

REQUEST FOR PROPOSALS

For A

Risk Management Function Assessment

November 3, 2011

GREENVILLE UTILITIES COMMISSION

**401 SOUTH GREENE STREET
GREENVILLE, NC 27834**

**NOTE: All inquiries regarding this RFP
Are to be directed to
Kevin M. Keyzer
Resource Exposure Manager
(252) 551-1491**



**Greenville
Utilities**

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1 Introduction & Background Information

1.1 Purpose

The Greenville Utilities Commission (hereafter referred to as "GUC") seeks responses for a Risk Management Function Assessment (hereafter referred to as "Assessment") from vendors that have proven experience in the utilities industry. It is GUC's intent to hire a vendor to assist GUC in assessing the current risk management function, gaps that may exist between current function and industry best practices, and recommend a Risk Management Information System (RMIS) application if a demand is identified.

1.2 Coverage & Participation

The intended coverage of this RFP, and any agreement resulting from this solicitation, shall be for the use of all departments at GUC. GUC reserves the right to add and/or delete elements, or to change any element of the coverage and participation at any time without prior notification and without any liability or obligation of any kind or amount.

1.3 Original RFP Document

GUC shall retain the RFP, and all related terms and conditions, exhibits and other attachments, in original form in an archival copy. Any modification of these, in the vendor's submission, is grounds for immediate disqualification.

1.4 About Greenville Utilities Commission

The Greenville Utilities Commission was initially chartered by the North Carolina General Assembly in 1905. The latest amendment to the Charter occurred in 1992. It is organized as an independent agency of the City of Greenville and operates the City's electric, water, sewer and gas utilities. Four separate enterprise budgets account for each utility.

The Commission members are appointed by the City Council. Five members represent the City and two members represent the County. The members are appointed on three year staggered terms with eligibility for one additional three year appointment. The City Manager serves as the eighth and full voting member of the Board of Commissioners.

The total budget of the Commission for fiscal 2011-2012 is \$274,173,019 and is incorporated as a part of the City of Greenville's annual budget.

The Commission presently employs approximately 435 people in eight departments. Greenville is located in Pitt County in the Coastal Plan region of eastern North Carolina. It is approximately 85 miles east of the state capital of Raleigh.

GUC has facilities in seven (7) locations throughout Pitt County. The main office building at 401 S. Greene Street is the work area for 90 employees in Customer Relations, Finance, Information Technology, and the General Manager's office.

The Engineering and Operations Center is located at 801 Mumford Road, about two (2) miles north of the main office building. This campus is composed of eight (8) buildings that

provide operational support for the business. The Gas, Electric, and Water departments have engineering, administrative and operational personnel working out of this area. The Human Resources Department is also located in this area. Approximately 65 office personnel and 220 field crew personnel report to this center daily for work.

In addition to these two primary sites, GUC also has five (5) other facilities in Pitt County: the Water Treatment Plant (26 employees), the Waste Water Treatment Plant (25 employees), a Liquefied Natural Gas Facility, a customer service facility, GUC Express (9 employees), and (2 employees) have office space at Gardner Training Facility, which is shared with the City of Greenville.

The population of Greenville has grown from 50,000 in 1990 to approximately 84,000 in 2010. The population of Pitt County has grown from 138,000 in 2006 to approximately 160,000 in 2010. The population growth has been stimulated by the location in Pitt County of such industries as DSM Pharmaceuticals, Paper-Pak Products, NAACO Materials Handling, Fuji Silysia Chemical and ASMO. Along with the increase in employment opportunities from these and other industries, the expansion of East Carolina University, the University Health Systems, and Pitt County Memorial Hospital have all contributed to the growth of the community.

In 2004-05, Greenville Utilities Commission (GUC) developed a strategic management system, using the Balanced Scorecard Institute: Nine Steps to Success framework. Our Balanced Scorecard, branded as "On the Mark," was developed with input from the Board, management, employees and customers. GUC's Balanced Scorecard helps translate our mission, vision and strategies into action. We have defined three focus areas, or strategic themes: Exceptional Customer Service; Reliability, Safety & Value; and Shaping Our Future. These are the three areas in which we must excel in order to achieve our mission, vision and deliver value to our customers. GUC is tracking and reporting key performance indicators related to our strategic themes. GUC's mission statement, vision and strategy map (Appendix A) are included for your reference.

GUC has adopted an Affirmative Action and Minority and Women Business Enterprise Plan (M/WBE) Program. Firms submitting a proposal are attesting that they also have taken affirmative action to ensure equality of opportunity in all aspects of employment, and to utilize (M/WBE) suppliers of materials and/or labor.

