



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

**Bid Receiving - PWGSC / Réception des soumissions -
TPSGC**

Place du Portage, Phase III

Core 0B2 / Noyau 0B2

11 Laurier St./11, rue Laurier

Gatineau

K1A 0S5

Bid Fax: (819) 997-9776

**SOLICITATION AMENDMENT
MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

Vendor/Firm Name and Address

**Raison sociale et adresse du
fournisseur/de l'entrepreneur**

Issuing Office - Bureau de distribution

Business Transformation and Systems Integration
Service/Division de transformation des opérations et
d'intégrat

Special Procurement Initiative Dir

Dir. des initiatives spéciales

d'approvisionnement

Terrasses de la Chaudière 4th Floor

10 Wellington Street

Gatineau

Québec

K1A 0S5

Title - Sujet Automatic Identification Technology	
Solicitation No. - N° de l'invitation W6381-180019/A	Amendment No. - N° modif. 007
Client Reference No. - N° de référence du client W6381-180019	Date 2019-08-26
GETS Reference No. - N° de référence de SEAG PW-\$\$XE-679-32372	
File No. - N° de dossier 624xg.W6381-180019	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2019-12-31	Time Zone Fuseau horaire Eastern Standard Time EST
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Mark Nam Nguyen	Buyer Id - Id de l'acheteur 624xg
Telephone No. - N° de téléphone (343) 550-1613 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

Sollicitation No. - N° de l'invitation
W6381-180019/A

Amd. No. - N° de la modif.
007

Buyer ID - Id de l'acheteur
624xg

LOI Amendment No.007 is issued to:

Provide the presentation deck related to the AIT Industry Day presentation held on August 19, 2019.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.



Automated Identification Technology (AIT)

Industry Day
August 19, 2019



Agenda

ACTIVITY	START TIME	FINISH TIME	PRESENTER
Registration	8:00 AM	9:00 AM	Mark Nam Nguyen
Welcome Health & Safety	9:00 AM	9:05 AM	Mark Nam Nguyen
Opening Remarks	9:05 AM	9:15 AM	Mr. Donald Rousseau, OMM, CD Director General, Director General Information Management Project Delivery, Information Management Group, Department of National Defence
PSPC Briefing	9:15 AM	9:20 AM	Mark Nam Nguyen
Project Briefing	9:20 AM	10:30 AM	Dr. Gordon S. Lawson, Deputy Project Manager, AIT Project, Department of National Defence
Health Break	10:30 AM	11:00 AM	
Question Period and Open Discussion	11:00 AM	12:00 PM	



Mr. Donald Rousseau,
OMM, CD
Director General

Director General Information Management
Project Delivery (DGIMPD)
Information Management Group

Department of National Defence

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Smart Procurement Engagement Model

Purpose of Engagement

Conduct engagement activities with Industry stakeholders in order to identify all feasible solutions to meet the client's operational needs.

Undertake Industry engagement activities to identify potential alternative procurement strategies, discuss and develop evaluation criteria and identify project specific risks and appropriate risk management strategies.

Incorporate findings and recommendations from Industry engagement into the final Request For Proposal (RFP).

Consultative Process

PSPC/DND are looking to engage Industry in a multi-phased consultative process which is tentatively scheduled as follows:

- Industry Day
 - August 19, 2019
- One-On-One Industry Meetings
 - August 19 to 23, 2019
- Working Groups (if required)
 - Fall 2019 / Winter 2020*
- Review of Draft Request for Proposal
 - Spring 2020*
- Issue RFP
 - Spring 2020*
- RFP Evaluation
 - Fall 2020*
- Contract(s) Award
 - Summer 2021*

* Note dates are as currently anticipated (updates will be provided to Industry periodically if needed)



Consultative Process (Continued)

Initial Contact with Industry

In 2016 DND contacted Industry to collect initial information on the current marketplace, available technology and supplier capabilities.

Past consultations with industry also included a related Data Remediation and Marking (DRM) requirement. This requirement was originally covered under the AIT Project scope but is now a standalone procurement.

Industry Day Session

The purpose of the Industry Day is to present additional information on the procurement including an overview of the procurement process and the objectives for the future business model and consultative process.



Consultative Process (Continued)

One-On-One Industry Meetings

The One-On-One Industry meetings are an opportunity for Canada and willing Industry participants to meet individually to discuss concerns, recommendations and possible options.

Prior to the One-On-One meetings, Industry participants are required to sign the Rules of Engagement.

