



Alberta Municipal Services Corporation

Request for Qualifications

Development: Human Resource Service Offering

March 12, 2009

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1 Introduction and Project Overview

1.1 General Context

The Alberta Municipal Services Corporation (AMSC) is accepting proposals for the development of a comprehensive human resources service offering to urban municipalities and their associates in Alberta. The deadline for submitting qualifications and proposals is **April 17, 2009 at 4:30PM MST**.

Please submit five (5) copies of your completed response to this request for proposals in a sealed envelope marked **"Human Resource Service Offering - 2009"** to:

Ashley Nealon, Research Assistant
Alberta Urban Municipalities Association
10507 Saskatchewan Drive
Edmonton, Alberta
T6E 4S1
Telephone: (780) 989-7402

An electronic copy using the Microsoft Office Suite is also required along with the 5 copies. Questions regarding proposal requirements and processes must be submitted through e-mail to **anealon@auma.ca**. Questions must be e-mailed not less than five (5) calendar days before the proposal due date.

The purpose of this Request for Qualifications (RFQ) is to obtain a short list of proponents to be interviewed by AMSC, and then to select from those proponents one who will enter into negotiations with AMSC for the design of a human resources line of service.

1.2 AUMA

The Alberta Urban Municipalities Association (AUMA) mission focuses on representing the interests of urban local governments and where required, providing services that address the specific needs of members in their capacity as local governments operating pursuant to the *Municipal Government Act*.

Participation in AUMA currently consists of urban municipalities in Alberta as Regular members, Associate members that are municipality-related organizations comprised of various public entities, interest groups, and non-profit organizations in Alberta and Affiliate members.

The goals of AUMA are to:

- Monitor and influence government legislation, programs and policies which impact AUMA members;

- Ensure effective, credible relations between member municipalities, the provincial government and other organizations;
- Keep members informed of significant international, national and provincial trends and issues that affect local government; and to
- Offer relevant cost effective programs and services in response to member needs, through AMSC.

Additional information regarding AUMA can be found on its website at www.auma.ca. Respondents are encouraged to access this site to ensure they have a current and complete understanding of the nature and scope of AUMA interests and activities.

1.3 AMSC

AMSC is a wholly owned subsidiary of the AUMA. All business service programs are under the purview of AMSC and are available to AUMA Regular and Associate members. Business programs and services are available to both Regular and Associate members but not to Affiliate members at this time.

The following is a list of the key program services offered to members:

- benefits services
- employee assistance program
- human resources helpline
- insurance services
- pension and retirement services
- general insurance
- risk management services
- energy aggregation; and
- casual legal services

AMSC can, in its own name, make and enter into contracts, employ agents and employees, acquire, hold, and dispose of property, and incur the debts, liabilities, and obligations necessary to carry out its business.

Whenever practical and appropriate, AMSC provides services through outsourcing key elements of its supply chain. This facilitates flexibility, financial protection, effective risk management, and the ability to collaborate with the best service providers. AMSC seeks to establish long term, sustainable relationships and as such is committed to the highest standards of due diligence when conducting the search and screening process. AMSC's core responsibilities in this outsourced framework are to provide effective:

- governance
- contract management

- marketing and communication
- data protection and management
- management and internal controls and procedures, and
- ongoing exploration of new business opportunities.

