

NATIONAL DEFENSE
TRANSPORTATION
ASSOCIATION
SURFACE FORCE
PROJECTION
CONFERENCE

Commercial Strategic Seaport Acquisition during a National Defense Emergency

Participants

- ▶ **Ms. Shonda Bolden**, Transportation Planning Specialist, 842nd Transportation Battalion, Surface Deployment and Distribution Command
- ▶ **Mr. Matthew Butram**, Program Analyst, Office of Sealift Support Maritime Administration (MARAD)
- ▶ **Mr. Jonathan “Jack” Svoboda**, Surface Distribution Program Manager, U.S. Transportation Command
- ▶ **Mr. James Walsh**, Senior Director of Operations, Port of Philadelphia
- ▶ **Mr. James Wiley**, G3 Movement Operations, Surface Deployment and Distribution Command

The Strategic Seaports Program

- ▶ Purpose

- ▶ The Strategic Ports Program is a collective DOD – USDOT activity to facilitate “a unity of effort through coordinated planning and execution of emergency preparedness operations to promote effective military deployment operations, ensure port safety and security, and minimize disruption to commerce and civil transportation.”

- ▶ Promote Commercial Strategic Seaport Readiness for Military Outloads

Commercial Strategic Seaports



- ▶ Each Strategic Port is issued a Port Readiness Plan (PRP) by MARAD.
 - ▶ A PRP is a non-binding planning document that is established by agreement among the port, MARAD, and SDDC.
- ▶ Each PRP specifies specific facilities that SDDC is most likely to use:
 - ▶ Vessel berths;
 - ▶ Open staging areas;
 - ▶ Covered staging areas;
 - ▶ Rail spurs.



Acquisition of Port Facilities and Services in Normal Operations

HOW DOES SDDC
IDENTIFY A
REQUIREMENT AND
DECIDE WHICH PORT IT
SHOULD USE?



Strategic Seaports

SURFACE WARRIORS

- Commercial Strategic Seaports (18)
- Military Strategic Seaports (6)
- Alternate Seaports (13)
- Alternate Military Seaport (1)

<u>Brigade (BDE) / Battalion (BN)</u>	
<u>Mission Command</u>	
596th BDE	Sunny Point, NC (MOTSU)
-- 833rd BN	JB Lewis McCord, WA (JBLM)
-- 834th BN	Concord, CA (MOTCO)
597th BDE	JB Langley Eustis, VA (JBLE)
-- 832nd BN	JB Langley Eustis, VA (JBLE)
-- 841st BN	Charleston, SC
-- 842nd BN	Beaumont, TX
599th BDE	JB Pearl Harbor Hickam, HI (JBPH)
-- 836th BN	Yokohama, Japan

833rd JBLM

Indian Island
Everett
Seattle
Tacoma

596th Trans BDE

Richmond
Oakland
CONCORD MOTCO
Port Hueneme / Oxnard
Harbor District
Los Angeles
Long Beach
San Diego

834th MOTCO

Guam

836th Yokohama Japan

Anchorage
Seward
Valdez

833rd Alaska DET

597th Trans BDE

842nd Beaumont

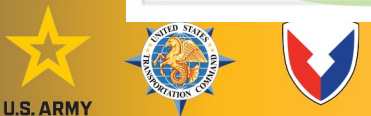
Lake Charles
Beaumont
Corpus Christi
Port Arthur
New Orleans
Gulfport

841st Charleston

NY / NJ
Philadelphia
Virginia
JBLE
Lamberts Point Docks
MOTSU (596th)
Morehead City
Wilmington
JB Charleston / Charleston
Savannah
Jacksonville / Blount Island Marine Support Facility
Tampa
Everglades

599th Trans BDE

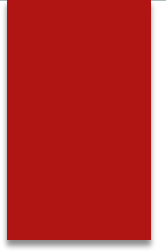
Pearl Harbor JBPH
Honolulu



Acquisition of Port Facilities and Services in Normal Operations

ONCE A PORT IS
IDENTIFIED, HOW ARE
SERVICES AND
FACILITIES SECURED?

How does a
Commercial
Strategic Seaport
support SDDC
in Normal
Operations?