GUC has grown substantially throughout the past decade, but has been impacted by the downturn in our national, state, and local economies as have most other organizations. Cost control efforts have led GUC to more closely assess operational and systems efficiency. Our formal approach to this project has been branded as OPTICS (Optimizing Processes and Technology for Improved Customer Service). This corporate project serves to eliminate non-value added steps and/or practices found in the major functions. The risk management function was not included within the scope of this project.

GUC is also currently engaged in a Comprehensive Classification and Compensation Study. This project is a joint venture with the City of Greenville. The key deliverables of this study include; job analysis with updated titles, ADA compliant job description updates, customized and automated point factor job evaluation system, compensation survey and analysis, market comparisons, market sensitive pay structure development with total compensation analysis, and a classification and compensation plan that will be able to maintain into the future.

GUC is interested in ensuring its risk management processes, services and supporting technology is consistent with “Leading Practices” and that future needs can be met.

GUC wishes to assess the current operations and associated business applications that support key risk management processes to improve and streamline its technology systems. As a result of this initiative our goal is to leverage technology to improve risk management processes and add value through streamlined, integrated and automated services. In this light, GUC is open to organizational, process, and technology recommendations.

1.5 Existing Risk Management Function

Risk management responsibilities are divided between the Finance and Human Resources (HR) Departments.

Claims Management, Claims Analysis and Occupational Safety and Health, functions reside within the Human Resources Department. Cost Analysis, Loss Accounting, Risk Transfers, and Certificates of Insurance functions reside within the Finance Department. Some aspects of Risk Financing are shared between the Human Resources and Finance Departments. Management Reporting, Risk Management Administration, the Insurance Program and Loss Control Inspections are joint responsibilities of the Finance and HR Departments. Risk Management Advice is a responsibility of Finance, HR, and the GUC Attorney. Communication is a responsibility of both Finance and HR. New and emerging risks are evaluated and addressed by both HR and Finance.

GUC positions with direct risk management roles include the Claims Specialist, Occupational Health Nurse, Safety Specialist, Safety Officer, and Director of Human Resources from the HR Department and the Purchasing Technician, Cost Analyst, Director of Accounting and Financial Services, and Chief Financial Officer in the Finance Department.

Under the current insurance program third party administration (TPA) of Workers Compensation, Auto Liability, and General Liability claims is performed through a bundled plan offered by the carrier. Other coverage’s are either self administered or are administered through the assistance of the GUC insurance broker. Some general liability claims are resolved in house by the Claims Specialist along with the assistance of departmental personnel.

A contracted occupational health nursing vendor provides onsite first aid treatment up to the licensing limitations of the Registered Nurse (RN). An offsite occupational health care vendor is utilized for non traumatic post injury care. Trauma cases are seen by our regional health care provider, Pitt County Memorial Hospital. GUC has established a strong “recovery on-the-job” program. The establishment of this program is communicated to all health care providers and employees.

1.6 Existing Risk Management Applications

A number of applications are used to facilitate the risk management function. Database storage is split amongst a variety of applications. These applications may be internally and externally web based, commercial and in-house client based, and/or spreadsheet based.

GUCs TPA RMIS is the only external web based application used. It has a robust workers compensation claims interface and a good interface for other liability claims. GUC uses internal web based applications to host lists, file folders, interactive first report forms, and display corporate performance indicators. The Microsoft SharePoint platform is utilized to store and share risk management information. OSHA recordkeeping is managed through a third party application. It utilizes a locally installed data entry and querying application and LAN based database. This application offers a solid foundation for recordkeeping and form printing but has weaker analysis tools. Data can be exported to spreadsheets for additional analysis. Several in-house applications are utilized to store and analyze loss data based on reporting needs. Corporate email serves as the main communication tool for distributing reports and updates. Most of the data is not available, or is not in an acceptable format, for management review on a need to know basis. Each of these systems operates independently and consolidation of information for analysis is performed by exporting data into spreadsheets.

2 Scope of Work

2.1 Tasks & Associated Deliverables

1. The vendor shall perform needs assessment. The vendor shall conduct individual and/or group interviews to identify and document the needs and requirements of the organization. The vendor is expected to translate those needs into a scope of work that will specify the requirements.
2. Identify risk management issues and priorities.
3. Provide benchmarking information on staff responsibilities and sizes for other utilities of similar size and complexity.
4. Identify the “current state processes” and the activities that consume staff time.
5. Provide a project plan and strategy to re-engineer risk management processes to achieve leading practice operational efficiencies.
6. Provide a draft of the needs assessment document for review before presenting the final needs assessment report.
7. Provide GUC with a comprehensive needs assessment report.
8. As part of the needs assessment report, identify industry leading practices and opportunities for GUC to move to leading practices.
9. Identify packaged software that is being used successfully by other utilities of similar size, complexity, functional requirements and that can integrate with GUC OPTICS project solutions.
10. Provide cost estimates including staffing resources needed (both internal and external) for each proposed solution.

