



June 19, 2007

## To All Proponents

On behalf of the Ministry of Labour and Citizens' Services, it is my pleasure to issue this Joint Solution Procurement Request for Proposal for the Strategic Transformation and Mainframe Services Project.

Workplace Technology Services is the information technology division of the Ministry of Labour and Citizens' Services. As the steward of information technology services, assets, and supply arrangements, Workplace Technology Services is responsible for providing cost effective management and supply of information technology services to core government ministries, program managers and government employees. The division is also responsible for understanding the business objectives, future directions, and unique requirements of the programs it supports.

The Strategic Transformation and Mainframe Services Project, led by Workplace Hosting Services, a branch of Workplace Technology Services, is an important initiative that seeks to address three key areas: the provision of mainframe services, the examination of transformational opportunities related to the current hosting services delivery model (including processes, capabilities and the services provided to its public sector clients), and the provision of data center facility services.

Through this collaborative Joint Solution Procurement process, we intend to select a Service Provider to work over the longer term with the Ministry to assist in transforming Workplace Hosting Services into a world class service delivery organization, providing services that are responsive and flexible to the evolving needs of government and will ensure the ongoing reliable and secure delivery of technology services. By combining the strengths, experiences and capabilities of both the public and private sectors, we will achieve the best possible solution for government.

I look forward to your proposals and thank you in advance for your participation and contribution to this significant project.

Sincerely,

[Original signed by]

Lori Wanamaker, CA  
Deputy Minister

Deputy Minister  
**Ministry of Labour and Citizens' Services**

Office of the Deputy Minister

Mailing Address:  
PO Box 9440, Stn Prov Govt  
Victoria BC V8W 9V3



## Ministry of Labour and Citizens' Services

### Joint Solution Procurement for the Strategic Transformation and Mainframe Services Project

#### Government Contact:

All enquiries related to this Joint Solution Request for Proposal, **JSRFP# SATP - 231** are to be directed in writing to the person set forth below, who will respond to all enquiries if time permits. Information obtained from any other source is not official and should not be relied upon. Enquiries and any responses will be recorded and may be distributed to all Proponents at the Province's option.

Pelle Agerup  
Director, Project Procurement, Strategic Acquisitions  
Common Business Services, Shared Services BC  
Email: [pcadmin@gov.bc.ca](mailto:pcadmin@gov.bc.ca)  
Facsimile: (250) 356-0846

#### Delivery of Proposals:

Proponents should deliver ten (10) complete hard-copies **and** one electronic copy on CD of their Proposal. Proposals and their envelopes should be clearly marked with the name and address of the Proponent, the JSRFP number, and the project title. Proposals must be delivered by hand or courier (not be sent by mail, facsimile or email) prior to: **2:00 pm, Pacific Time on, July 26, 2007 at:**

Ministry of Labour and Citizens' Services  
Strategic Acquisitions and Technology Procurement Branch  
c/o Reception Desk  
2<sup>nd</sup> Floor, 563 Superior Street  
Victoria, British Columbia, V8V 1T7  
Attention: Pelle Agerup

#### Proponent Meeting

A Proponent Meeting will be held on June 25, 2007 at St Ann's Academy, The auditorium, 835 Humboldt Street, Victoria, British Columbia at 11:00 AM, Pacific Time. Proponents planning to attend should email the Government Contact above, stating the number of attendees.

Please note that this meeting is intended to provide further information and address questions regarding the Strategic Transformation and Mainframe Services Project. Dial-in access may be provided. Instruction on how to dial-in can be requested in advance from the Government Contact above; however, audio quality cannot be assured. Attendance is optional and minutes will be taken. A copy of the recorded minutes and a list of attendees may be posted as an Addendum to this JSRFP on BC Bid.

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# 1 JOINT SOLUTION REQUEST FOR PROPOSAL INTRODUCTION

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## 1.1 EXECUTIVE SUMMARY

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The Ministry is interested in receiving Proposals from qualified and experienced Proponents in formulating and delivering hosting services, data centre facility services and strategic transformation services related to large corporate hosting infrastructure. The eventual Service Provider will be expected to assume responsibility of Workplace Technology Services' (WTS) hosting (including mainframe) services, provide data centre facility services, and through an evolving transformation strategy, provide an integrated Solution that will enable WTS to deliver world class services to its clients in the public sector.

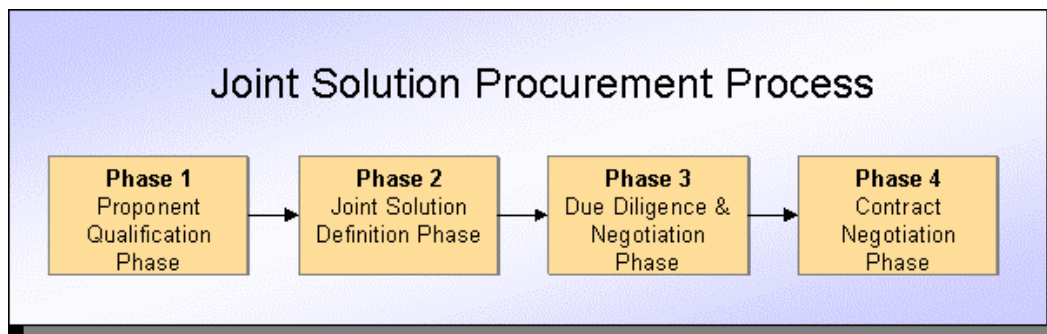
The purpose of this Joint Solution Request for Proposal (JSRFP) is to identify Proponents with the optimum combination of capacity, capability and commitment to work with the Ministry and propose a Concept that will form the basis of a jointly created Solution to achieve the best business outcomes for the STMS Project.