All Industry consultations will be documented and this information is subject to the Access to Information Act which affords third-party information protection from indiscriminate release.

Consultative Process (Continued)

Working Groups (if required)

Following the One-On-One meetings, Industry Participants may be requested to provide further feedback on select topics. These engagements will focus on specific issues, potential solutions and review of draft solicitation document(s), as applicable.

Consultative Process (Continued)

Third Party participation

Third parties will be consulted on an as and when required basis to validate information or discuss industry issues and recommendations.

Third parties involved in the first stage:

- Fairness Monitor: RFP Solutions (Steve Johnston, Cathryn Kallwitz)

Consultative Process (Continued)

Participation in Consultation

Participation is not a mandatory requirement. Not participating in the Consultative process will not preclude an interested participant from submitting a bid to any resulting Bid Solicitation.

Standard Instructions - Goods or Services - Competitive Requirements SACC 2003

In order to protect the integrity of the procurement process, bidders are reminded the following is applicable to any future solicitation:

<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual/1/2003/24>

Consultative Process (Continued)

Communication with Industry

During the consultation process, the PSPC Contracting Authority will communicate with registered Industry participants through direct email rather than by posting additional notices on “BuyandSell.gc.ca”.

For any additional information or inquiries related to this information session, please contact **Mark Nam Nguyen** at:

TPSGC.PADGATIA-APPBAIT.PWGSC@TPSGC-PWGSC.GC.CA

Dr. Gordon S. Lawson
Deputy Project Manager
AIT Project

Director General Information Management
Project Delivery (DGIMPD),
Information Management Group

Department of National Defence

AIT Project - GOC Team



Project Manager: LCol Shawn Mousseau

Deputy Project Manager: Dr. Gordon S. Lawson

Project Director: Mr. Shane O'Dell

DND Procurement Authority: Mr. Brian Lonz

PSPC Contracting Authority: Mr. Mark Nam Nguyen



AIT Background

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- The Defence Supply Chain (DSC), comparable to the largest supply chains in industry, manages the flow of materiel from commercial suppliers and back through a complex network of storage, distribution, and maintenance facilities across the following three lines of supply that support defence operations in Canada and abroad:

First Line: a ship, battalion, squadron, base section or equivalent size unit is a first line organization with first line supply locations. Based on its role, the unit is provided with appropriate equipment and inventory to employ or operate.

Second Line: materiel storage locations in a supply ship, service battalion, air maintenance squadron, base, wing or unit that provides technical and materiel support to other units, or other parts of the base.

Third Line: eight third line supply locations used for longer term storage or where it is impractical to pre-position materiel at every point of use. Over 67% of inventory, by value, is held at these locations and their 12 buildings.



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- DND's DSC has not kept pace with industry standard supply chain labour saving technologies and process modernizations and continues to rely on labour intensive information system transactions and business processes.
- Existing AIT capability limited to Portable Data Entry Terminals (PDETs) deployed at 4 of 8 third line locations beginning in 2002. These devices will be replaced.
- A 2005 initiative to introduce similar devices at second Line facilities was unsuccessful owing to a lack of consideration of the business process modernizations, poor user interfaces, and limited user uptake.
- Most DSC transactions are entered and tracked manually in the Defence Resource Management Information System (DRMIS) at fixed terminal locations along with the use of multiple non-integrated supporting information systems



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- Acquire, configure and integrate automated data capture and inventory management technologies with the DND's SAP® based Defence Resource Management Information System (DRMIS).

Examples:



2D Barcode



RFID



Handheld Reading
Device

- Increase automation in the Defence Supply Chain (DSC) in order to provide a timely and accurate picture of defence materiel holdings (e.g. assets quantity, condition and location), while reducing labour-intensive transactions and human errors related to manual transactions.
- Assist the DSC in managing inventories of approximately \$5.8B, which comprise 85% of the Government of Canada's Public Accounts Inventories.
- Help ensure the right materiel is available in the right place at the right time underpinning operational success

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High Level Mandatory Requirements



