



500 Second Line East, P.O. Box 9000
Sault Ste. Marie, Ontario, P6A 6P2
tel. (705) 759-6500 fax. (705) 759-6596

REQUEST FOR PROPOSAL FOR EXECUTIVE SEARCH FIRM

PUC Services Inc. (PUC) has initiated a Request for Proposal (RFP) process to identify a search firm to assist and facilitate the recruitment of a new Chief Executive Officer. Due to the upcoming retirement of the current CEO in 2017 after a distinguished career of service to PUC and its members, the Board of Directors (Board) has approved a process to select the next CEO.

The PUC has served the community through the efficient, safe and reliable delivery of high quality utility services since 1917. PUC Services Inc. is a utility services company operating as a wholly owned private company of the Corporation of the City of Sault Ste. Marie and is incorporated under the Ontario Business Corporations Act.

The PUC's mission statement reads, "A customer focussed company safely delivering competitive, high quality utility related services while earning a fair return for our shareholder" and serves as the standard against which we weigh our actions and decisions. Similarly, our values are to be "Responsive, Ownership, Safety, Innovative and Entrepreneurial" and serve as a compass for our actions and describe how we behave in the world. And most importantly, our vision is "to be recognized as the leading services provider dedicated to advancing a climate of innovation".

The PUC is a provider of corporate services such as human resources/recruitment, finance, accounting and other related administrative services to PUC Distribution Inc. and The Public Utilities Commission of the City of Sault Ste. Marie both of which serve approximately 33,000 residential, commercial and small industrial customers through the efficient, safe and reliable delivery of high quality electrical and water services.

The PUC manages the assets and business of PUC Distribution Inc., manages the city's water treatment and distribution system and operates the City's two wastewater treatment plants under multi-year contracts. PUC Services Inc. also provides billing and customer care services and manages the operations of Espanola Regional Hydro under multi-year contracts. Water and wastewater services are also provided to several communities and organizations in the Algoma District.

PUC Distribution Inc. has a total of 737 kilometers of conductor and 18 distribution stations and is connected to the provincial transmission grid through two 115kV transformer stations and 8 kilometers of 115kV transmission lines. The Public Utilities Commission of the City of Sault Ste. Marie is responsible for the treatment and delivery of 11.9 million cubic metres of potable water half from Lake Superior and the remainder from six city wells. The filtration plant is rated at 40,000 cubic metres / day and uses direct filtration, incorporating chemically assisted coagulation, flocculation and dual filtration media. Water is delivered through 450 km of watermain.

The CEO is accountable for:

- providing the leadership, motivation and organizational rigour to 179 dedicated employees
- driving a strong corporate culture and providing competent executive direction to ensure compliance with operational, budgetary, ethical and regulatory requirements;
- the development of a strategic plan, including capital and long term infrastructure maintenance planning;

- fostering strong relationships and interactions with the Shareholder, other community partners, industry peers, government stakeholders and a wide range of constituencies in a diverse community;
- delivering reliable services and maintaining system integrity; and,
- demonstrating a commitment to health and safety

If interested, please provide a detailed response to the questions below, execute where indicated, and email to my attention at lorri.kennis@ssmpuc.com, no later than June 9, 2017.

Upon receipt of written proposals, the finalists will be invited to make a presentation before the Board at a date to be determined. The Board will make the final decision on the representation at its sole discretion.

Scope of Services

The following represents the spectrum of services required from the consultant. The list of services noted below is not exhaustive and other services in line with the CEO search may be required. In addition:

- a. References
- b. Your terms and conditions of any applicable “replacement guarantee”

The consultant shall, at a minimum, be capable of performing the following services (the “Scope of Services”) and will provide the anticipated timeline:

- Ensure understanding of PUC’s long-term strategy and needs to establish a recruitment strategy
- Consult with various stakeholders as defined by the Search Committee/Board for input into development of the desired candidate profile.
- Develop a strategy for candidate identification
- Place advertisements
- Assist in the development of selection criteria and weighting
- Work with Search Committee, develop the initial short list of qualified applicants
- Assist with the development and implementation of both interview processes and questions
- Prepare client for interviews
- Participate in the initial screening interviews of selected candidates
- Respond to all applicants
- Conduct standardized psychometric tests and reference checklists, to the extent deemed necessary, in consultation with the Search Committee
- Arrange for secondary interviews and assist in assessment criteria
- Advise and provide support on negotiating an employment contract
- Notify and provide pertinent information to all unsuccessful candidates

Proposal Requirements

Executive Summary

Include an Executive Summary of no more than two pages that outlines the key components of your proposal and solution. Please limit your complete response (including executive summary) to a maximum of 10 pages.

Firm Overview

1. Provide background information on your firm (both its history and current status) that you deem relevant or noteworthy. In particular:
 - a. Describe your firm's financial strength and ownership structure.
 - b. Provide some background on your firm's presence in the Ontario Utilities' sector and more specifically any presence in Sault Ste. Marie.