The term of the Final Contract is anticipated to be up to fifteen years with options by the Province for extension of up to five years.

## 1.2 THE JSP PROCESS

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The Ministry has opted to use the Joint Solution Procurement (JSP) Process (which is a multi-stage procurement process for complex, long-term initiatives) in order to identify and joint solution with Proponents an optimal Solution that meets the vision and objectives described in section 3. The four phases of the JSP Process are outlined in Figure 1 below:



**Figure 1 – Joint Solution Procurement Process**

The first phase of the JSP Process (Proponent Qualification Phase) is designed to qualify and short-list Proponents primarily on their capacity, capability and commitment to be the Service Provider to the Ministry for the STMS Project. The Ministry will also be seeking from Proponents a Concept that describes, at a high-level, the Proponents approach to meet the STMS Project requirements as set out in this JSRFP.

Following the Proponent Qualification Phase, two Preferred Proponents will be selected and invited to enter into the second phase of the JSP Process, the Joint Solution Definition Phase. The Joint Solution Definition Phase allows for the joint development of proposed Solutions in an iterative approach that will maximize the business objectives of both parties. The form of the deal structure will depend on the outcome of the Joint Solution Definition Phase.

Ultimately, the Successful Proponent will be invited by the Province to advance to the third phase, the Due Diligence & Negotiation Phase, and the fourth phase, the Contract Negotiation Phase, with the intent to enter into a Final Contract.

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## 1.3 DEFINITIONS AND ADMINISTRATIVE REQUIREMENTS

### 1.3.1 Definitions

Throughout this JSP Process, the following definitions will apply:

- a) "Broader Public Sector" or "BPS" includes crown corporations and agencies that are owned or controlled directly or indirectly by the Province, and all other levels of government within British Columbia including, without limitation, all municipalities, cities, towns, counties or other political jurisdictions of British Columbia, and any agency, board, council, department, authority, tribunal or commission of the Province or of any of the foregoing, and all universities, colleges, schools, school boards, hospitals and health authorities in British Columbia;
- b) "Concept" means the high level concept relating to the Scope of the Opportunity that is presented orally and in writing by a Proponent to the Province during Stage 3 of the Proponent Qualification Phase;
- c) "Contract Negotiation Phase" means phase 4 of this JSP Process which commences upon the Province indicating that it is prepared to start negotiation of the Final Contract with the Successful Proponent and ends upon the execution of the Final Contract;
- d) "Current Data Centre Facilities" means the facilities that WTS currently uses to deliver its Current Hosting Services as more particularly described in section 2.3.1.4;
- e) "Current Hosting Services" means the services provided by Workplace Hosting Services described in section 2.3.1.3;
- f) "Due Diligence & Negotiation Phase" means phase 3 of this JSP Process which commences upon an invitation being extended by the Province to the Successful Proponent to enter into phase 3 of this JSP Process and ends upon the Province indicating that it is prepared to start negotiation of the Final Contract with the Successful Proponent;
- g) "Final Contract" means the written agreement executed by the Province and the Successful Proponent resulting from completion of the Contract Negotiation Phase, as more particularly described in section 1.3.7;
- h) "Information Control Office" means the JSP Process information management control structure that is established to control the flow of information between the Ministry and Preferred Proponents during the Joint Solution Definition Phase and subsequent phases of the JSP Process;
- i) "Intellectual Property" means any and all patents, trade-marks, trade, business or domain names, copyright, rights in concepts, inventions, know how, trade secrets and all other intellectual property rights which may now or in the future exist;
- j) "Joint Solution Definition Agreement" or "JSDA" means the agreement that will be entered into by the Province and each Preferred Proponent prior to the Joint Solution Definition Phase which will include the provisions described in Appendix C;
- k) "Joint Solution Definition Phase" or "JSD Phase" means phase 2 of this JSP Process which commences upon invitations being extended to Preferred Proponents to enter into phase 2 of this JSP Process and ends upon an invitation being extended by the Province to one of the Preferred Proponents to become the Successful Proponent;
- l) "JSP Process" means the Joint Solution Procurement Process for the STMS Project;
- m) "JSRFP" means this joint solution request for proposal document and any amendments to it;
- n) "Letter of Intent" means the letter of intent that will be entered into by the Successful Proponent prior to the Due Diligence & Negotiation Phase;
- o) "Ministry" means the Province's Ministry of Labour and Citizens' Services or any such successor organization that is responsible for the STMS Project;
- p) "must" or "mandatory" in respect of section 1.3 Definitions and Administrative Requirements and section 5.6.1.1, means a requirement that must be met in order for a Proposal to receive consideration;
- q) "Potential In-Scope" means the scope defined in section 3.4.2;
- r) "Preferred Proponents" means the Proponents who are invited by the Province to advance to the Joint Solution Definition Phase and who sign the Joint Solution Definition Agreement;
- s) "Proponent" means the entity that submits, or intends to submit, a Proposal in response to this JSRFP, and where the Proposal consists of a joint submission or contemplates the use of Subcontractors, then the Proponent is the



