



# NPA

## Nonappropriated Fund Purchasing Agreement

Effective Date: 3/1/2003

Contract Number: F41999-03-D-6042

Contractor: Material Management Int'l  
933 N. Washington Avenue  
Green Brook NJ 08812-2614

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### Description of Agreement:

The contractor shall furnish transportation management, warehousing, consolidation and installation services at the prices shown in the attached price list to any Government Nonappropriated Fund Instrumentality (NAFI) or other Government ordering agency. Orders may be placed against this agreement from 1 March 2003 through 28 February 2006.

Prompt Payment: NET 30 DAYS, CVPP 1% Air Force Only

Minimum Order: \$100.00

Government Credit Card Accepted: YES

CHARLES E. ELLER  
Contracting Officer

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Transportation Management Services and Pricing

# NPA Transportation Management Services and Pricing

## **CONUS Less than Truckload**

1. Interstate Less than Truckload (LTL) Transportation Management Services to Nonappropriated Fund Instrumentalities will be at a total discount of 46% based on Yellow Freightways LTL YFSY- Tariff (500), effective August 2002. MMI will hold the tariff base rate increases to 5% or less, per year, for the first 3 years of the agreement.
2. Intrastate Less than Truckload (LTL) Transportation Management Services to Nonappropriated Fund Instrumentalities will be at a total discount of 46% based on Yellow Freightways LTL YFSY- Tariff (500), effective August 2002. These rates will apply in all states that have de-regulated transportation under the "Trucking Industry Regulation Reform Act of 1994". In states where intrastate transportation has not been de-regulated, the lowest available rate will apply. MMI will hold the tariff base rate increases to 5% or less, per year, for the first 3 years of the agreement.

Specific items not entitled to the minimum discount rate of 46% on the class regulated LTL rates are as follows:

- COD or Order Notify Shipments
  - Class rated LTL Shipments weighing more than 19,999 lbs
  - Exception or commodity rated shipments  
Truckload, capacity load & exclusive use rated shipments
  - Shipments moving under Government Rate Quotation Tenders
3. The absolute minimum transportation rate will be \$100.00 for shipments under 150 lbs. and \$110.00 for shipments over 150 lbs. The NAFI's shall use UPS, FEDEX or similar sources for eligible small shipments where the cost to the NAFI's shall be less than \$100.00.
  4. Classification of each shipment discounted under this section shall be the full responsibility of the NAFI's shipper/vendor and shall be based on the description and ratings contained in the latest volume of the National Motor Freight Classification guide (NMFC).
  5. A performance allowance of 1% of the approved LTL discount rate in Paragraph B 1 & 2 will be returned to AFNAFPO at the end of the contract year for LTL shipments only.

## **CONUS Truckload, Rail or Air**

6. Shipments via full truckload, air or rail will be priced as they occur. In these instances, the rate quoted by MMI for the shipment shall be considered the lowest available discounted rate.
7. MMI will not accept or transport any merchandise that is incorrectly packaged. MMI will contact AFNAFPO concerning any shipper/vendor who is not following standard commercial packaging and marking procedures, or, for overseas orders, industry accepted export packing procedures.

# NPA Transportation Management Services and Pricing

## International Transportation - Commercial

8. Through our network of international logistics “partners”, MMI will provide full air and ocean transportation management services to all worldwide NAFI locations. In addition, MMI will provide transportation management services for shipments routed by NAFI’s through the US Government Defense Transportation System (DTS).
9. Commercial international transportation management services will be quoted as the need arises based on weight, dimensions, pick-up point and point of delivery.

## International Transportation – Gov’t Defense Transportation System (DTS)

10. The service fee for documentation and ordering of a military container (DTS) or group of containers moving in a single shipment is \$135.00. MMI will provide documentation service and arrange for booking of military containers from NAFI Contractor’s with FOB: Destination CONUS and FOB: Origin contracts/purchase orders. The Contractor will contact MMI whenever the shipment is a full container/s and MMI will arrange for booking and processing of applicable Government Documents (TCMD’s) and send notification of shipment to the ordering NAFI.

## Commercial Consolidation of Shipments for OCONUS Activities

11. In lieu of using the DTS Containerization points at Tracy, CA and New Cumberland, PA, MMI will provide Commercial consolidation services to all NAFI’s throughout the world. NAFI’s will have the ability to consolidate purchases commercially and they will be fully insured at MMI’ consolidation points on the East and West Coasts of the USA.