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- **HLMR #1: Support for All Materiel Management Lines:** provide an automated data capture and entry capability (to include hardware with basic supporting software) to Materiel Management practitioners at designated Third Line, Second Line, First Line, and operations both domestic and abroad.
- **HLMR #2: Support for Operations in Complex Military Environments:** provide automated data capture and entry capability (to include hardware and basic supporting software), appropriately specified and configured to support operations in complex and austere military environments, enabling AIT for operations in Canada and Abroad as defined in the applicable sections of the NATO Standardization Agreement (STANAG) 4370.
- **HLMR #3: Data Capture:** provide the accurate capture and recording of materiel data (quantities, location and condition) using automated data capture and entry devices to interface with DRMIS. The devices must read all barcode types identified for use in the DSC and be able to connect to DRMIS to update, retrieve and manipulate data (connections can range from real-time to other specified or delayed times).
- **HLMR #4: Interoperability:** provide mission interoperability with NATO and other Allies by enabling the sharing of accurate inventory data captured by automated data entry devices and recorded in DRMIS. This capability will support the scanning of labels/markings complying with NATO (STANAGs) 2290 and 2233

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AIT Project scope includes the following key activities:

- I. Acquiring AIT hardware (e.g. Bar Code Scanners, Handheld Computing Devices, fuel sensors), supporting device software, asset visibility technologies for materiel in transit, and integrating these technologies with the Department's existing Defence Resource Management Information System (DRMIS);
- II. Acquiring and installing the supporting IT network and wireless communication infrastructure required to operate the data capture and entry capabilities at CAF unit locations in Canada and abroad; and
- III. Undertaking activities to modernize business processes as it relates to AIT integration, updating of system user interfaces, activation of Electronic Data Interchange (EDI) with suppliers, and developing and delivering training on the new supply chain management capability.

Define-to-Budget Approach / Core & Non-Core Requirements



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- Define-to-budget approach will ensure that the project will remain within its funding allocation from DND's Capital Investment Fund (CIF) while still delivering on its core requirements
- Each Proposal must deliver the core requirements within the project's approved funding allocation
- Forthcoming RFP(s) will include Core and Non-Core Requirements
- Depending on cost and funding availability, additional non-core requirements may be delivered
- The decision on which non-core requirements to deliver will remain with DND
- Subsequent RFP(s) may provide options for additional hardware, software and professional services to deliver some or all of the non-core requirements

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- Acquisition, configuration (if required) and delivery of AIT hardware devices with new user interfaces to each line of supply
- Acquisition of professional services to integrate hardware and software systems with DRMIS
- Acquisition and installation of in-tank level monitoring devices for fuel management at 63 sites
- Installation of full Wi-Fi infrastructure at 118 buildings at second line and third line sites

Note: Wi-Fi requirement will be sourced and managed by Shared Services Canada (SSC) and it is anticipated to be procured using SSC's separate procurement process.

- Acquisition of additional quantities of AIT hardware devices;
- Acquisition and installation of additional fuel sensors for electronic monitoring of the quantities of fuel added (in-flow) and removed (out-flow) from those containers without manual intervention; and
- Installation of full Wi-Fi infrastructure in additional DND buildings.

Note: Wi-Fi requirement will be sourced and managed by Shared Services Canada (SSC) and it is anticipated to be procured using SSC's separate procurement process.



Integration

- The AIT Project will integrate DRMIS with the following two new SAP modules:
 - Transport Management (TM) (mid-2020/2021)
 - Extended Warehouse Management (EWM) (mid-2021/2022)(Both to be delivered by a separate initiative)
- These new modules will replace the existing Warehouse Management (WM) and a legacy transportation application.
- To access DRMIS, AIT devices will need to traverse a complex, multi-layered service and security infrastructure and standard-based secured communications protocols and methods as defined by DND.

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Project Milestones	Anticipated Dates
Request for Proposal(s) Posted	Spring 2020
Evaluation of Proposals Complete	Fall 2020
Project Approval for Implementation	Summer 2021
Contract(s) Award for Implementation	Summer 2021
Initial Operational Capability	Spring 2023
Full Operational Capability	Fall 2026
Project Close Out	Winter 2027

Activity	Anticipated Dates
Proof of concept at one third line Depot	April 2023
Delivery of AIT capability at all remaining third line depots	October 2023
Classified solution at a small number of CAF units	December 2023
80% of second line units	June 2024
80% of first line units	November 2025
Operational theatres	June 2026
Full operation capability at all supply lines	October 2026.

- No pre-determined acquisition model/solution.
- Different models will offer DND an opportunity to compare the associated risks, cash flows, and personnel resources.
- DND is interested in a range of potential solutions and solution components, including:
 - Complete turn-key solution; or
 - Multiple contractual vehicles covering the following:
 - procurement of the core and non-core hardware and software;
 - professional services for the required hardware and software integration with DRMIS.
- Need initial cost estimates from Industry to develop the substantive costing required to proceed to Implementation for Expenditure Authority (EA).