National Defense Emergencies

- ▶ PRPs establish the facilities that are most likely to be used during National Defense Emergencies.
 - ▶ “..a deployment of the Armed Forces of the United States or other emergency need to promote the national defense arise”
- ▶ Other types of emergencies:
 - ▶ “Emergencies” (42 U.S.C. § 5122);
 - ▶ “National Emergency” (DOD, JP 3-28);
 - ▶ “National Security Emergency” (Executive Order 12656, Section 101(a))

The Transportation Priorities and Allocation System

- ▶ The Defense Production Act (DPA)
 - ▶ Executive Order 13603 delegates DPA authority
 - ▶ The U.S. Department of Transportation holds authority with respect to civil transportation.
- ▶ Civil Transportation
 - ▶ “movement of persons and property by all modes of transportation in interstate, intrastate, or foreign commerce.”
 - ▶ “shall include direction, control, and coordination of civil transportation capacity regardless of ownership.”
 - ▶ “shall not include transportation owned or controlled by the Department of Defense”



Transportation Priorities and Allocation System -- General

Interagency Priorities and Allocation Systems

Section 201 of Executive Order 13603 delegates priorities and allocations within the authorities granted the President in Section 101 of the DPA



Agriculture

Food Resources and Related Facilities,
Domestic Distribution of Farm
Equipment and Commercial Fertilizer

APAS



Defense

Water Resources

WRPAS



Energy

All Forms of Energy

EPAS



Transportation

All Forms of Civil Transportation

TPAS



Health and Human Services

Health Resources

HRPAS



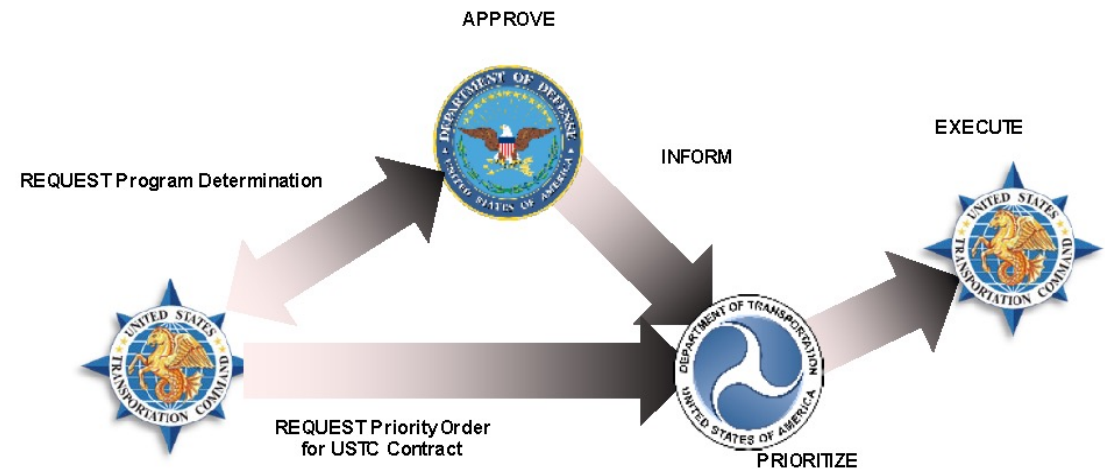
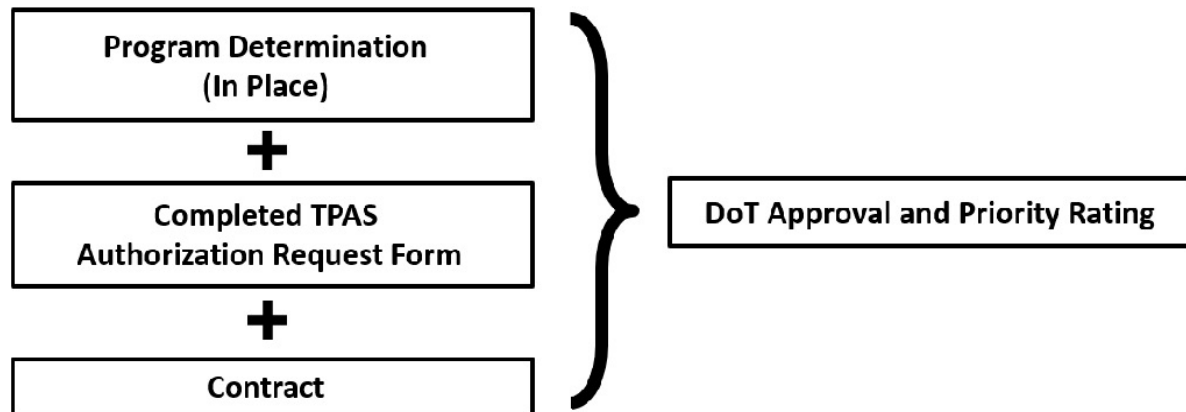
Commerce