3 Proposal Preparation Instructions

3.1 Vendor’s Understanding of the RFP

In responding to this RFP, the vendor accepts the responsibility fully to understand the RFP in its entirety, and in detail, including making any inquiries to GUC as necessary to gain such understanding. GUC reserves the right to disqualify any vendor who demonstrates less than such understanding. Further, GUC reserves the right to determine, at its sole

discretion, whether the vendor has demonstrated such understanding. That right extends to cancellation of award if award has been made. Such disqualification and/or cancellation shall be at no fault, cost, or liability whatsoever to GUC.

3.2 Good Faith Statement

All information provided by GUC in this RFP is offered in good faith. Individual items are subject to change at any time. GUC makes no certification that any item is without error. GUC is not responsible or liable for any use of the information or for any asserted claims.

3.3 Inquiries

After the RFP issue date, all communications between vendors and GUC must be submitted in writing. No verbal questions will be accepted. Any inquiries, requests concerning interpretation, technical questions, clarification, or additional information pertaining to functionality shall be directed to the individual listed:

Kevin M. Keyzer
Resource Exposure Manager
Greenville Utilities Commission
P. O. Box 1847
Greenville, NC 27834
E-mail: keyzerkm@guc.com

Vendors should not ask other GUC personnel questions, as information gathered from other sources may not be reliable. All questions concerning the RFP must reference the RFP page number, section heading, and paragraph. The question(s) must be concisely stated and be numbered in sequential order. Answers will be returned as soon as possible. Questions and responses affecting the content of this RFP will be provided to all vendors.

3.4 Proposal Submission

Instructions for submitting proposals to Greenville Utilities are outlined in the proposal package. Firms are requested to inform GUC by **September 29, 2011, 5:00 PM (EDST)**, of their intention to respond to this RFP by sending an email to:

Cleve Haddock, Purchasing at haddocgc@guc.com

Please include in your email the RFP Title (Risk Management Function Assessment), your company name, mailing address, email address, telephone & fax numbers and name of the contact person.

Deadline for submitting proposals are included in the proposal package and must be strictly adhered to. If addenda are issued, they will be distributed to each respondent. Each addendum will be identified by the RFP Title followed by a number (i.e. #1, #2, etc.) Firms are urged to check the Revised Date in the Date area of the addenda prior to submitting a proposal response to assure they have obtained all addenda that may have been issued for the proposal package. Proposal addenda should be acknowledged and included with the proposal response.

Vendors shall submit one (1) original and seven (7) signed copies. Each original and copy must be individually bound with tabbed sections as specified in Section 7 of this document. Additionally, one (1) electronic or soft copy, of all proposal materials, in Adobe PDF must be submitted via email to: haddocgc@guc.com. Proposals must be plainly marked on the outside for the "Risk Management Function Assessment." The proposal is contained in this contract document and must not be detached by any vendor when submitting a proposal. The proposals must be addressed to:

Greenville Utilities Commission
401 S. Greene Street
Greenville, N.C. 27834
Attention: Cleve Haddock, Purchasing

If forwarded other than by mail, it must be delivered to the address listed above. The vendor shall make no other distribution of the proposal.

3.5 Method of Evaluation

Proposals will be evaluated by GUC personnel. Selected vendors may be requested to present formal presentations on site on a date and time mutually agreeable by both parties.

Evaluation Criteria:

Vendor selection shall be based on evaluation and rating of Vendor's demonstrated competence and qualifications for the type of services to be performed. The following guidelines will be used as minimum criteria for rating the Vendor:

- The quality of references from past customers of vendor.
- Qualifications of staff to be assigned, i.e. team members demonstrated ability, years and type of experience for similar projects
- Quality of approach and methodology for performing the effort clearly demonstrates an understanding of the issues and requirements
- Quality, extent and relevance of vendor's experience (including sub-contractors) in conducting similar efforts, particularly in a setting similar to that described by this RFP.
- Project Schedule and Deliverables
- Overall total cost for the project services.
- Staffing size and current workload will be evaluated.
- Project Understanding and Scope
- Vendor's approach to the project
- Vendor's proposed work plan

GUC reserves the right to reject all proposals or accept such proposals, as appears in its own best interest, and to waive technicalities or irregularities of any kind in the proposal. GUC is not obligated to accept the lowest cost proposal.

3.6 Schedule of Events

The following is a tentative schedule that will apply to this RFP, but may change in accordance with the organization's needs or unforeseen circumstances.

RFP Available to Vendors:	September 22, 2011
Vendor Acknowledgement of Intent to Reply:	September 29, 2011
Questions Due from Vendors:	October 6, 2011
Answers to Questions available to Vendors:	October 13, 2011
Proposal Submission Date:	November 3, 2011, Until 4:00 PM (EDST)

4 Vendor Incurred Costs

All costs that may be incurred to prepare proposals, attend meetings, attend site inspections, provide requested follow-up information, make formal and informal presentations, and for the entire contract negotiations process if applicable, shall be the sole responsibility of each vendor. GUC is not responsible under any circumstances for reimbursement of any costs that may be incurred by vendors during the proposal preparation, subsequent selection or negotiation stages.

