

INFORMATION BULLETIN NO: 2022-5204-001

TO: IMPORTERS, CUSTOMHOUSE BROKERS, FREIGHT FORWARDERS, EXPORTERS, CARRIERS AND MEMBERS OF THE TRADE COMMUNITY

SUBJECT: Centralized Examination Station Solicitation – Port of West Palm Beach, Florida

EXPIRATION DATE: This announcement expires 60 calendar days from the date of issuance.

PURPOSE

This Information Bulletin is issued to announce the solicitation for applications to operate a Centralized Examination Station (CES) for the Port of West Palm Beach, Florida, to ensure U.S. Customs and Border Protection (CBP) compliance with Title 19, Code of Federal Regulations, Part 118 (19 C.F.R. §118.2). The solicitation period commences on **January 21, 2022** and expires on **February 20, 2022**. The initial phase of the selection process will consist of a 60-day application period, or "open season." Public comments are also invited.

The Port Director has determined that one (1) or more CES facilities are required to properly meet the needs of CBP and the trade community. One (1) or more applicants may be selected from this solicitation.

DEADLINES

- Applications to operate a CES must be received by **February 20, 2022** (60 calendar days from the date of this Information Bulletin). Applications received after this date will not be considered. Applications found to be incomplete may not be considered.
- Public comments must be received by **January 21, 2022** (30 calendar days from the date of this Information Bulletin)

SCOPE

This solicitation is for applicants within the West Palm Beach area of jurisdiction in the State of Florida. The length of the CES agreement will be for a minimum of three (3) years. Subsequent additional years may be added to the contract by CBP and subject to CBP's sole determination and review. The agreement will not exceed a total of five (5) years in duration. Renewal of the agreement can be granted for each consecutive year and done so at least 120 days prior to the end of each contract year.

The CES is where CBP physical examinations are conducted. Where cargo is designated for inspection at a CES, the importer, carrier, exporter, or its agent is responsible for choosing the CES to be utilized for examination, arranging the bonded transfer of the merchandise to the CES, and paying the costs of the transfer, as well as any fees charged by the CES facility for its service.

The only exception to the above provision is when a specific commodity requires special handling, equipment, or when CBP determines it necessary. In instances where the Port Director has determined it necessary, he or she may designate the CES at which any examination must take place pursuant to 19 C.F.R. § 151.15(d). The trade community, by designating its choice of CES, mainly determines the workload of each CES.

In all cases, the importer, carrier, exporter, or its agent is responsible for paying the costs of the transfer, as well as any fees charged by the CES for its service.

BACKGROUND

On January 22, 1993, a final rule was published in the Federal Register amending Chapter 19 of the Code of Federal Regulations (C.F.R.) enacting 19 C.F.R. Part 118, Centralized Examination Stations (CES) effective February 22, 1993. This change was the result of efforts by CBP to improve productivity and service by focusing resources and minimizing travel time required in performing cargo examinations at multiple facilities within a Port of Entry (POE).

Applicants should be aware that, as a result of advancements utilizing information technology as well as high-tech equipment, CBP examinations of cargo have become more selective. Consequently, the amount of physical inspections may fluctuate. CES applicants should recognize that minimum numbers of examinations cannot be established.

CES OPERATOR RESPONSIBILITIES

The applicant tentatively selected to operate a CES must sign a written agreement with U.S. Customs and Border Protection before commencing operations (19 C.F.R. § 118.3). Failure to execute a written agreement with CBP in a timely manner will result in the revocation of that application's tentative selection and may result in tentative selection of another applicant or republication of the notice soliciting applications.