- lead entity or prime-contractor responsible for the Proposal;
- t) "Proponent Qualification Phase" means phase 1 of this JSRFP which commences upon the release of this JSRFP and ends upon invitations being extended by the Province to Preferred Proponents to enter into the Joint Solution Definition Phase;
  - u) "Proposal" means the written submission required for Stage 1 of the Proponent Qualification Phase;
  - v) "Province" means Her Majesty the Queen in Right of the Province of British Columbia as represented by the Minister of Labour and Citizens' Services;
  - w) "Restricted Documents Room" means the documents room the Province may make available to short-listed Proponents as more particularly described in section 5.1.5;
  - x) "Scope of the Opportunity" means the STMS Project Scope and Potential In-Scope as more particularly described in section 3.4;
  - y) "Services" means the services that will be delivered over the term of the Final Contract;
  - z) "Service Provider" means the Successful Proponent who enters into the Final Contract with the Province;
  - aa) "should" or "desirable" in respect of section 1.3 Definitions and Administrative Requirements and the evaluation criteria means a requirement having a significant degree of importance to the objectives of the JSRFP;
  - bb) "Solution" means the solution and strategic transformation framework for STMS that is developed during the Joint Solution Definition Phase in response to the Ministry's business goals and desired outcomes for the STMS Project;
  - cc) "Stage 1" means the initial stage of the Proponent Qualification Phase during which Proposals will be created by Proponents and evaluated by the Province;
  - dd) "Stage 2" means the second stage of the Proponent Qualification Phase during which up to four Proponents will be asked to participate in separate Workshops with the Province and be provided with access to a Restricted Documents Room;
  - ee) "Stage 3" means the final stage of the Proponent Qualification Phase during which the Proponents who participated in the Workshops will present their Concepts to the Province, both orally and in writing;
  - ff) "STMS Project" or "Strategic Transformation and Mainframe Services Project" means the

project described in this document, beginning with the JSP Process and continuing through the design, transition and ongoing operation of the Services during the term of the Final Contract;

- gg) "STMS Project Scope" means the scope defined in section 3.4.1;
- hh) "Subcontractors" mean entities that are included or intending to be included in a joint proposal with a Proponent or are retained by the Contractor to perform certain services in respect of the Final Contract;
- ii) "Successful Proponent" means the Preferred Proponent who is invited by the Province to advance to the Due Diligence & Negotiation Phase and who signs a Letter of Intent;
- jj) "Workplace Hosting Services" means the branch of the Ministry responsible for the STMS Project or any successor organization;
- kk) "Workshops" means the working sessions between a Proponent and the Ministry during Stage 2, as more particularly described in section 5.1.6.; and
- ll) "WTS" means the Workplace Technology Services division of the Ministry.

### 1.3.2 JSP Process

This JSP Process will consist of four (4) phases: the Proponent Qualification Phase, the Joint Solution Definition Phase, the Due Diligence & Negotiation Phase and the Contract Negotiation Phase.

### 1.3.3 Proponent Qualification Phase

#### 1.3.3.1 Terms of the Proponent Qualification Phase

The following terms apply to the Proponent Qualification Phase of this JSRFP. In consideration of the Province's preparation of this JSRFP document, in conducting the JSRFP and the Proponents' opportunity to submit a Proposal, each Proponent hereby acknowledges and agrees by submitting a Proposal in response to this JSRFP that the Proponent is accepting and agreeing to be bound by the terms of this JSRFP. Provisions in a Proposal that conflict or are inconsistent with any of the terms of this JSRFP shall be of no force or effect.

#### 1.3.3.2 Process of the Proponent Qualification Phase

The Proponent Qualification Phase will consist of three stages:

- a) Stage 1 – During this stage Proponents will submit Proposals in accordance with the terms of this JSRFP. Each Proposal will be evaluated by the Province. The Province will

select up to four Proponents to advance to Stage 2 of the Proponent Qualification Phase based upon the Province's evaluation of the Proposals;

- b) Stage 2 – During this stage Workshops will be held with up to four Proponents that have advanced from Stage 1. Subject to the terms of this JSRFP, each of the Proponents from Stage 2 will advance to Stage 3 of the Proponent Qualification Phase; and
- c) Stage 3 - During this stage each of the Proponents who have advanced from Stage 2 will present their Concepts to the Province. The Province will initially select up to two Proponents who will become Preferred Proponents and will advance to the Joint Solution Definition Phase.

Neither the acceptance by the Province of any Proposal, the conducting of any Workshop nor the receipt by the Province of any Concept in any format whatsoever shall under any circumstances cause any express or implied commitment or undertaking on the part of the Province to advance any Proponent to the next stage or phase, to receive any presentation from a Proponent, to acquire services, to undertake any form of transaction or to continue the JSRFP process.

#### **1.3.3.3 Receipt Confirmation Form**

Proponents are advised to fill out and immediately return the Receipt Confirmation Form attached as Appendix B. Subsequent information may be posted by the Province on BC Bid or distributed via email to those who have returned a Receipt Confirmation Form.

Proponents who have returned the Receipt Confirmation Form may be notified that certain additional information is available. In order to obtain such information, the Proponents must also sign and return to the Province the confidentiality form which will be provided by the Province with the notification. Those Proponents who sign and return the confidentiality form will be provided a copy in accordance with the Proponents' Receipt Confirmation Form or, for viewing purposes only, in a secure location that may be established by the Province.

#### **1.3.3.4 Enquiries**

All enquiries related to this JSRFP are to be directed, in writing, to the person set forth below. Information about this JSRFP obtained from any other source is not official and should not be relied upon. Enquiries and responses will be recorded and may be distributed to all Proponents at the Province's option.

