

**SUBPART 247.2—CONTRACTS FOR TRANSPORTATION OR FOR
TRANSPORTATION-RELATED SERVICES**

(Revised June 29, 2018)

247.200 Scope of subpart.

This subpart does not apply to the operation of vessels owned by, or bareboat chartered by, the Government. See additional guidance at [PGI 247.200](#) for procurement of transportation or related services.

247.206 Preparation of solicitations and contracts.

Consistent with FAR 15.304 and [215.304](#), consider using the following as evaluation factors or subfactors:

- (1) Record of claims involving loss or damage; and
- (2) Commitment of transportation assets to readiness support (e.g., Civil Reserve Air Fleet and Voluntary Intermodal Sealift Agreement).

247.207 Solicitation provisions, contract clauses, and special requirements.

(1) Use the clause at [252.247-7003](#), Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer, in solicitations and contracts for carriage in which a motor carrier, broker, or freight forwarder will provide or arrange truck transportation services that provide for a fuel-related adjustment.

(2) Use the clause at [252.247-7028](#), Application for U.S. Government Shipping Documentation/Instructions, when shipping under Bills of Lading and Domestic Route Order under FOB origin contracts, Export Traffic Release regardless of FOB terms, or foreign military sales shipments.

247.270 Stevedoring contracts.

247.270-1 Definitions.

(a) “Commodity rate” is—

(1) The price quoted for handling a ton (weight or measurement) of a specified commodity; and

(2) Computed by dividing the hourly stevedoring gang cost by the estimated number of tons of the specified commodity that can be handled in one hour.

(b) “Gang cost” is—

(1) The total hourly wages paid to the workers in the gang, in accordance with the collective bargaining agreement between the maritime industry and the unions at a specific port; and

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(2) Payments for workmen's compensation, social security taxes, unemployment insurance, taxes, liability and property damage insurance, general and administrative expenses, and profit.

(c) “Stevedoring” is the—

(1) Loading of cargo from an agreed point of rest on a pier or lighter and its storage aboard a vessel; or

(2) Breaking out and discharging of cargo from any space in the vessel to an agreed point of rest dockside or in a lighter.

247.270-2 Technical provisions.

(a) Because conditions vary at different ports, and sometimes within the same port it is not practical to develop standard technical provisions covering all phases of stevedoring operations.

(b) When including rail car, truck, or intermodal equipment loading and unloading, or other dock and terminal work under a stevedoring contract, include these requirements as separate items of work.

247.270-3 Evaluation of bids and proposals.

As a minimum, require that offers include—

(a) Tonnage or commodity rates that apply to the bulk of the cargo worked under normal conditions;

(b) Labor-hour rates that apply to services not covered by commodity rates, or to work performed under hardship conditions; and

(c) Rates for equipment rental.

247.270-4 Contract clauses.

Use the following clauses in solicitations and contracts for stevedoring services as indicated:

(a) [252.247-7000](#), Hardship Conditions, in all solicitations and contracts.

(b) [252.247-7001](#), Price Adjustment, when using sealed bidding.

(c) [252.247-7002](#), Revision of Prices, when using negotiation.

(d) [252.247-7004](#), Indefinite Quantities--Fixed Charges, when the contract is an indefinite-quantity type and will provide for the payment of fixed charges.

(e) [252.247-7005](#), Indefinite Quantities--No Fixed Charges, when the contract is an indefinite-quantity type and will not provide for the payment of fixed charges.

(f) [252.247-7006](#), Removal of Contractor's Employees, in all solicitations and contracts.

(g) [252.247-7007](#), Liability and Insurance, in all solicitations and contracts.

247.271 Contracts for the preparation of personal property for shipment or storage or for performance of intra-city or intra-area movement.

247.271-1 Policy.

(a) *Annual contracts.* Normally—

(1) Use requirements contracts to acquire services for the—

(i) Preparation of personal property for shipment or storage; and

(ii) Performance of intra-area movement.

(2) Award contracts on a calendar year basis.

(3) Provide for option years.

(4) Award contracts, or exercise option years, before November 1 of each year, if possible.

(b) *Areas of performance.* Define clearly in the solicitation each area of performance.

(1) Establish one or more areas; however, hold the number to a minimum consistent with local conditions.

(2) Each schedule may provide for the same or different areas of performance. Determine the areas as follows—

(i) Use political boundaries, streets, or any other features as lines of demarcation. Consider such matters as—

(A) Total volume;

(B) Size of overall area; and

(C) The need to service isolated areas of high population density.

(ii) Specifically identify frequently used terminals, and consider them as being included in each area of performance described in the solicitation.

(c) *Maximum requirements-minimum capability.* The contracting officer must—

(1) Establish realistic quantities on the Estimated Quantities Report in DoD 4500.9-R, Defense Transportation Regulation, Part IV;

(2) Ensure that the Government's minimum acceptable daily capability—

(i) Will at least equal the maximum authorized individual weight allowance as prescribed by the Joint Federal Travel Regulations; and

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(ii) Will encourage maximum participation of small business concerns as offerors.

247.271-2 Procedures.

Follow the procedures at [PGI 247.271-2](#) for contracting for the preparation of personal property for shipment or storage.

247.271-3 Solicitation provisions, schedule formats, and contract clauses.

When acquiring services for the preparation of personal property for movement or storage, or for performance of intra-city or intra-area movement, use the following provisions, clauses, and schedules. Revise solicitation provisions and schedules, as appropriate, if using negotiation rather than sealed bidding. Overseas commands, except those in Alaska and Hawaii, may modify these clauses to conform to local practices, laws, and regulations.

(a) Use the basic or the alternate of the provision at [252.247-7008](#), Evaluation of Bids.

(1) Use the basic provision when there are no “additional services” items being added to the schedule.

(2) Use the alternate I provision when adding “additional services” items to the schedule.

(b) The provision at [252.247-7009](#), Award.

(c) In solicitations and resulting contracts, the schedules provided by the installation personal property shipping office. Follow the procedures at [PGI 247.271-3\(c\)](#) for use of schedules.

(d) The clause at [252.247-7010](#), Scope of Contract.

(e) The clause at [252.247-7011](#), Period of Contract. When the period of performance is less than a calendar year, modify the clause to indicate the beginning and ending dates. However, the contract period must not end later than December 31 of the year in which the contract is awarded.

(f) In addition to designating each ordering activity, as required by the clause at FAR 52.216-18, Ordering, identify by name or position title the individuals authorized to place orders for each activity. When provisions are made for placing oral orders in accordance with FAR 16.504(a)(4)(vii), document the oral orders in accordance with department or agency instructions.

(g) The clause at [252.247-7012](#), Ordering Limitation.

(h) The clause at [252.247-7013](#), Contract Areas of Performance.

(i) The clause at [252.247-7014](#), Demurrage. See additional information at [PGI 247.271-3\(c\)\(1\)](#) for demurrage and detention charges.

(j) The clause at [252.247-7016](#), Contractor Liability for Loss and Damage.

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- (k) The clause at [252.247-7017](#), Erroneous Shipments.
- (l) The clause at [252.247-7018](#), Subcontracting.
- (m) The clause at [252.247-7019](#), Drayage.
- (n) The clause at [252.247-7020](#), Additional Services.
- (o) The clauses at FAR 52.247-8, Estimated Weight or Quantities Not Guaranteed, and FAR 52.247-13, Accessorial Services--Moving Contracts.