DATE: 2019-04-01

PROJECT TITLE: Medium Support Vehicle System Project (MSVS)

PROJECT OBJECTIVE:

PROJECT PHASE: Implementation

The Medium Support Vehicle System is a multi-phased project with the objective of replacing and modernizing the aging medium sized logistics vehicle capability for the Canadian Armed Forces. This new fleet will be used by the Regular Forces and the Reserves in a wide range of roles - from support during domestic emergencies, to deployed operations. They will replace the current medium logistics trucks, which have been in use since the 1980s and have reached the end of their service life.

PROCUREMENT STRATEGY

Competitive Request For Proposal (RFP) (Best Overall Value).

ACHIEVEMENTS

January 2009: Contract awarded to Navistar International for Militarized

Commercial-Off-The-Shelf (MilCOTS) trucks for phase 1. June 2009: First delivery of MilCOTS trucks for phase 1.

July 2009: Contract awarded to DEW Engineering for Baseline Shelters for phase 2. March 2011: Final delivery of the 1300 MilCOTS trucks.

May 2012: First delivery of Baseline Shelters for phase 2.

December 2012: Contract awarded to DEW Engineering for Kitting of the Baseline Shelters for phase 3.

January 2014; First delivery of Kitting of Baseline Shelters for phase 3.

February 2015: Final delivery of 994 Baseline Shelters for phase 2.

June 2015: Contract awarded to Mack Defense for 1537 Standard Military Pattern (SMP) trucks, 157 Armoured Protection System (APS) cabs and 300 trailers for phase 4.

November 2016: Final delivery of Kitting of Baseline Shelters for phase 3.

June 2017: Contract option exercised with Medium to Heavy Lift Helicopter (MHLH) project adds 36 trucks, 4 APS, and 14 trailers.

July 2017: Final Design Acceptance for trailer achieved.

December 2017: Contract option exercised to support the Medium Logistic Vehicle (MLV) project, part of the Air Force Expeditionary Capability (AFEC) Program, adding 14 trucks, and

April 2018: First Standard Military Pattern (SMP) trucks and trailers delivered to CFB Edmonton for phase 4.

November 2018: First Armoured Protection Systems (APS) delivered to Montreal. March 2019: Equipment received (CFB Edmonton, CFB Petawawa, CFB Valcartier, Army Equipment Fielding Centre (AEFC) Montreal): 262/1587 trucks; 230/318 trailers; 19/161 APS.

KEY MILESTONES Project Milestone Approved Re-baseline/Actual Notes/Comments Project Approval (Definition) (PA(Def)) N/A 2006-02-22 Revised Project Approval (Definition) - Phase 2: Shelters March 2009 2009-06-19 Revised Project Approval (Definition) - Phase 3: Kitting November 2012 2012-11-29 Contract Award (CA) - Phase 3: Kitting November 2012 2012-12-21 First Delivery - Phase 3: Kitting December 2013 2014-01-16 Spring 2016 2016-11-11 Final Delivery - Phase 3: Kitting Project Approval (Implementation) - Phase 4: SMP Fall 2014 2015-05-28 Contract Award - Phase 4: SMP June 2015 2015-06-11 First Delivery - Phase 4: SMP Spring 2017 2018-04-04 Final Delivery - Phase 4: SMP Fall 2018 Fall 2020 Project Approval (Implementation) - Phase 5: Infrastructure Winter 2014 2015-05-28 Project Closeout Fall 2021 2020

| FINANCIALS | VALUE (BY MILLIONS) | | | | | | | |
|---|---------------------|--|--|--|--|--|--|--|
| Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency) | | | | | | | | |
| Major In-Service Support Contract (over 5 years) | | | | | | | | |
| Estimated Life Expectancy (12- Ph1, 20-Ph 2, 3, 4) | | | | | | | | |

INDUSTRY ENGAGEMENT ACTIVITIES

Industry consultations occurred every year for this project from Definition onward, and prior to and during procurement instrument development. Most notably: 2006: Project industry day; 2007: Industry day for phase 1, and industry briefings for phase 4; 2008: Industry day for phase 2, and industry information session for phase 4: 2009 and 2010: Meetings with potential phase 4 bidders: 2011; Meetings with potential phase 3 and 4 bidders: 2012: Bidders' conference for phase 4: 2013: One-on-one meetings with industry and bidders conference for phase 4.



SOCIO-ECONOMIC BENEFITS

The Industrial and Regional Benefits (IRB) Policy was applied to this project. Total IRB Obligation for MilCOTS was \$270M with \$270M completed; Baseline Shelters obligation is \$155M, \$140M completed to date; Standard Military Pattern acquisition obligation is \$682M, \$212M completed to date and \$470M in progress; Standard Military Pattern In-Service Support obligation is \$42M, \$5M completed to date and \$30M in progress. *Values are updated annually. Values as of May 2018.

POINTS TO NOTE

| ISSUE/RISK ASSESSMENT | | | | | | | | |
|-------------------------------------|------|--|--|--|--|--|--|--|
| Area Previous Current | Issu | | | | | | | |
| Scope Green Green | | | | | | | | |
| Schedule vs Re-baseline Green Green | | | | | | | | |
| Budget (Definition) | | | | | | | | |
| Budget (Implementation) Green Green | | | | | | | | |
| Human Resources Green Green | | | | | | | | |
| Other | | | | | | | | |
| | | | | | | | | |
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| TIMELINE | | | | | | | | | | | | | | | |
|--|------|--|----------|------------------------------------|------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | | First Delivery | | Final Delivery | Project Closeout | | | | | | | | | | |
| ••• | ••• | ▼ | ••• | ▼ | ▼ | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• |
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | | | | | | | | | | |
| A | ••• | ••• | A | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• | ••• |
| *Final Delivery for Phase 3 Kitting | | "Apr - Initial Delivery for Phase 4 SMP trucks / trailers | | *Final Delivery for Phase 4 SMP | | | | | | | | | | | |