All other materials, Services & Facilities
(Including Construction Materials).
Generally called "industrial resources"

DPAS

TPAS Approval Process

Per Executive Order 13603 and 49 CFR, for an authorized government agency to obtain prioritization DoT requires:



The Transportation Priorities and Allocation System

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The Transportation Priorities and Allocation System

- ▶ Priorities and allocation authority must be used for an “Approved Program”
 - ▶ “determined [...] as necessary or appropriate to promote the national defense”
- ▶ The Secretary of Defense issued a Program Determination for Seaport Programs in 2020
- ▶ Prioritization vs. Allocation



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

OCT 14 2020

MEMORANDUM FOR DEPARTMENT OF TRANSPORTATION

SUBJECT: DoD Program Determination for Seaport Programs (Executive Order 13603, Part II, Section 202(a))

In accordance with Executive Order 13603, section 202(a) and pursuant to the authority delegated to me, I determine that the following programs involving military use of civil transportation are necessary or appropriate to promote the national defense and are eligible to be supported using the priorities and allocation authorities of section 101 of the Defense Production Act of 1950, as amended (title 50, U.S.C., 4511(a)(1)):

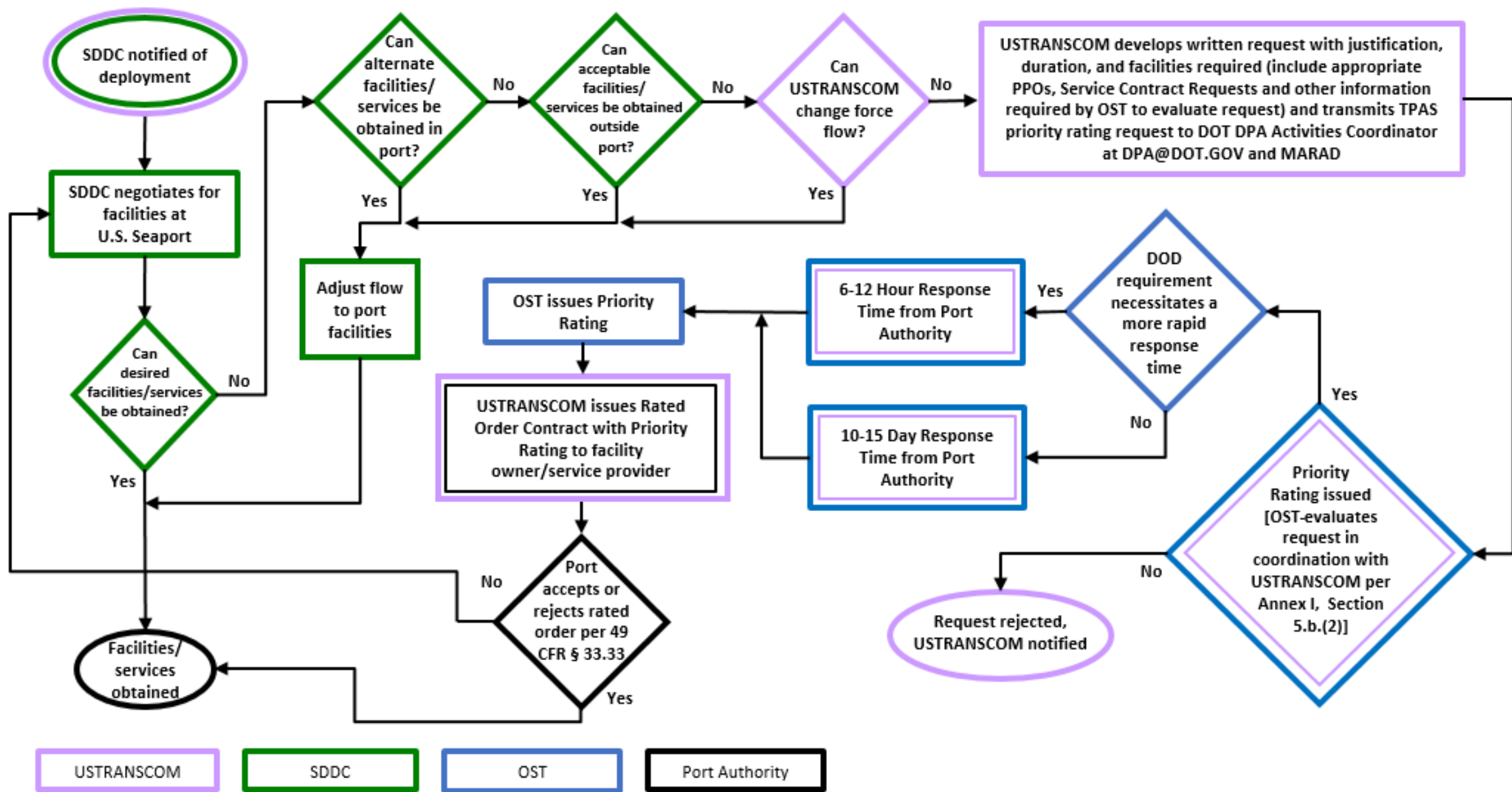
- Seaport Programs. Programs that are DoD transportation activities involving contracts for seaport materials, services, and facilities in support of a military surge deployment or national defense. These programs may include, but are not limited to: obtaining access to port infrastructure and warehousing; staging areas; ship berthing; stevedoring and related terminal services; rail, truck, and intermodal docking infrastructure; and facilities.