**Pelle Agerup**

E-mail: [pcadmin@gov.bc.ca](mailto:pcadmin@gov.bc.ca)

Fax: (250) 356-0846

The Province has no obligation to ensure consistency between each of the Workshops or each of the Concept presentations. Accordingly, during Stages 2 and 3, questions and responses exchanged between the Province and one Proponent may differ from questions and responses exchanged between the Province and any other Proponent. The Province does not intend to share the questions or answers that are exchanged with a Proponent during Stages 2 and 3 with any other Proponents; however, if a Proponent makes a request for information during a Workshop that the Province determines to be a request for basic information that should be made available to all Proponents, then the Province, in its sole discretion, may distribute that basic information to all Proponents participating in the Workshops.

#### **1.3.3.5 Closing Date and Time**

Ten (10) complete hard copies of the Proposal and one electronic copy on CD should be submitted. Proposals must be delivered by hand or courier (not sent by mail, facsimile or email), and received prior to 2:00 PM, Pacific Time, on Thursday, July 26, 2007 at:

Ministry of Labour and Citizens' Services  
Strategic Acquisitions and Technology Procurement  
Branch

c/o Reception Desk  
2<sup>nd</sup> Floor, 563 Superior Street  
Victoria, B.C., V8V 1T7

**Attention: Pelle Agerup**

Proposals and their envelopes should be clearly marked with the name and address of the Proponent, the JSRFP number, and the project title.

#### **1.3.3.6 Late Proposals**

Proposals will be marked with their receipt time at the closing location described in section 1.3.3.5. Late Proposals will not be accepted and will be returned to the Proponent. In the event of a dispute, the Proposal receipt time as recorded at the closing location will prevail whether accurate or not.

#### **1.3.3.7 Signed Proposals**

The Proposal must be signed by a person authorized to sign on behalf of the Proponent and will bind the Proponent to the terms of this JSRFP and any statements made in response to this JSRFP. The Proponent should ensure that its Proposal includes a letter or statement(s) substantially similar in content to the sample Proposal Covering Letter provided in Appendix A.

#### **1.3.3.8 Changes to Proposals**

By submission of a clear and detailed written notice, the Proponent may amend or withdraw its Proposal prior to the closing date and time. The Proponent cannot change the wording of its Proposal after

closing and no words or comments will be added to the Proposal after closing unless requested by the Province for purposes of clarification, or to correct minor defects pursuant to section 1.3.3.16 below.

#### **1.3.3.9 Eligibility**

A Proposal will not be evaluated if the Proponent's current or past corporate or other interests may, in the Province's opinion, give rise to a conflict of interest in connection with the STMS Project. Subcontracting to any firm or individual whose current or past corporate or other interests may, in the Province's opinion, give rise to a conflict of interest in connection with the STMS Project, will not be permitted. The Province may also remove a Proponent from any later stage of the Proponent Qualification Phase where the Province determines, in its opinion, that such Proponent's current or past corporate or other interests may give rise to a conflict of interest in connection with the STMS Project. Any such determination by the Province of a conflict of interest shall be final and shall be based upon such information as the Province in its sole discretion determines to be relevant.

#### **1.3.3.10 Evaluation Committee**

The evaluation of Proposals and Stage 3 Concepts will be undertaken by a committee formed by the Province which committee may include employees and contractors of the Province and other stakeholders and representatives of the Broader Public Sector. The evaluation committee may consult with such technical advisors, including financial, legal, operating, marketing, representatives of the Broader Public Sector and other experts, as the evaluation committee may, in its discretion, determine to be necessary. The evaluation committee may be expanded or its composition altered by the Province in its sole discretion during Stage 3.

#### **1.3.3.11 Evaluation**

The evaluation committee will check Proposals against the mandatory criteria. Proposals that do not meet all of the mandatory criteria will be rejected without further consideration. Proposals that do meet all of the mandatory criteria will also be evaluated against the desirable criteria. The Concepts will be evaluated against the criteria described in this JSRFP.

The Concepts will be evaluated against Stage 3 evaluation criteria. The Province will finalize the evaluation criteria for Stage 3 prior to opening of the Proposals and will distribute the finalized evaluation criteria to the short-listed Proponents.

#### **1.3.3.12 Debriefing**

At the conclusion of Stage 1, Proponents who are not invited to advance to Stages 2 and 3 of the Proponent Qualification Phase will be so notified in writing, and

may then request a debriefing meeting with the Province. It is the intention of the Province to schedule these meetings after the Final Contract has been executed but the Province, in its discretion, may schedule these meetings sooner. Proponents who will not be invited to participate in the Joint Solution Definition Phase will be so notified in writing at the end of the Proponent Qualification Phase, and may then request a debriefing meeting, which will be scheduled by the Province following the execution of the Final Contract.

#### **1.3.3.13 Proponent Expenses**

Proponents are solely responsible for their own expenses in preparing a Proposal and for participating in any or all stages of the Proponent Qualification Phase including, without limitation, if the Province elects to reject all Proposals or to not ask any Proponents to advance to the Joint Solution Definition Phase. In no event will the Province or any of its employees, representatives or contractors be liable to any Proponent for any claims, whether for costs or damages incurred by the Proponent in preparing the Proposal, or in preparing for or participating in stages 1, 2 or 3, or any phase of this JSP Process, or for any loss of opportunity, loss of anticipated profit in connection with any Final Contract (whether or not the Final Contract is awarded to the Proponent or at all), or for any other loss, damage or claim of any kind whatsoever relating in any way to all or any portion of the JSRFP or the JSP Process.