The CES selected to operate in the Port of Palm Beach agrees to the following by signing the agreement:

- a) Comply fully with the requirements of Executive Order 12989, dated February 13, 1996, as amended by Executive Order 13465 dated June 6, 2008, and particularly Sections 1(a)-(c), pertaining to the unlawful employment of aliens

and to the anti-discrimination requirements of the Immigration and Nationality Act and of any other applicable law;

- b) Maintain the facility designated as the CES in conformity with the security standards outlined in the approved application (19 C.F.R. § 118.4(a)), as well as the standards outlined in OPR Security Handbook, *HB 1400-02C Physical Security Policies and Procedures, 2020* and the *Cargo Facilities Design Standard, December 2019*.
- c) Provide adequate personnel and equipment to ensure reliable and expeditious service for the opening, presentation for inspection, and closing of all types of cargo designated for examination by CBP. Such service must be provided on a "first come-first served" basis, unless otherwise directed by CBP (19 C.F.R. § 118.4(b));
- d) Assess service fees as outlined in the fee schedule included in the approved application or as changed according to 19 C.F.R. § 118.5 and bill users directly for services rendered (19 C.F.R. § 118.4(c));
- e) Assume responsibility for all charges and expenses incurred in connection with the operation of the CES (19 C.F.R. § 118.4(d));
- f) Maintain, at his/her own expense, adequate liability insurance with respect to the property within his/her control and with respect to persons having access to the CES (19 C.F.R. § 118.4(e));
- g) Keep current a list of names, dates of birth, social security numbers, and fingerprints of all employees, to include full-time, part-time, casual and temporary employees, filed with the Port Director pursuant to 19 C.F.R. § 118.11(f) and 19 C.F.R. § 118.4(i). Additions to or deletions from the list must be submitted in writing to the Port Director within ten (10) calendar days of the commencement or termination of an employee's employment (19 CFR § 118.4(f));
- h) Utilize "E-Verify" for anyone employed by the CES in any capacity (see the U.S. Citizenship and Immigration Services (USCIS) website <http://www.uscis.gov/e-verify> for more information regarding enrollment and use). U.S. law requires companies to employ only individuals who may legally work in the United States, either U.S. citizens or foreign citizens who have the necessary authorization. This diverse workforce contributes greatly to the vibrancy and strength of our economy, but that same strength also attracts unauthorized employment. E-Verify is an Internet-based system that allows businesses to determine the eligibility of their employees to work in the United States. E-Verify is fast, free and easy to use, and it's the best way employers can ensure a legal workforce.
- i) Maintain a CBP Form 301, custodial bond in an amount of \$300,000.00 set by the Port Director. The CES operator will accept and keep safe all merchandise

- delivered to the CES for examination. The bond will include liability for transporting merchandise to the CES from within the district boundaries (see definition of "district" in 19 C.F.R. § 112.1). The CES operator assumes such liability when he/she picks up merchandise for transportation to his/her facility. The operator also agrees to increase the amount of the bond if deemed appropriate by the Port Director (19 C.F.R. § 118.4(g));
- j) Maintain and make available for CBP examination all records connected with the operation of the CES and retain those records for not less than five years from the date of transaction or examination conducted pursuant to the agreement to operate the CES (19 C.F.R. § 118.4(h));
 - k) Provide office space, parking spaces, appropriate sanitary facilities, and potable water to CBP personnel at no charge or at a charge of \$1 per year (19 C.F.R. § 118.4(j));
 - l) Perform any other reasonable requirements imposed by the Port (19 C.F.R. § 118.4(k)), including the provision of any Non-Intrusive Inspections equipment required by CBP at the operation. The operator will be responsible for all required environmental compliances associated with the operation of a CES;
 - m) Provide transportation for merchandise to the CES from within the district boundaries (see definition of "district" 19 C.F.R. § 112.1) when requested by CBP. In these situations, CES operator shall receipt for the merchandise when he picks it up and assumes liability for the merchandise at that time (19 C.F.R. § 118.4(l));
 - n) Provide written notification, to the Port Director within ten (10) calendar days of learning that the proposed CES Operator, or any officer, managing official or a person that the Port Director determines is exercising substantial ownership or control over such operator or officer, is indicted for, convicted of, or has committed acts which would constitute a felony, or a misdemeanor involving theft or a theft-connected crime;
 - o) Ensure that the CES facility complies with all applicable Occupational Safety and Health Act (OSHA) requirements; and,
 - p) Comply with all applicable federal, state, and local laws, ordinances and/or regulations, as they would apply to the fulfillment of the responsibilities and service provisions as a designated CES Operator.