My point of contact is COL Kevin Baird, at (571) 372-5211 or kevin.m.baird3.mil@mail.mil.

Matt. Esper

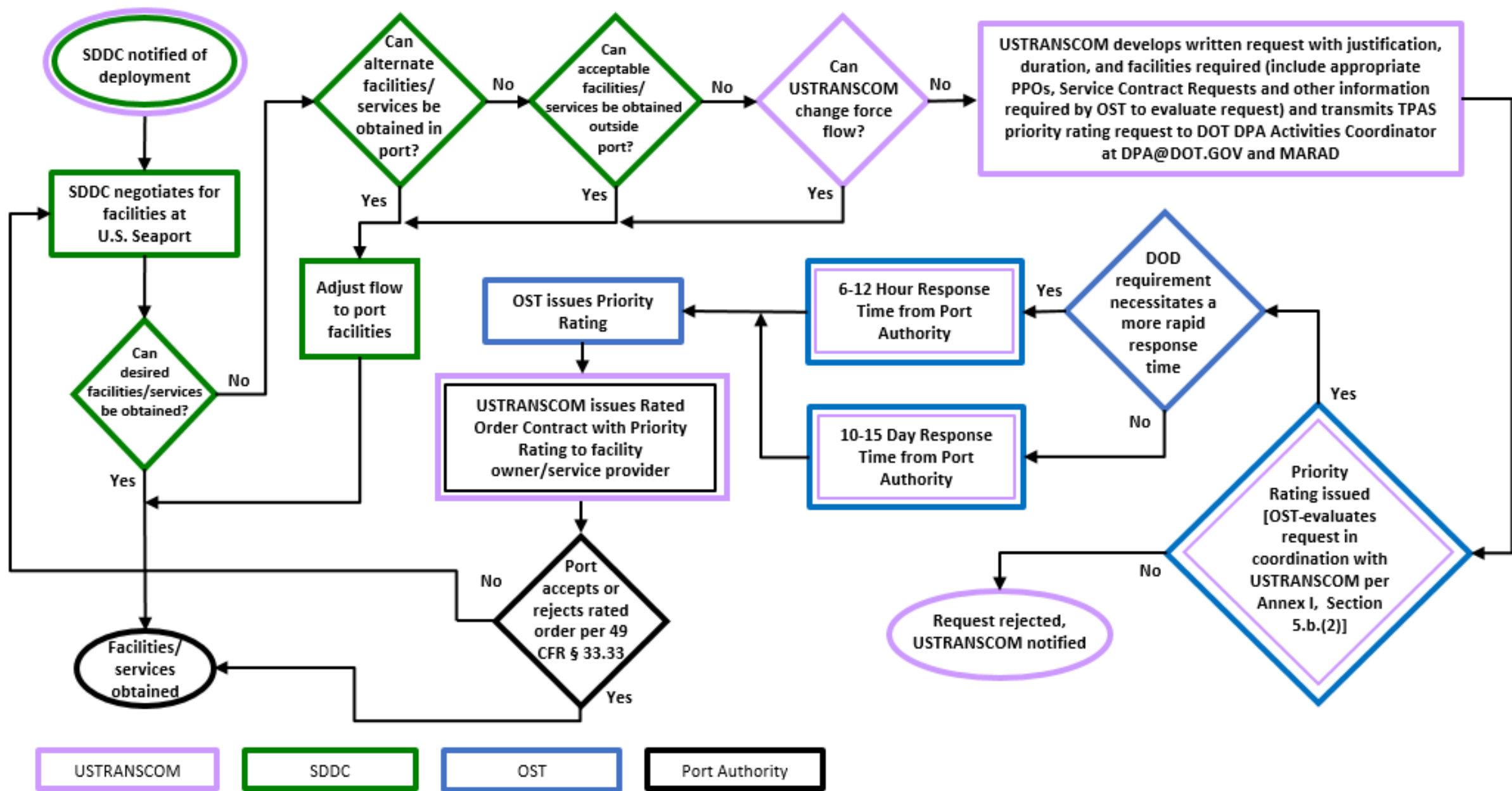
The Transportation Priorities and Allocation System