Figure 1: AUMA-AMSC Service Delivery Structure

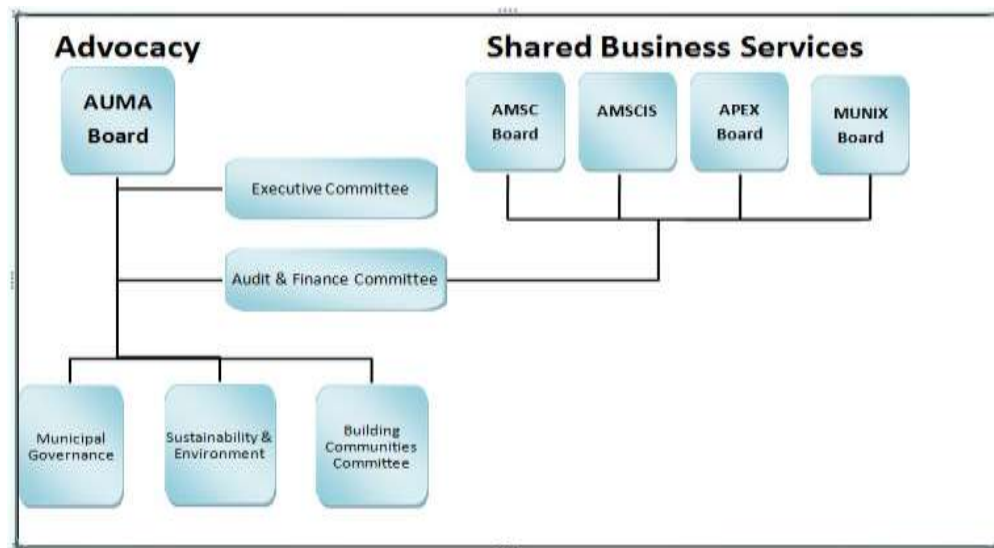


Figure 1 above illustrates the current program and service delivery structures used by AUMA and AMSC. AMSC Insurance Services Ltd., (AMSCIS) is a general insurance and benefits insurance agency that provides the corporate and administrative framework for delivery of AMSC general insurance, benefits, and pensions services.

2 Service Requirements

2.1 Required Services

AMSC is dedicated to staying abreast with the needs of AUMA members. Given present Alberta market conditions, there is a growing need to provide more value added services to members. Currently, AMSC provides many HR services to its members through its benefits and pensions as well as its HR Helpline. AMSC is looking for a service provider that will be able to identify and implement an HR service offering that not only involves current HR services but also provides a more comprehensive, effective and complete service in an HR model. The initiative will involve a significant assessment of current business processes and structures within the benefits and pensions branches and identify the changes and additional service requirements to provide a more extensive and member focused HR service.

AMSC is prepared to consider changes to current service delivery business processes in order to ensure effective alignment of direct service delivery processes and administrative support systems that will not impact positive current business processes. AMSC is prepared to make those process changes needed to ensure effective implementation and operation of support systems.

The procurement process is expected to find a service provider that will provide the following in respect of the AMSC HR service offering

- **Assess Current Service Offering** – assess the scope and nature of current service delivery with particular attention to the efficiency, effectiveness and structure of current services and the opportunities for a long term comprehensive and complete HR service delivery based on a sustainable economic model.
- **Define Potential Service Offering** -- using the existing service delivery framework as a starting point, develop a complete profile of a potential service offering, including identification of :
 - potential lines of service;
 - the key attributes of each line of service;
 - the infrastructure and other resources needed for effective service delivery (i.e. cost implications, human resources, training and development supporting infrastructure needs, organization structure and design).
- **Validate and Refine Potential Service Offering** – test a clearly defined potential service offering with a broad sample of member representatives to confirm levels of interest and implementation challenges, and then refine the offering in response to feedback received.
- **Develop Business and Economic Model for Service Offering** – develop an overall business model, including a pricing\revenue generation plan that will assure sustainable implementation of the service offering. Test the business model with a select group of potential service recipients and refine it in response to feedback received.
- **Develop Implementation Plan** – develop an implementation plan that will assure orderly and focused implementation of the service offering, with particular attention to early delivery of the most relevant services.

2.2 Evaluation Framework

Responses to this RFQ will be evaluated against the following requirements.

2.2.1 Mandatory

- Demonstrated direct experience in the design and delivery of a wide range of human resource services.
- Effective tools and processes for development and assessment of economic models for sustained delivery of human resource services.
- Demonstrated capacity to develop effective implementation plans that ensure appropriate sequencing and resourcing of the delivery of new services.
- Considerable experience in change management and departmental restructuring from initial assessment to appropriate implementation.