#### **1.3.3.14 Limitations of Damage**

Further to the preceding paragraph, the Proponent, by submitting a Proposal, agrees that it will not claim for any loss, costs or damages, for whatever reason, relating to the Final Contract (whether or not the Final Contract is awarded to the Proponent or at all) or in respect of the Proponent's preparation for or participation in, or failure to be invited to participate in, any one or more stage or phase of this JSRFP or JSP Process. If, contrary to the terms of this JSRFP the Province should be held liable for any reason whatsoever (whether in contract or in tort) for any of the foregoing losses, costs or damages, then such losses, costs or damages shall not, in any circumstances, exceed an amount equivalent to the lesser of (a) reasonable costs incurred by the Proponent in preparing its Proposal; and (b) CDN\$ 100,000.

#### **1.3.3.15 Right of the Province to Check References**

The Province reserves the right to verify a Proponent's references at any point in the JSP Process.

### 1.3.3.16 Correction of Minor Defects

The Province reserves the right, in its sole discretion, to correct minor defects in the Proposals or Concepts.

### 1.3.3.17 Acceptance of Proposals

This JSRFP should not be construed as an agreement to purchase goods or services. The Province is not bound to enter into any contract with any Proponent including, without limitation, any Proponent who submits the lowest priced Proposal or Concept. Proposals and Concepts will be assessed in light of the evaluation criteria described in this JSRFP. The Province will be under no obligation to receive further information, whether written, oral, or otherwise, from any Proponent at any stage in the Proponent Qualification Phase.

### 1.3.3.18 Restriction on Contact/No Lobbying

Proponents must not attempt to communicate directly or indirectly with any employee, contractor or representative of the Province, including the evaluation committee, during the Proponent Qualification Phase or discuss the STMS Project described in this JSRFP with members of the public, the press or the BPS, other than as expressly directed or permitted by the Province.

### 1.3.3.19 No Contract

By submission of a Proposal, Proponents agree that no Proponent will acquire any legal or equitable rights or privileges relative to the STMS Project described in this JSRFP prior to the full execution of a Final Contract. Further, the Province reserves the right not to enter into a Final Contract with any of the Proponents.

### 1.3.3.20 Liability for Errors

While the Province has used considerable effort to ensure the accurate representation of information in this JSRFP, and provided pursuant to this JSP Process, and such information is supplied solely as a guideline for Proponents. The Province does not warrant or guarantee the accuracy of such information, nor is such information necessarily comprehensive or exhaustive. Nothing in this JSRFP is intended to relieve Proponents from the obligation to form their own opinions and reach their own conclusions with respect to the matters addressed in this JSRFP.

### 1.3.3.21 Modification of Process or Project

The Province reserves the right to modify the JSP Process, this JSRFP or the STMS Project at any time in its sole discretion. This includes, but is not limited to, the right to cancel this JSRFP at any time, to extend the closing time, change the number of Proponents asked to advance to any stage of this JSRFP or any phase of this JSP Process, re-

commence a stage or phase of this JSRFP or JSP Process, alter the STMS Project requirements or make other changes to the process or to a term set out in this JSRFP. If a modification is communicated to the Proponents prior to closing time, it is the Proponents' sole responsibility to ensure that they make appropriate use of that information.

### 1.3.3.22 Ownership of Proposals

Subject to the qualifications otherwise set out herein, all Proposals and Concepts will be received and, to the extent reasonably possible, held in confidence by the Province and the Province hereby advises Proponents that it does not intend to share a Proponent's Concept with the other Proponents. Proponents acknowledge that the following qualifications and provisions apply to any information in any media or format that Proponents submit or make available to the Province (including any employees, representatives or contractors thereof) in respect of or related to this STMS Project:

- a) All documents, and electronic media, including the Proposals and Concepts, submitted to the Province become the property of the Province and will be held in confidence subject to the British Columbia *Freedom of Information and Protection of Privacy Act*. The Province may make such copies as the Province may require for evaluation purposes;
- b) The Province will in no way be liable or responsible if another Proponent suggests a framework or idea similar to one contained in a Concept that was originally submitted by another Proponent;
- c) The Province reserves the right to suggest alternative Concept structures (including alternative subcontractors of the products that are subject to standards) that may or may not be otherwise proposed by another Proponent; and
- d) Proponents acknowledge that the nature of this STMS Project with multiple stakeholders and involvement by organizations within the BPS, presents a lower level of confidentiality than in previous JSP processes and as a result the Province is not responsible for any disclosure of information that a Proponent might otherwise expect to be held in confidence.

### 1.3.3.23 Use of JSRFP Document

No portion of this JSRFP, nor any information supplied by the Province in relation to this JSRFP, may be used or disclosed by a Proponent in any manner other than for the sole purpose of submitting a Proposal and participating in the JSP Process.

#### **1.3.3.24 Working Language of the Province**

The working language of the Province of British Columbia is English and all responses to this JSRFP must be in English.