APPLICATION PROCESS

All interested parties must meet the minimum standards identified in the CES Application Contents and must submit the attached CES Application Form (Appendix A) and Fee

Schedule (Appendix B) to the Port Director. Applicants are requested to provide an Authorization for Release of Information Form (Appendix C) for all persons who have direct or indirect financial interest in the proposed CES operation and are officers and/or managing officials of the proposed facility. The submission of this release is voluntary; however, failure to provide the "Authorization" may hinder the investigation process.

All applicants must submit a corporate resolution authorizing the signatory to act on behalf of the corporation. Any false statements on the application may result in disqualification and possible prosecution under the provisions of 18 U.S.C. § 1001.

All applicants are strongly urged to read 19 C.F.R. Part 118 to obtain a full understanding of CBP's expectations of a Centralized Examination Station applicant and operator.

Application must be received by the Port Director on or before February 20, 2022, which is sixty (60) calendar days from the date of this Information Bulletin's issuance. Applications received after the closing date will not be considered. Applications found to be incomplete may not be considered. During the first thirty (30) days of this period, the public may submit written comments to the Port Director.

All applications and comments should be addressed to:

David Scroggins
Port Director
U.S. Customs and Border Protection
1 East 11th Street, Suite 323
Riviera Beach, FL. 33404

At the end of the sixty (60) day application period, U.S. Customs and Border Protection will publish a list of applicants, including names, facility addresses, fee schedules, equipment, and numbers of employees to be involved in the CES operation. At that time, the public will again be provided thirty (30) calendar days in which to submit written comments to the Port Director. At the conclusion of that time, the Port Director, based upon a review of all applications under criteria set forth in 19 C.F.R. § 118.11 and any public comments submitted under 19 C.F.R. § 118.11 and any public comments submitted under 19 C.F.R. § 118.2 or § 118.12, shall determine whether a CES operator should be selected.

Pursuant to 19 C.F.R. § 118.13, the applicant selected to operate a CES will be notified in writing by the Port Director of his/her tentative selection. The selection shall become final upon execution of the written agreement between CBP and the applicant under 19 C.F.R. § 118.3, and the Port Director will advise the public of the final selection and of the date on which the CES will commence operation under the agreement in accordance with the notice procedures set forth in 19 CFR § 118.2. Each applicant not selected to be a CES operator will be so notified in writing and with a statement of the reason for non-selection.

Applicants should be aware that their designation of CES status covers only the facility described in their application. If any successful applicant changes the location of the facility during the time frame of the agreement, his/her status as a CES is terminated and CBP may initiate a new selection for a replacement CES facility.

The facility rating will be determined based on a standardized points system, relative to the specific evaluation criteria contained in the CES Minimum Requirements (Attachment 1). Additional consideration, in the form of points, will be given to those applicants who exceed the minimum required standards and as applicable to the designated evaluation criteria.

Any questions concerning the application process may be directed to Supervisory CBP Officer Gerry Martinez via email at gerardo.l.martinez@cbp.dhs.gov, or via telephone at (772) 216-9479.

DISCLAIMER: This information has been prepared for your convenience by CBP personnel at the Port of West Palm Beach, Florida. This material is intended to serve as a guide. Recognizing that many complicated factors are involved in CBP procedures, an applicant may consider an independent and qualified source for assistance in preparing a complete and qualifying application package for CES Operator under this solicitation. Reliance solely on this information may not be considered reasonable care. Applicants are referred to Treasury Decision 97-96, not provided by this bulletin, which was published in the Federal Register of December 4, 1997, and in Customs Bulletin of December 17, 1997, for in-depth information as to what constitutes reasonable care.

David Scroggins

David Scroggins
Port Director
Port of West Palm Beach, FL
Miami Field Office

Attachments:

Attachment 1- CES Minimum Requirements
Attachment 2 -CES Data Processing and Telecommunications Requirements
Attachment 3 – CES Contents
Appendix A- CES Application Form
Appendix B- Fee Schedule
Appendix C- Authorization for Release of Information Form