

BUSINESS PLAN  
Transportation Company  
CFB Petawawa

3 May 2010

BUSINESS CASE PROPOSAL

MOVING OF PERSONNEL AND EQUIPMENT

1. Introduction

a. Background

In March 2009 the army cut all overtime SWE for ASG and 2 Svc Bn. CFB Petawawa civilians at the same period we were ramping up for a very busy fiscal year of training personnel for TF 1-10. This has resulted in being a strain on O & M budgets. By utilizing contractors for the movement of personnel and Equipment during High operational tempo; as overtime is not authorized due to funding constraints, contracting will cause additional strain on operating and maintenance budgets. The Federal Budget of 2010 showed reductions in the National Defence Budget in 2012 and 2013.

b. Aim

The following proposal advances a sound business argument for the use of in-house resources. It will show significant savings in O & M budgets. It will allow in house control of transporting of personnel and equipment. Savings for all battalions & lodger units at Base Petawawa will be significant.

c. Description

This proposal recommends maintaining Base Transport as an in house contractor providing cost effective transportation for personnel and equipment. This proposal was used from 2000-2007 with great success. Cost formulas are in dispatch computers. The customers will be satisfied because of immediate savings to their O & M budgets. The system offers transparency of our ability and cost savings.

d. Link to organizational objectives

Departments budget restraints and putting into place a process that is efficient, cost effective and provide a valued service to our customers and to the battalion. This action must provide savings in cost and control.

This proposal meets all those objectives not only for transport but also for our customers.

e. Assumptions

This proposal assumes that transport will be the service of choice and will meet operation objectives and budget restraints imposed on the army.

f. Limitations

Availability of equipment and personnel based on commitments; Reduced capabilities during summer leave period; the ability to integrate overtime with O & M. The final decision will rest with the C.L.S. to make this work and transport keeping accurate records.

2. Evaluations

a. Benefits

This activity will use all resources available at base transport. Employ all qualified personnel at 100% and use of all equipment. For yearly mileage verification. It will prove to be an efficient and effective cost measure for all.

Immediate benefits will be morale, the quality of MSE Op training will increase with qualified and experienced Instructors; customer satisfaction, reliability and convenience for the customer and employee job satisfaction. This service will support the overall strategic financial restraint plans.

b. Risks

There is risk that contractors may drop their prices, but it is fact that they cannot come close to what we can do it for by using our own resources in house.

c. Impact

This proposal will result in a positive work environment. It will result in dollar savings in O & M costs. Faster response time for customer's requirements. Customers have a liaison with in house resources.

d. Costs

The proposal is self-funded by the units and battalions at less cost than contracting. True added cost is only for civilian personnel outside the

hours of 0700— 1530 hrs, which could add two/three hours per day and weekends if required for overtime. This cost will remain far less than contractor pricing.

e. Net Return

The overall net return of this proposal is true savings to O & M budgets of all battalions and lodging units in base Petawawa and the positive restraint on the army budget.

3. Implementation

a. Required resources

O&M conversion to SWE for civilian overtime by the battalions and units requesting movement of personnel and equipment.  
No required equipment needed at this time.

b. Project management

The responsibility for monitoring and managing this activity is assumed by transport supervisors and battalion headquarters.

c. Risk Management

Can be monitored on a case by case basis. Before commitment is given to customer all costing is already in place.

d. Monitoring Process

The activity can be monitored on a case by case basis. Feed back from customers on lowering of O & M.

4. Conclusion

This proposal allows for the maximum and most efficient utilization of our staff and resources and provides for the most value in cost savings to the army and base Petawawa.

Memorandum

4 May 2010-05-04

Business Case for Return  
Of Moving Troops & equipment from contract to in-house function

1. Roto Flight returns April 2009

Contractor Charged	\$69,000.00
In-house would have been	\$21,800.00
Savings	\$45,200.00

2. 6 Lays to Suffield one way

Contractor \$6,800.00 x 6	\$40,800.00
In-house \$2500.00 x 6	\$15,000.00
Savings	\$25,8000

3. Band to Central Ontario

Contactor	\$12,000.00
In-house	\$4,000.00
Savings	\$8,000.00

This is only a few examples on a daily basis we have contractors picking up personnel and equipment. If this is done in-house first and contract last, a considerable savings of budgets will be realized.

4. This proposal demonstrates how the present established in-house personnel and equipment of Transportation Coy can provide a more cost efficient and responsive alternative in transportation requirements for CFB Petawawa.