

SAM – TRANSPORTATION MANAGEMENT

FREIGHT TARIFFS AND RATE AGREEMENTS

3885

Revised 03/07)

Shipments via Surface Commercial Carriers. Shipments by commercial carriers are usually subject to the terms and conditions of the standard bill of lading contract. Rather than list the rates, this contract just calls upon the use of set tariff rates. Since these tariffs fix the exact rates for the services, no further agreement of rates is necessary. DGS Transportation Management Unit will verify the rates on the freight bills against the tariffs. The DGS Transportation Management Unit will obtain adjustments of any overcharges for you.

Under certain special circumstances, commercial carriers may grant the government less than tariff rates. Carriers quoting government rates may be subject to certain regulatory constraints. All such negotiations should be cleared through DGS Transportation Management Unit.

When using government rates, add the following sentences to the shipping documents: "Freight is for the account of the State of California. Transportation hereunder pursuant to (cite carrier and tender number)."

Contracts and purchase orders must instruct vendors to also place this sentence on the bill of lading issued to the carrier. Contact DGS Transportation Management Unit for availability of government rates on shipments starting from or destined to points outside of California. The DGS Transportation Management Unit will verify the rates on the freight bills against the tariffs and obtain adjustments for any overcharges on your behalf.

Shipments via Air Carriers. Air carriers have been deregulated. Air cargo rates fluctuate and are negotiable. Call DGS Transportation Management for help when air freight is required.

Shipments via Contract and Exempt Surface Carriers. Contract carriers and exempt carriers do not have to charge any fixed rates. Contact the DGS Transportation Management Unit for assistance before using such carriers.

Routing Guides. If you are going to use a commercial carrier, you should consult with the DGS Transportation Management Unit to see which carrier and route will give you the best balance of low cost and responsiveness to needs of shippers and consignees. Where appropriate, the DGS Transportation Management Unit will develop routing guides and will issue bulletins on procedures to follow for freight routing.

Carrier Operating Authority. If you are unsure of the category of a particular carrier, ask the carrier to give you the information in regard to the type of hauling involved. Do not use carriers who do not have the required operating authority from the California or Federal regulatory agencies. Call DGS Transportation Management Unit if you have any questions about this.