Commercial Consolidation Services include:

- Receipt of purchased items into MMI warehouse
- 30 Days Free Storage of purchased items awaiting OCONUS container shipment
- Loading, Blocking & Bracing of purchased items into ocean containers for commercial or Government Defense Transportation System service to overseas locations

12. This service is 100% insured while goods are under MMI’s control, and will allow NAFI’s to commercially consolidate purchases, and at the NAFI’s option, either move the goods via commercial ocean/air or load containers commercially and then ship to the overseas location via the Government Defense Transportation System.

Origin	20’ Container	40’ Container	Additional Storage per Month
East, West & Gulf Coast Ports	\$ 775.00	\$ 895.00	\$ .30 per cubic foot or \$ .90 Per 100 lbs.

\* - Storage charges are per month or any part thereof

# **NPA Transportation Management Services and Pricing**

## **Warehousing & Storage - CONUS**

13. When required, MMI provide warehousing and storage services for NAFI's with the CONUS. These services will be priced on a per project/delivery order basis.

## **Insurance**

14. MMI will require its sub-contractors to carry full liability insurance for all merchandise shipped under our contract for CONUS shipments. MMI will be responsible for cargo in it's contracted warehouses while goods are in its possession.
15. MMI will provide cargo insurance for all international air and ocean shipments moved under this contract. Rates for air shipments will be charged at \$.375 per \$100 of the CIF (Cost, Insurance & Freight) plus 10% value of the shipment. Rates for ocean shipments will be charged at \$.475 per \$100 of the CIF plus 10% value of the shipment.

## **Miscellaneous**

### **Storage charges, detention charges, demurrage charges**

16. Charges imposed by air, ocean and motor carriers for delays caused by a destination NAFI's failure to prepare necessary customs documents, or due to limited storage space on base, or other delays caused by the government or their contractors will be passed on to the ordering NAFI at cost plus 10%.

## **Surcharges**

17. Charges imposed by air, ocean and motor or other transport contractors for fuel, currency or security, or any other surcharges imposed and not under the control of either MMI or the Government, shall be added to MMI's invoice as a pass through charge with no burden or profit for either party. All pass through charges, invoices at cost, will not be subject to the 1% CVPP fee or the 1% purchase allowance.

## **Expediting Purchase Orders**

18. MMI will provide order-expediting services for overseas NAFI's, to ensure shipment of each order and ship date. MMI will notify NAFI's of contractors that fail to meet their order ship dates. Pricing will be negotiated on a per project or purchase order basis.

## **FF&E Installation Services**

19. MMI will perform installation services of wall coverings, floor coverings and government furnished equipment/furnishings, along with project management. The price for this service will be negotiated on a per job basis. This service is offered worldwide, with travel and per diem expenses to be reimbursed at cost, when necessary. MMI will comply with prevailing wage rates,

# NPA Transportation Management Services and Pricing

in accordance with the Service Contract Act, if the rates are made part of the requirement, in writing, and provided by the authorized Contracting Officer.

## Typical Room – CONUS

- 1 Headboard – wall mounted (hardware provided by others)
- 1 Bed frame
- 1 Nightstand
- 1 Mattress/boxspring set
- 1 6-Drawer Dresser
- 1 Table Lamp

20. Cost for this installation, for a minimum of 12 rooms, direct from supplier truck into ground floor rooms, including removal of debris is \$215.00 per room. For installations that require additional items to be installed per room, or requiring carpet, wall covering or wall texture installation, or installations that require less items per room or less rooms, pricing will be negotiated on a per project basis.

## MMI will provide the following Traffic Management Services:

- Review PO terms to determine most efficient and cost effective mode of transportation.
- Advise NAFI's immediately of shipment delays caused by vendors.
- Consolidate shipments for optimum cost efficiency where possible.
- Negotiate with FMCSA carriers and air/ocean carriers for the best available freight rates on behalf of the NAFI.
- Fax/email shipment releases and carrier routing to all vendors.
- Trace shipments through carrier tracking and MMI internal tracking system.
- Advise concerned parties of any delays in shipments.
- Notify consignee, when practical, of shipment deliveries.
- Manage and negotiate freight claims on behalf of the NAFI.
- Be available to NAFI for questions related to transportation and logistics management
- Issue status reports as required by NAFI's for projects/orders handled by MMI.
- Issue contract usage reports on quarterly basis to AFNAFPO.