5 Vendor Qualifications and References

The vendor must be an established firm recognized for its capacity to perform similar projects. The vendor must be capable of mobilizing sufficient personnel to address the project as specified. The selected vendor will be subject to GUC's Terms and Conditions.

All vendors must provide the following information in order for their proposal to be considered:

5.1 Vendor Qualifications

Provide a brief outline of your company, including:

- Full legal name of the company
- Year business was established
- Do you have resources and offices in North Carolina, if so where?
- Number of people currently employed, specific total and number dedicated to providing similar consultation services
- What was your annual revenue for the past three years? Please attach audited financial statements for the last three (3) years.

5.2 Vendor Clients and References

Provide information about your current clients, including:

- Total number of current clients
- A list of any utility companies that use any of your services

- Evidence of successful completion of a project of a similar scope, size and complexity.
- At least three customer references of utility companies, similar in size and complexity to GUC, where you have done similar work as outlined in this RFP. For each reference provide a summary of the specific services performed and implementation results for that customer. The list should include organization name, name of contact with address and telephone number. If requested, the selected vendor should be prepared to facilitate a site visit to one of the reference sites that have implemented the vendor's recommendations.

5.3 Proposed Project team

Please provide details to explain the composition of the staff team that will be dedicated to this project including:

- The names of the employees that will be designated to work on this project
- Their function in the company, title, and number of year's service with the firm. Specify if employees of business partner or subcontractor.
- Detailed resumes for the specific individuals, specifying educational and work experiences for such a project.
- How many other projects will each individual be assigned to concurrently?

Please provide the following details regarding the vendor's project manager:

- The name of the employee.
- Their function in the company, title, and number of year's service with the firm. Specify if employees of business partner or subcontractor.
- Detailed resume for the specific individual, specifying educational and work experiences for similar projects.
- How many other projects will the project manager coordinate concurrently?
- Will the project manager function onsite or at a remote location?

5.4 Conflict of Interest

In general, conflicts of interest relate to the potential for self-gain usually, but not always, of a fiscal nature. Potential for self-gain can serve to undermine the judgment or objectivity of vendors providing consultation services. A potential or actual conflict of interest exists when commitments and obligations to GUC are likely to be compromised by a vendor's other interests or commitments, especially economic, particularly if those interests or commitments are not disclosed. Not all conflicting interests are necessarily impermissible. Timely and complete disclosure of potential conflicts of interest may be a satisfactory remedy and protects the consultant from suspicion and accusations of breach of professional integrity.

Vendors are asked to disclose any situation or relationship that might be regarded as potential conflict of interest with, but not limited to, their expected duties and recommendations as defined in this RFP.

6 Proposal Pricing

GUC requests the Vendor provide a fixed fee with a not-to-exceed amount for the work specified in this RFP for professional fees. GUC will reimburse the selected vendor for reasonable and generally accepted out-of-pocket expenses. Professional fees and expenses should be shown separately on the vendor's invoice. All professional fees should be listed by professional staff category. Total project hours should be delineated by each staff member who will work on this project.

7 Required Response Information and Format

Vendor responses should be prepared using a font size of 11 Arial. Submitted materials shall have dividers with labeled (as indicated below) tabs separating the sections. The same numbering system as the RFP should be used so members of the evaluation committee can easily reference the materials. **Please do not substitute printed brochures in response to specific questions.**

- Title page

Show the company name, address, telephone number, and name of the project representative.

- Tab 1 Consulting Services Summary

Vendor responses for this section are limited to ten (10) single sided pages with a font size of 11 Arial. An initial project plan must be presented to describe the scope and time line of the project as envisioned by the responding Vendor. Vendor should clearly convey its understanding of the project. The vendor should outline its approach, list deliverables and provide an estimated duration and timeline for completion.

- Tab 2 Vendor's Response to Section 5 – Vendor Qualifications and References

Provide all of the information requested in Section 5 concerning vendor qualifications, staffing, references and conflict of interest.

- Tab 3 Vendor's Response to Section 6 – Proposal Pricing

Provide the information requested in Section 6 concerning pricing.

- Tab 4 Promotional Materials

The vendor may provide, if desired, any promotional materials or printed brochures related to the services being proposed in this RFP.

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8 Appendices

Appendix A – GUC’s Mission, Vision, Strategy Map

MISSION

Greenville Utilities is.....

Dedicated to enhancing the quality of life for those we serve by providing safe, reliable utility services at the lowest reasonable cost, with exceptional customer service.

VISION

To be the regional utility provider of choice