2.2.2 Desirable

- Demonstrated direct experience in identification of needs and opportunities based on direct feedback from current or prospective customers.
- Experience in the marketing of human resource services.
- Effective tools and processes for assessing the effectiveness and relevance of human resource services.
- Creative economic arrangements aligned with the developmental nature of this initiative.

2.2.3 Economic Arrangements

Respondents are expected to provide a single overall price for the delivery of identified services.

3 Selection Process

3.1 General Terms

- This process is a request for qualifications and not a tender call. This RFQ does not create contractual or any other legal obligation on the part of AMSC. By submitting a proposal in response to this RFQ, the party submitting the proposal is acknowledging and agreeing to same.
- The intent of AMSC is to assess each of the responses submitted and determine in its sole and unfettered discretion the relative attractiveness to AMSC of each of the proposals. Thereafter, AMSC may enter into a negotiation phase with selected proponents. The negotiation phase may be terminated at any time at the sole discretion of AMSC for any reason. AMSC specifically reserves the right not to enter into negotiations with any proponent, or to negotiate terms and conditions with a proponent that are different than otherwise contained within the RFQ or the proponent's proposal, without the need to offer such terms and conditions to other proponents.
- AMSC retains the right to assign any contract resulting from this RFQ to a new agency of which AMSC is a member or owner.
- This RFQ does not obligate AMSC to award a contract to any proponent.
- AMSC may, at its option, revise the schedule of events or anticipated date of award, may request further information from any proponent, or may withdraw this RFQ in part or in its entirety. By submitting a proposal in response to this RFQ, the proponent is agreeing that AMSC is not required to provide any reasons for any decision made by AMSC, including the decisions made by AMSC in weighing the relative attractiveness of proposals or in deciding to terminate any negotiation phase.
- Proposals made by a sole owner must be signed with his/her full name and with his/her address. Proposals made by a partnership must be signed by at least one general partner who will also sign his/her own name with the address of each partner. Proposals made by a corporation must be signed by an officer or other individual who has the full and proper authorization to do so. Proposals by a joint venture must be signed on behalf of each participating entity in the manner prescribed above in accordance with its legal status.
- Proponents may submit multiple proposals presenting alternative service delivery strategies and commercial terms for satisfying the requirements of this RFQ. Each proposal submitted will be evaluated separately.
- AMSC shall not be liable for any pre-contractual expenses incurred by any proponent. Proponents shall not include any such expenses as part of the price proposed in response to

this RFQ. AMSC shall be held harmless from any and all liability, claims, or expenses incurred by or on behalf of any person, agency, company or organization responding to this RFQ. Pre-contractual expenses are defined as expenses incurred by proponents in:

- preparing a proposal in response to this RFQ;
 - submitting a proposal to AMSC;
 - oral presentation to and negotiations with AMSC on any matter related to a proposal; and
 - other expenses incurred by the proponent prior to the date of award of any contract.
-
- At the closing time, all proposals become irrevocable. By submission of a proposal, the proponent agrees that, should its proposal be selected, the proponent will enter into a contract with AMSC.
 - The proponent is entitled to amend its proposal at any time before the closing time. After the closing time, the proponent will not change the wording or content of its proposal and no words will be added to or deleted from the proposal, including changing the intent or content of the presentation of the proposal, unless requested by AMSC.
 - If a written contract cannot be negotiated within 20 days of notification to the proponent initially selected, AMSC may, at its sole discretion, terminate negotiations with that proponent and either negotiates a contract with the next highest qualified proponent or cancels the RFQ process and not enters into a contract with anyone regarding the RFQ.
 - The proponent, through submission of a proposal, agrees to all terms and conditions of this RFQ.
 - The information contained in this RFQ is supplied solely as a guideline for proponents. While every reasonable attempt has been made to ensure its accuracy, AMSC does not guarantee or warrant its accuracy, nor is it necessarily comprehensive.

3.2 General Qualifications

Each proponent should provide a complete outline of their experience as it relates to the requirements of the RFQ, including at least three recent references in respect of each area of experience identified. Firms bidding as joint ventures or a prime with subcontractors must submit this kind of information for each member of the joint venture or each subcontractor.