#### **1.3.3.25 Proposals with Joint Submissions or Subcontractors**

A Proponent may submit a Proposal consisting of a joint submission by the Proponent together with one or more other entities, or which proposes the use of Subcontractors in the Final Contract. In either case, the Proponent will be the only party responsible to the Province for the Proposal, will act as the liaison and main contact with the Province in respect of the Proposal, this JSRFP and the JSP Process, and will take overall responsibility for the successful inter-relationship among the Proponent and the other entities involved in the joint submission, or contemplated as Subcontractors, as the case may be. This includes the Proponent keeping its Subcontractors fully apprised of the JSP Process and negotiations and information exchanged in respect thereof along with the Proponent making all reasonable efforts to ensure that its contractual and business relationships with its Subcontractors do not adversely affect the timing of the JSP Process or the Solution ultimately determined as part of this JSP Process. The Successful Proponent, upon becoming the Service Provider, will be responsible for the acts and omissions of its Subcontractors in providing the services. Accordingly, the Proponent who responds to this JSRFP should be the lead entity who has the capacity and will be able to demonstrate to the Province that it has the ability (financial and otherwise) to accept and fulfill this responsibility. During the JSP Process, there will be no switching of the lead entity that is the Proponent with a Subcontractor or other entity without the Province's written consent, The Province will have no obligations with respect to those other entities or Subcontractors under this JSRFP, JSP Process, the Final Contract or otherwise.

#### **1.3.4 JSRFP Process – Joint Solution Definition Phase**

Prior to participation in the Joint Solution Definition Phase, the Province will enter into a Joint Solution

Definition Agreement with each of the Preferred Proponents, which will include the provisions described in Appendix C as well as such other provisions as may be determined by the Province, in its discretion, to be necessary, desirable or useful.

#### **1.3.5 JSP Process – Due Diligence & Negotiation Phase**

The Due Diligence & Negotiation Phase will substantially follow the process described in section 5.3.

#### **1.3.6 Legal Consent**

Borden Ladner Gervais LLP has provided and continues to provide legal advice to the Province in respect of the STMS Project. By submitting a Proposal each Proponent and its Subcontractors hereby expressly consent to Borden Ladner Gervais LLP continuing to act for the Province notwithstanding any unrelated solicitor-client relationship that each Proponent or its Subcontractors may have or previously had with Borden Ladner Gervais LLP.

#### **1.3.7 Final Contract**

It is anticipated that certain organizations within the BPS will enter into the Final Contract with the Province and the Service Provider. Such organizations will need access, after signing participant agreements with non-disclosure obligations, to confidential information within, and about, the Solution and the Final Contract. During the term of the Final Contract, should a new organization wish to obtain Services then they may be added as parties to the Final Contract or may acquire the Services pursuant to the mechanisms described in section 3.4.2.3.

#### **1.3.8 Publication of Final Contract**

It is the intention of the Province that most of the Final Contract will be made public. Portions of the Final Contract that will remain confidential will be identified during the Joint Solution Definition Phase and further negotiated during the Contract Negotiation Phase and will comply with the Province's Transparency Policy which is attached as Appendix E.

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## 2 BACKGROUND

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### 2.1 OVERVIEW

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This section provides an overview of the Ministry of Labour and Citizens' Services, Workplace Technology Services, Workplace Hosting Services, and Workplace Hosting Services' responsibilities.

### 2.2 MINISTRY OF LABOUR AND CITIZENS' SERVICES

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Two former ministries, combined under the Ministry of Labour and Citizens' Services, have in common the focus of providing excellent service: Labour provides services to employees, employers, unions, and businesses in British Columbia to build a modern work environment; and Citizens' Services plays a key role in improving how government services and information are delivered to meet the needs of citizens, business and the public sector.

The Ministry's 06/07 net budget or voted appropriation was \$205.765 million. Its gross expenditures were expected to be \$414.872 million. Of its gross expenditures, \$209.107 million was recovered from external sources.

Many of the Ministry's business areas receive a voted appropriation of only \$1,000; which requires them to operate in a disciplined, business-like manner. This '\$1,000 vote structure' means that at the end of the fiscal year, expenditures must not exceed recoveries by more than \$1,000.

For a government to function it needs basic tools including facilities, furniture, computers, phones, printers, email, and paper. In addition, employees must be paid; invoices and purchase orders processed; mail processed and distributed; documents printed; and office products obtained and distributed. As of April 1, 2006 accommodation and real estate services (formerly provided by BC Buildings Corporation) became a part of the Ministry. This organization ensures these services are delivered cost-effectively, efficiently and with a customer focus.

General information regarding the Ministry may be viewed at <http://www.gov.bc.ca/lcs>. Additional information regarding the Ministry's service plan may be viewed at the following website: <http://www.bcbudget.gov.bc.ca/2007/sp/lcs/>

### 2.3 WORKPLACE TECHNOLOGY SERVICES

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Workplace Technology Services is the information technology division of the Ministry. As the steward of information technology assets and supply arrangements, Workplace Technology Services is responsible for providing cost effective management and supply of IT services to core government ministries, program managers and government employees. Workplace Technology Services is also responsible for understanding the business objectives, future directions, and unique requirements of the programs it supports.

Workplace Technology Services provides services to 19 core government ministries, several crown corporations and broader public sector organizations, and over 30,000 government employees. In support of government objectives to lower costs and improve service delivery, these clients receive reliable and cost effective services for the benefit of the citizens and businesses they serve, from Workplace Technology Services. Workplace Technology Services provides a broad range of services that include:

- a) Workplace and employee productivity services such as workstations, telephones, email, electronic filing and print services, and personal digital assistants;
- b) Business application enabling services such as application hosting, shared Web services, mainframe service, database support, and data storage and backup;
- c) Location connectivity services such as: SPAN/BC (the provincial data network), Web domain registration, wide area (WAN) and local area connectivity, directories and authentication, and wireless network services (a WTS emerging service);
- d) Business solutions such as:
  - i. Common applications (used by most or all ministries; these are standard applications which must be used, if the function is required);
  - ii. Shared applications (used by two or more ministries; these are optional applications which are used at the discretion of the ministry);
  - iii. Software licence management; and
  - iv. Consulting and professional services specializing in IM/IT solutions integration and project management.

