahoma City, OK
- DDRT – Red River, TX
- DDCT – Corpus Christi, TX
- DDHU – Hill AFB, Ogden UT
- DDJC – San Joaquin, CA
- DDDC – San Diego, CA
- DDBC – Barstow, CA
- DDPW – Puget Sound, WA
- DDAA – Anniston, AL

2) **Phase 2:** Selected higher volume (greater than 1000 shipments per year) Service shippers located (within a 50 mile radius) of the above DLA Depots.

3) **Phase 3:** Additional Service locations and agencies such as DCMA (selected activities to be identified in the RFP).

e. **Industry Interaction:** To build upon DoD's strong partnership with industry and to ensure a smooth and effective transition to the DTICI, many communication channels have been established to facilitate this exchange:

- Industry Day meetings, to provide and update information to potential bidders
- Presentations and participation at Industry Association and other government conferences and meetings
- DTICI website, www.doddtci.org
- Briefings and communication vehicles for multiple non-industry audiences (i.e., Congressional DoD oversight committee staffs, Small Business Administration, and internal DoD customers)

f. **Key Milestones (Projected):**

Third Quarter FY 2005	Draft solicitation for industry comments
Fourth Quarter FY 2005	Pre-solicitation conference
First Quarter FY 2006	Final solicitation
Second Quarter FY 2006	Receive Proposals
Third Quarter FY 2006	Award/Begin Ramp-Up
Second Quarter FY 2007	Begin Phased-In Performance

g. **Actions:** Draft requirements documents will be released to industry and the services for comment with notices published on FedBizOpps and on the DTICI website: www.doddtci.org

The draft solicitation in its entirety will be posted for industry review prior to conducting a pre-solicitation conference and site visit at the DDSP Depot. During this conference, a detailed briefing of the requirements will be presented, a site visit for offerors to facilitate an understanding of one of the most demanding and highly automated depot pick, pack and pull, operations, current transportation operations. Also, a similar site visit will be arranged for a different date for offerors to observe operations of a less demanding and less automated depot for the purpose of providing prospective offerors with an opportunity to understand the diversity and volume of workload between the DoD highest volume depots and the lowest depots in the DLS system. Instructions for proposal preparation will be discussed in conjunction with the source selection evaluation criteria leading to a best value contract award decision. Specific instructions and information regarding the pre-solicitation conference will be provided as soon as the details are finalized. Upon issuance of a final solicitation, a pre-proposal conference is anticipated as well.

REQUEST FOR INFORMATION

In light of the responses to the previous RFI posted 23 Mar 05, the USTC PMO will host one-on-one meetings with industry representatives in order to allow them to elaborate on/clarify responses to the RFI and present ideas and comments on the DTCI project in regard to commercial best practices and commercial transportation management capabilities. **These sessions will not be a forum to market company specific capabilities or for vendors to obtain information that has not been shared with industry.** Preclude inclusion of strictly advertising or marketing type information. Sessions will be strictly limited to one hour.

These meetings will be held 13-15 Jun 05 near Scott AFB in Fairview Heights, Illinois. To schedule a session and to obtain meeting location information, please e-mail [USTC-DTCI PMO@hq.transcom.mil](mailto:USTC-DTCI.PMO@hq.transcom.mil) **no later than 27 May 05**. Point of contact is Cathy Simpson, Contracting Officer, or Tina Voss, Contract Specialist, at (618) 229-6754. Due to space limitations, a limit of six (6) representatives may participate. Please note that your participation in the one-on-one sessions will be at your company's expense. USTRANSCOM will not provide any reimbursement for costs incurred in travel or other expenses. Further, the government will use the information to complete market research and develop the solicitation using best commercial practices to the maximum extent possible. We highly recommend you not discuss any information you deem as competitive sensitive or proprietary. If you choose to provide any written documentation to support your discussion, recommend you appropriately identify any sensitive information to ensure proper safeguarding such as Corporate Proprietary Information and state the appropriate restrictions in the evaluation and use of the information provided. USTRANSCOM appreciates your participation in this RFI as your responses are extremely helpful to us in developing an optimal acquisition strategy for this critical project.