Each subcontractor should indicate its willingness to subcontract with the prime contractor and may, if they so choose submit qualifications non-exclusively with multiple prime contractors.

Proponents should be able to provide certificates of insurance indicating that their organization has commercial general liability and professional liability insurance in place, as required and appropriate to the services being rendered.

3.3 Interviews and Presentations

Proponents short-listed by AMSC may be invited to participate in an interview process. Proponents may also be given an opportunity to discuss key dimensions of their proposal in an oral presentation before AMSC.

3.4 Negotiations

Following any interviews, one or more proponents may be invited to negotiate with AMSC for a final determination of services and prices. AMSC reserves the right to award a contract to any proponent without undertaking any competitive negotiation.

3.5 Proposed Schedule

March 12, 2009 - RFQ released.

April 17, 2009— four thirty PM mountain (4:30) standard time - Proposals due.

April 22, 2009 - Interviews/Presentations of short-listed proponents (if necessary).

April 29, 2009 - AMSC announces proponent(s) to enter competitive negotiations (if necessary).

May 4, 2009 - Competitive negotiations conclude. AMSC announces service provider(s) selected.

May 11, 2009 - Service Delivery Commences —Service Design

August 17, 2009 – Service Delivery Commences – Service Roll Out and Ongoing Delivery.

4 Ongoing Service Delivery

4.1 Associated Requirements

Proponents agree to support the goals, objectives and activities of AUMA and will not use information obtained through the RFQ process or a contract to approach AUMA members directly in competition with services offered by AMSC.

AUMA, through AMSC requires that its service providers (1) agree not to compete with AMSC in any line of service AMSC provides to its members, (2) become affiliate members of AUMA, and (3) actively participate in and be a sponsor of the annual AUMA convention.

As agreed from time to time, service providers are expected to support, and where necessary participate directly in, service marketing and promotion activities.

4.2 Specific Terms and Conditions

- Qualifications and proposals should be printed on 8.5" x 11" white paper, with a cover page clearly displaying: (1) company name; and (2) contact person's name, address, phone and fax number, and e-mail address.
- Faxed submissions will not be accepted.
- The proposal must be signed by the person(s) authorized to sign on behalf of the proponent or company and binds the proponent to the statements made in the proposal.
- A joint proposal submission must indicate which proponent has overall responsibility for the proposal. If a proponent wishes to submit alternative options, each option is to be submitted as a separate proposal.
- The proponent shall not transfer responsibility to meet the obligations of the contract to a third party without the written consent of AMSC.
- The selected proponent will be permitted access to any AMSC files and reports that relate to this RFQ. Information pertaining to AMSC obtained by the selected proponent as a result of this project is confidential and must not be disclosed without written permission of AMSC.
- AMSC will be the owner of the intellectual property rights, including patent, assignment of copyright, waiver of moral rights, trademark and industrial design in any product, business process, and software or training program developed specifically through the contract for this RFQ. Licensing and marketing rights of the developed product, if appropriate, will be negotiated separately.
- Any contract resulting from this RFQ will be governed by and will be interpreted in accordance with the laws of the Province of Alberta.

- Information ("Confidential Information") of any nature that the Vendor acquires regarding any aspect of AMSC's business, other than that, which is generally available to the public, shall be treated in strict confidence. Any information includes, but is not limited to, proprietary information and processes, trade secrets, techniques, models, software programs, proposed products and services, financial information, member lists, employees, business and contractual relationships, business forecasts and marketing information and techniques. Any confidential information shall not be divulged, furnished or made accessible to third parties without the written permission of AMSC unless otherwise required by law.
- The relationship between AMSC and the successful Vendor will be open ended, but may be terminated with one month's notice by the AMSC, at its discretion.
- The Vendor will carry sufficient insurance coverage for its employees while on the job or in transit.
- The Vendor may *not* release any information regarding AMSC to the media without the prior consent of AMSC.