In terms of scale and scope, the services outlined above support:

- i. More than 1,000 core-government locations;
- ii. 30,000 government employees providing service to citizens and business, as well as internal government operations;
- iii. 2000 BC schools and 600,000 students who are connected via the provincial learning network, a component of the province wide network SPAN/BC;
- iv. E-mail services for approximately 40,000 accounts; and
- v. 50,000 telephone connections, providing clear and consistent voice communications.

Workplace Technology Services currently operates within a mixed model with services being delivered by both internal resources and private sector service providers.

Workplace Technology Services provides value through aggregating demand for similar services across government, and integrating various information technology components and provider services into general service packages and customized solutions. Typically, services to broader public-sector organizations leverage those services provided to ministries and, in return, increase economies of scale to the benefit of all parties.

## **2.3.1 Workplace Hosting Services**

### **2.3.1.1 Background**

Workplace Hosting Services is a branch within the WTS and provides computing server platforms for processing, hosting, and storage of applications, data and information, working to agreed-upon service levels so that clients can build and run their business applications in a secure and managed environment. Consulting services are also provided as a shared or customized service offering.

Currently the Province has developed or purchased hundreds of business applications which are hosted on approximately 1,600 server platforms and one mainframe computer.

The scope of operations includes Ministry and non-ministry application needs as well as other shared service(s) or cross-government application needs such as corporate accounting services, collaboration software/middleware, shared file and print services, email, authentication services and WTS' information technology infrastructure. Current Hosting Services are provided on four main computing platforms/environments: Mainframe, UNIX, Windows and Linux that are contained primarily in the main data centre at 4000 Seymour in Victoria. Several smaller data centres in Victoria and Vancouver are also under Workplace Hosting Services management.

The following figure shows the current state operational environment of Workplace Hosting Services:

### Workplace Hosting Current Operational Environment

As of April 2007

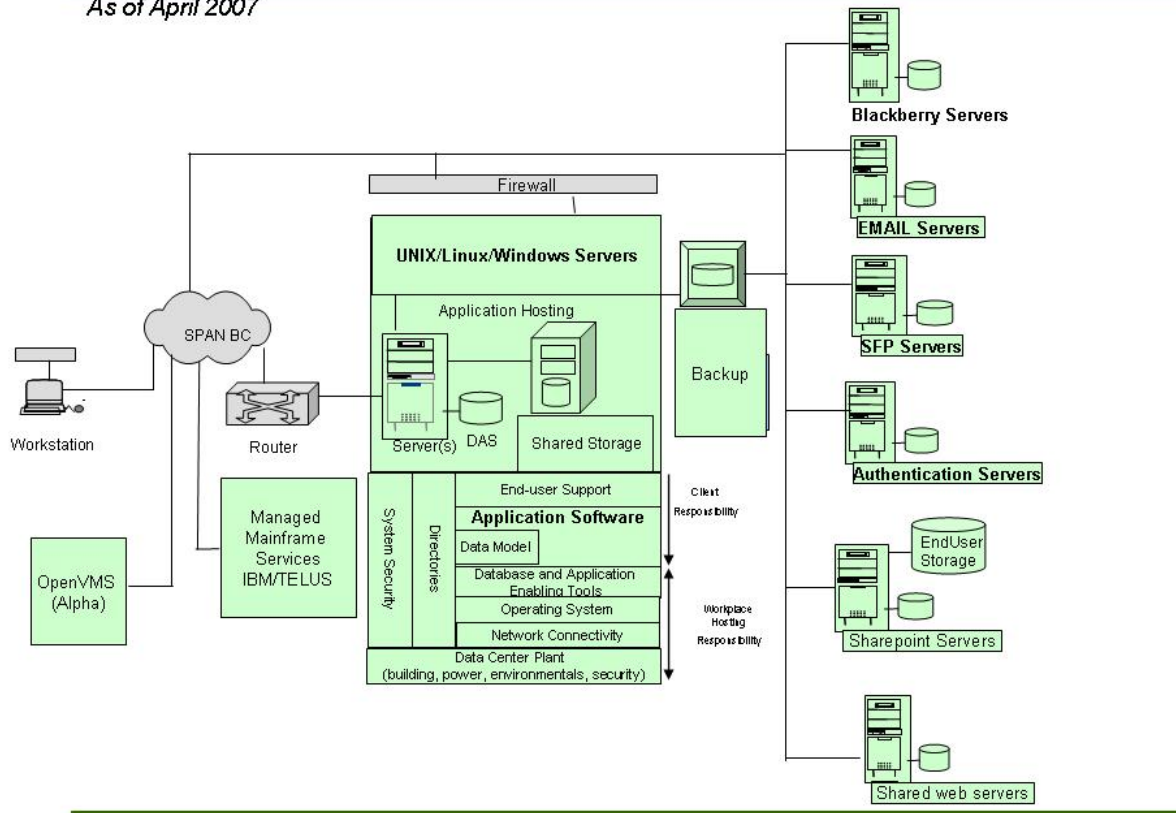


Figure 2 – Operational Environment

#### 2.3.1.2 Long Term Business Objectives

The long term business objectives of Workplace Hosting Services are outlined as follows:

- a) Maintain or enhance the stability of the information technology infrastructure;
- b) Optimize the computing platform infrastructure;
- c) Reduce costs to develop and deliver services and continuously explore opportunities for improved IT service delivery (including entering into business relationships with other public and private sector entities);



- d) Formalize client service level agreements;
- e) Develop a comprehensive human resources strategy that reflects and supports WTS' evolving business model; and
- f) Actively support the objectives of WTS' overall strategy and service plan.