- ▶ Entities may request that U.S. DOT issue a Priority Rating Authorization “to promote the national defense”
- ▶ DOD may request a Priority Rating for seaport facilities and/or services
- ▶ Priority Authorization requires a written request and a program determination.
- ▶ DO and DX Priority Ratings



Request for a Priority Rating Authorization

WHEN AND HOW DOES
USTRANSCOM REQUEST
A PRIORITY RATING
AUTHORIZATION?





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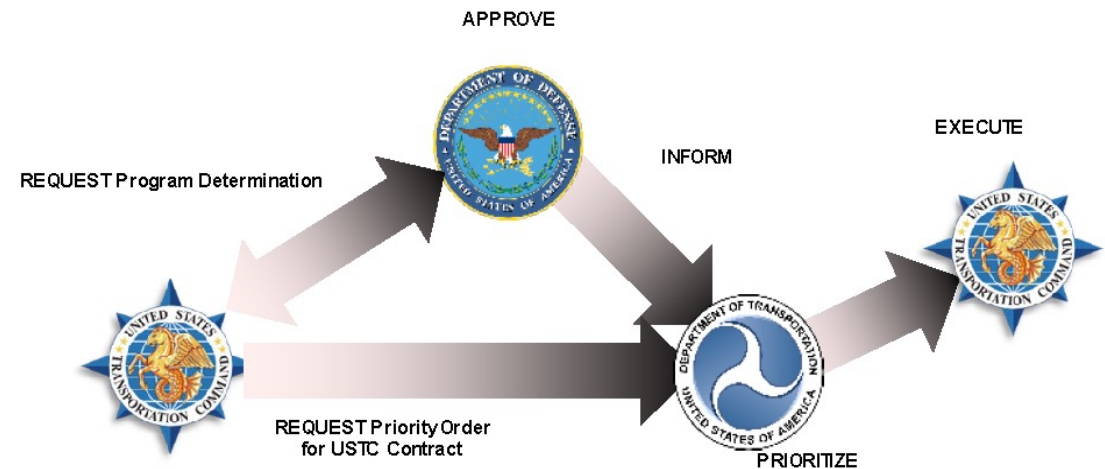
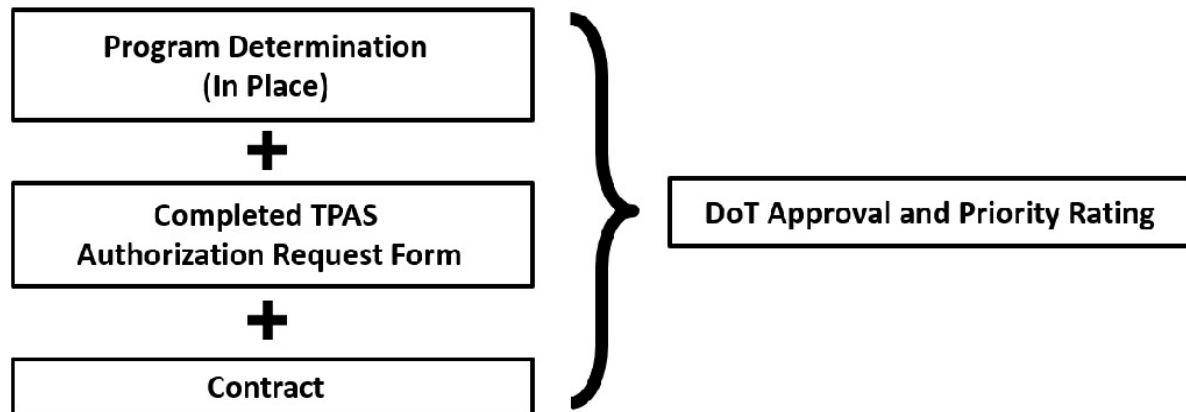
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Federal Agency Program Determination



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Matt. Egan



U.S. Department
of Transportation

Office of the Secretary
of Transportation

1200 New Jersey Ave., S.E.
Washington, DC 20590

Information Requirements for a Transportation Priorities and Allocations System (TPAS) Authorization Request Form

The requestor must submit information regarding their requirements for a TPAS authorization request to DOT as soon as obtained and by the fastest communications means available. If information is provided orally, the requestor will email a written record of the information communicated as soon as possible after the oral communication to the Defense Production Act Activities Coordinator at DPA@dot.gov.