Proposed Services

2. Define the methodology that you will follow to meet the Board's recruitment and selection requirement and the resources that your firm is committed to provide to successfully deliver on this initiative. This should include a projected timeline, outlining the number of months and specific milestones/phases, from inception of the assignment to CEO offer date, and your (and other applicable service personnel) role(s) in each phase.

Project Team

3. Provide the following information on the professionals dedicated to the assignment:
 - a. Provide an organizational chart of your proposed team.
 - b. Identify who will be the Board's primary point of contact and how that individual will manage the project team.
 - c. List the role and responsibilities of the team members.
 - d. Provide biographies of the key project team members.
 - e. Provide three (3) references for similar requirements.

Relevant Experience

4. Describe your firm's experience for similar requirements and value delivered to those assignments.
 - a. Overview of recent successful searches with the title of the position, preferably at the CEO/President or senior management level and the size of organization. Of these searches, how many were successfully filled by a candidate that your firm presented; how many were filled by an internal candidate and how many were cancelled/ left vacant at the conclusion of your work.
 - b. Description of your network/experience as you see it applies to this position.
 - c. Average time to close.

Unique Qualifications

5. What strategy(s) will you employ to this requirement and what various services may need to be performed?

6. In what ways do you differentiate your firm from other executive search firms, and what are the advantages to the Board?

Conflicts

7. Identify any potential or perceived conflicts of interest or restrictions that will limit your recruitment for this role or in working with the Sault PUC

Fee Schedule

8. The fixed maximum fee required to perform all scope of work activities including the following details:
 - a. Estimate of expenses (travel, accommodation, advertising, per diems, etc.).
 - b. Estimate of fees, based on hours and hourly rate.
9. The fee quoted shall be inclusive of all costs from conception to delivery.

Confidentiality/Disclosure

By signing below, your firm agrees that it and its employees will treat any and all information, documents, data and other materials, in any form, whether oral or written, disclosed to, or accessed by, your firm in connection with, or related to, this request for proposal or the request for proposal process as “Confidential Information.”

Your firm agrees that it shall undertake all necessary and appropriate steps to ensure that the secrecy of the Confidential Information in its possession shall be maintained. Your firm and its employees will use Confidential Information solely for the purpose of evaluation and responding to this request for proposal. You agree that your firm and its employees will not disclose Confidential Information to any third party without the prior written consent of The Board.

This request for proposal does not constitute an offer and shall not be considered a contract with the PUC. The Board is not obligated to accept any proposal or to engage the services of any service provider. The Board reserves the right to accept or reject any and all proposals (or portions thereof) and to negotiate the terms set forth in any proposal. Your proposal should disclose any non-negotiable components of the RFP response. Further, your proposal is to be prepared at your sole cost and expense. The Board may or may not seek additional information from your proposal.

Evaluation Guideline

The Board is seeking a proposal that provides the best overall value and level of service to the company. As the best interest of PUC will be determinative, the below criteria have been developed to inform proponents of the primary areas of consideration for the first stage of the evaluation process.

There will be a second evaluation and, as such, pricing shall not be the sole determinative factor for award. The review team for this first stage will evaluate the information provided in the proponent’s proposal, and develop a “short list” of proponents (2) that will advance to the second stage of the evaluation. The second stage of the evaluation is a face-to-face presentation by the proponent to the Board of Directors, as described in the following “Presentation” section.

Evaluation Criteria

The Search Committee will determine a preliminary score and ranking for each written proposal using weighted evaluation criteria based on the requirements of the RFP.

The following are the weighted evaluated criteria listed in order of importance and will be used in the evaluation of proposals for the purpose of selecting a consultant:

Overall approach to executive recruitment and selection process	25%
Qualifications and Industry Experiences of firm and key personnel	25%
Price / value for money	15%
Network	10%
Values alignment	15%
Confidence in effectively meeting the Board's requirements	10%

Presentation

The review team will develop a "short list" of proponents, and these proponents will be required to prepare a presentation for the Board of Directors. This presentation will be scheduled shortly after the proposals have been submitted. This presentation is not to exceed 30 minutes (exclusive of time for questions from the Board) and is expected to include the following:

- Brief company history and resources available for this engagement, including project manager and associated personnel/consultants, their experience and references;
- Review of proponent's overall recommended approach to Executive Recruitment at PUC; and
- Examples of previous similar work for other organizations of a similar size and scope.

A copy of the presentation is to be provided to the Board in advance of the presentation.

Summary Schedule of Events

For the purposes of the RFP, the Search Committee has established the following firm timing deadlines for the completion of the RFP process.

Schedule	Date and Time
RFP Release	May 30 th , 2017
Respondents' Question Deadline (Questions Close)	Week of June 5 th , 2017
Proposal Submission Due	June 9 th , 2017
Interviews with Board	Week of June 12 th , 2017
Notification of Award by the Board	June 19 th , 2017
Execute Contract	June 23 rd , 2017

The RFP Process will be governed according to the above schedule. Although every attempt will be made to meet all dates listed, the Board reserves the right to modify any or all dates at its sole discretion. Appropriate notice of change will be provided, in writing, as soon as feasible so that each Respondent will be given non-preferential treatment.