Information required includes, but may not be limited to, the following:

1. Requestor POC:

- Name: TCAQ POC
- Title: Request for Seaport Services at Port WXXXX
- Organization: USTRANSCOM executed by SDDC
- Email: Please reply to both emails SDDC@mail.mil and TCAQ@mail.mil
- Phone:

2. Was this request coordinated with the Movement Control Center in the NRCC, if applicable?

N/A

3. Describe the service, facility, or item needed with details, such as what, when, where, and duration (if applicable) capability is needed.

Access to the facilities and services listed in the attached agency contract, Port of WXXX, and to its contract, from xx-xx-xxxx

**Completed
DoT Transportation
Request**

{USTC TEMPLATE May 2023}

LETTER CONTRACT BETWEEN THE UNITED STATES TRANSPORTATION COMMAND
AND
PORT AUTHORITY OF XXXXXXXXXXXX (Contractor)
CONTRACT NUMBER: HTC711-XX-C-XXXX (Rated Order XX-TX)

I. CONTRACT NUMBER: HTC711-XX-C-XXXX (Rated Order XX-TX)

II. DEFINITIONS:

a) A letter contract is a written preliminary contractual document that authorizes the contractor to begin immediately manufacturing supplies or performing services. (FAR 16.603-1)

b) "Rated Order" means a prime contract, a subcontract or a purchase order in support of an approved program issued in accordance with the provisions of Transportation Priorities and Allocation System (TPAS) [see 49 CFR §33.20].

III. CONTRACT FOR: United States Government priority use of seaport services and facilities in XXXXX to facilitate movement of cargo and equipment to respond to a national security contingency. All pricing will be based on published commercial tariffs. The pricing of any other specific terms will be negotiated prior to contract definitization within the schedule of rates. The performance work statement will be completed prior to contract definitization. The supplies and services necessary to begin work include, but are not limited to:

a) Priority access to XX acres of open staging areas for XX days, including any fair and reasonable labor and material costs required to clear commercial cargo from any requested staging area. (Not To Exceed (NTE) Amount - \$XXXXXXXX)

b) Priority access to XX acres of covered staging areas for XX days, including any fair and reasonable labor and material costs required to clear commercial cargo from any requested staging area. (NTE Amount = \$XXXXXXXX)

c) Priority access to XX berths, with associated overhangs for XXX vessel positions of XXX feet each including any fair and reasonable labor and material costs required to shift ships to obtain access. Approximately XX days of service. (NTE Amount = \$XXXXXXXX)

d) Establish terminal capable of handling palletized, containerized, bulk liquid, and roll-on/roll-off cargo. Approximately XX days of service (NTE Amount = \$XXXXX)

to XXXXXX linear feet of rail spurs, single-ended or double-ended movement to ports of embarkation as well as railcar material costs required to clear

**Federal Agency
Contract**



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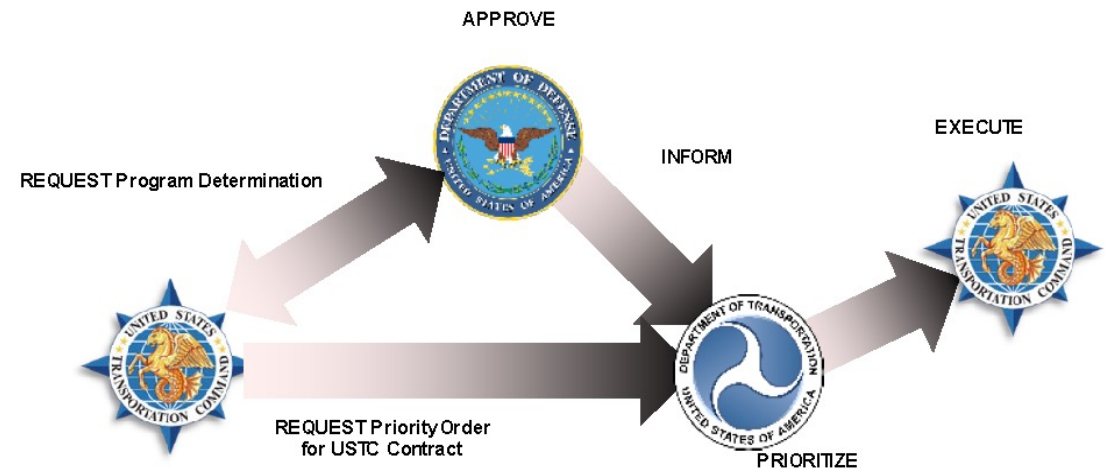
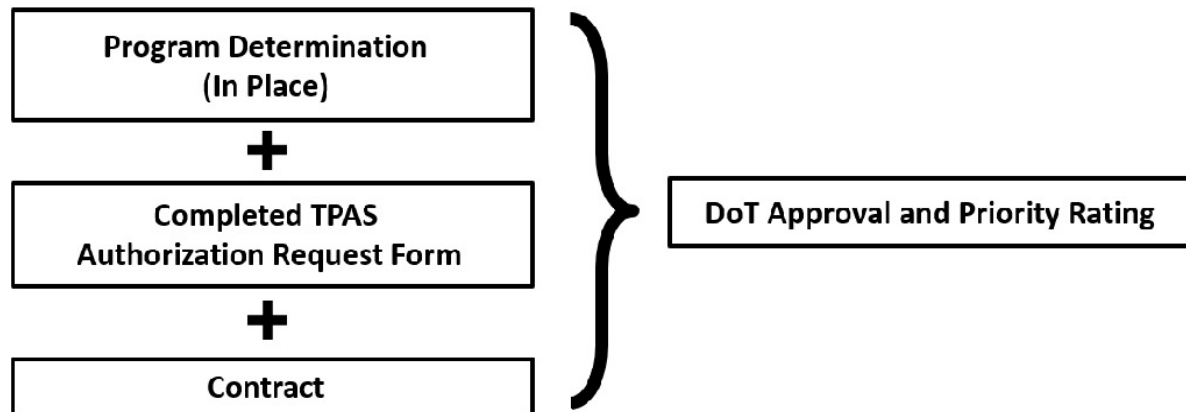
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Issuance of a Priority Rating

- ▶ The decision to issue a Priority Rating Authorization rests with the U.S. DOT Office of Intelligence, Security and Emergency Response (OISER).
- ▶ OISER will consult with the relevant DOT Operating Administration regarding Priority Rating Requests
- ▶ Upon issuance of a Priority Rating, the requesting Federal agency may create a Rated Order contract to provide to the service provider or prioritize an existing contract

Hazard

- ▶ Service providers may accept or reject Rated Order contracts according to the following timeline:
 - ▶ If the triggering event is considered a Hazard, within 6 or 12 hours
 - ▶ If the triggering event is NOT considered a Hazard, within 10 or 15 days.
- ▶ Hazard: “an emergency or disaster resulting from a natural disaster or an accidental or man-caused event”
- ▶ U.S. DOT – U.S. TRANSCOM Memorandum of Understanding (2022)

Rated Order Contracts

- ▶ A Rated Order is “a prime contract, a subcontract, or a purchase order in support of an approved program.”
- ▶ Rated Orders can cover facilities and/or services; for Commercial Strategic Seaports, likely both.
- ▶ Rated orders are issued to persons:
 - ▶ “an individual, corporation, partnership, association, or any other organized group [...] or any State or local government or agency thereof.”
 - ▶ Port Authorities are persons in the TPAS regulation

Accepting or Refusing a Rated Order Contract

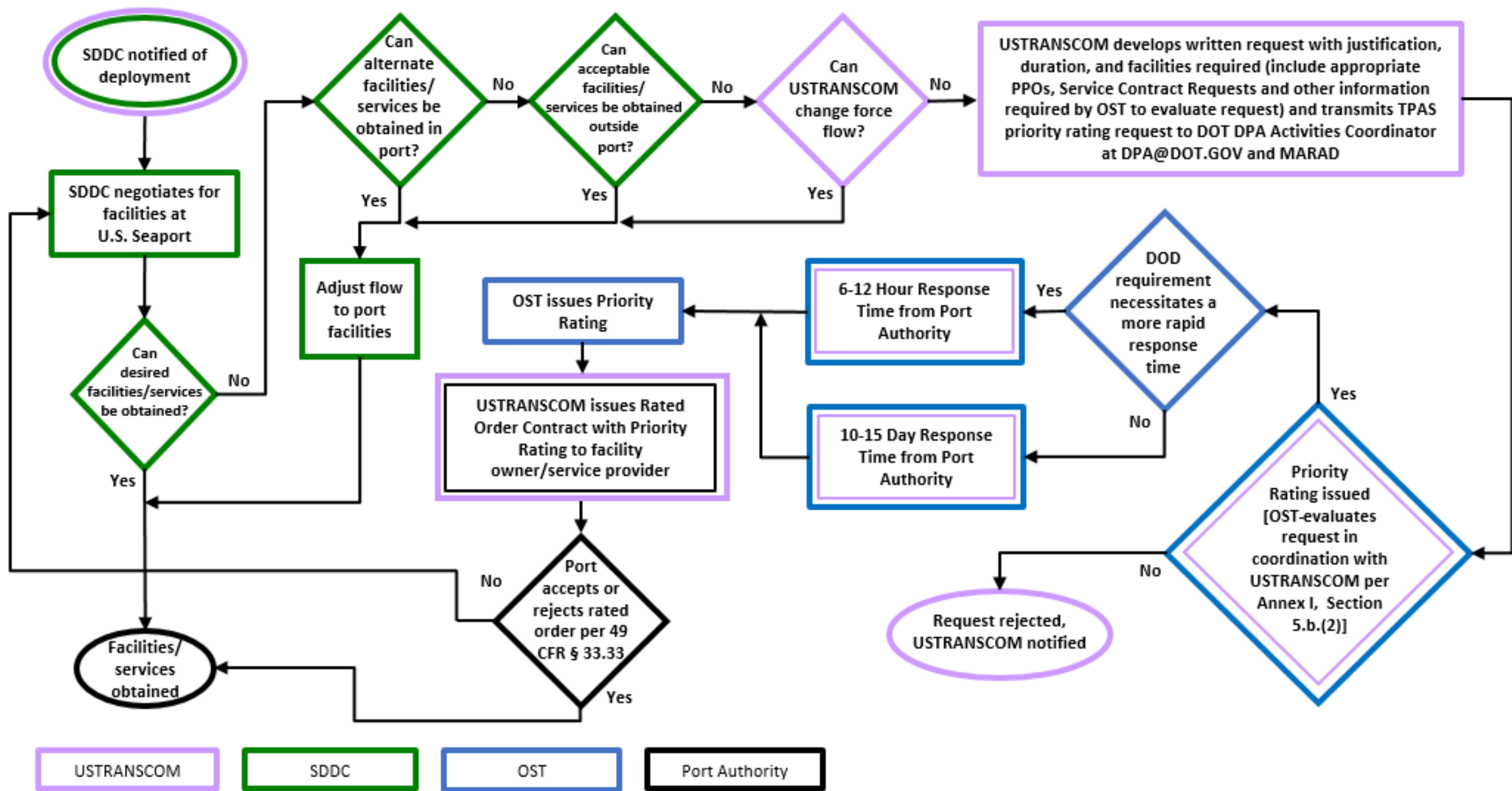
- ▶ “Except as otherwise specified [...], a person shall accept every rated order received and must fill such orders regardless of any other rated or unrated orders that have been accepted.
- ▶ Rated Orders can only be rejected if:
 - ▶ The supplier is not capable of meeting contract requirements
 - ▶ A DO-rated order conflicts with a DX-rated order
 - ▶ Rated order acceptance is illegal or would violate some other regulation

Rated Order Contracts

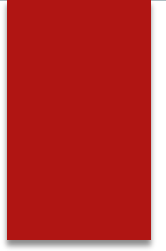
- ▶ A Rated Order takes priority over any pre-existing contracts for facility access or services at listed facilities. Port authorities “shall not be held liable” for compliance with TPAS.
- ▶ Ports are still able to conduct commerce at both PRP- and non PRP-listed facilities so long as that activity does not interfere with SDDC’s prioritized access.
- ▶ In the event of a Rated Order, landlord ports would be required to work with their tenant to ensure prioritized availability.

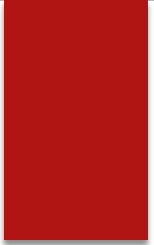
Issuing a Rated Order Contract

HOW WOULD U.S.
TRANSCOM ISSUE A
RATED ORDER
CONTRACT TO A
COMMERCIAL
STRATEGIC SEAPORT?



How would a
Strategic Port
respond to a
Rated Order
Contract?





Port Identification and Selection During a National Defense Emergency

Discussion