### **2.3.1.3 Current Hosting Services**

The main services provided by Workplace Hosting Services include:

- a) Database support - comprehensive support for database systems running on shared processors or on client-dedicated computing systems. Clients can choose from database system planning, implementation and management, as well as database and application consulting in order to tailor the service to their specific requirements;
- b) Shared database service - provides a secure, reliable database environment for databases. By sharing the costs of this environment, clients benefit from a stable and managed platform at a lower cost than with a dedicated server and support staff. Included in the service is the building of the database, backups, exports, monitoring, recoveries and licensing;
- c) Storage and backup
  - i. Storage service - provides infrastructure and management and support activities for the storage of client's electronic data. The service is classified into multiple storage tiers, based on the performance and availability requirements of the client,
  - ii. Data backup service - protects a client's data by ensuring it is backed-up (copied), stored and available electronically for use if the originals cannot be accessed. When required, the backup copies are accessible and may be restored. The Data backup service may be set up to run on an automated schedule, or provide live (online) backup for Oracle, SQL and Informix databases;
- d) Application hosting service for UNIX, Linux and Windows - provides server support, management, and backup support for UNIX, Linux and Windows servers. Workplace Hosting also procures hardware, system software and application infrastructure on behalf of clients;
- e) Shared web hosting service - provides a secure and reliable infrastructure for clients to develop, test and publish content for Internet, Intranet or Extranet sites. Space is provided on shared, managed web server infrastructure;
- f) Mainframe service - a shared, secure MVS processing system consisting of current technology hardware components and software products. The MVS service provides a wide range of online and batch services supporting critical line-of-business client applications and includes the underlying data centre facilities services. This service is currently contracted to IBM Canada Limited (with TELUS Communications Inc. as its subcontractor);
- g) OpenVMS - provides the platform or 'working environment' required for shared use by clients to develop, manage, and run their own applications. The service provides the shared environment as well as system management and technical support activities;

- h) Hosting consulting and professional services - comprehensive consulting and professional services using the expertise and knowledge gained through support of hundreds of applications and information technology systems throughout the diverse WTS client base. Clients needing guidance or assistance in the management of their information technology infrastructure can draw on the tools and professional resources of WTS to investigate, analyze and resolve any performance issues which may arise; and
- i) Disaster recovery planning – disaster recovery planning or business continuity planning is currently provided in a limited fashion and is entirely driven by a client's specific business needs. There is an annual disaster recovery planning exercise conducted for the mainframe only.

#### **2.3.1.4 Current Data Centre Facilities**

The Province manages four primary and a number of smaller data centres on Vancouver Island and Lower Mainland with a combined area of approximately 20,000 square feet.

Current projected growth in the Province's data centres indicates that if current growth patterns continue over a ten year period, an additional 5,000-7,000 square feet of expansion space could be required to accommodate that growth. In addition, 5,000-7,000 square feet of secondary space could be required for disaster recovery, likely in a second location outside the floodplain and potential seismic disruption.

The combined current UPS-provided power consumption is approximately 800 kW.

#### **2.3.2 Workplace Hosting Services Challenges and Operational Risks**

Workplace Hosting Services is faced with multiple challenges which adversely impact the continued provision of Current Hosting Services to its clients, and ability to transform its current service delivery model to better meet the growing and changing demands of clients. These challenges can be summarized as follows:

- a) Ongoing problems with attracting and retaining skilled technical resources;
- b) Insufficient resource capacity/expertise to transform the service delivery model;
- c) Significant capital required to ensure server architecture is kept current;
- d) Lack of flexibility in supporting temporary or peak increases in system workload, storage and back-up functions;
- e) Difficulty in supporting extended-hours support and coverage;
- f) Ongoing issues with keeping software and hardware at supported versions;
- g) Time lags due to procurement process (four or more weeks per server); and
- h) Current Data Centre Facilities are experiencing significant capacity and reliability issues.

The combination of these challenges has created an operational environment with significant risks and difficulties in improving service quality and implementing new services. To address these challenges, the Province is seeking Solutions from Proponents that will:

- a) Address the operational risks of Workplace Hosting Services;
- b) Transform the service delivery model to accommodate the changing needs of clients in their support of citizen-centred service delivery;

- c) Determine other services that could be delivered by the Service Provider; and
- d) Provide reliable (i.e. at least Tier III as per the Uptime Institute Inc. or Level 8-9 as per Brunspak) data centre facility services.

The Province may be required during the JSP Process to enter into short-term contracts in order to address the challenges and operational risks described above (in particular the capacity and reliability issues related to the Current Data Centre Facilities). It is anticipated that termination of any such contracts will coincide with the commencement of the Final Contract.

## **2.4 CURRENT SERVICE PROVIDERS**

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Proponents are advised that IBM Canada Limited (with TELUS Communications Inc. as its subcontractor) is currently under contract to the Ministry to deliver the mainframe services and related underlying Current Data Centre Facilities described in subsection 2.3.1.3(f) which is within the STMS Project Scope. The Province is currently negotiating a short term extension to the IBM Canada Limited contract beyond the existing expiry date of January 31, 2008.

The Pacific Technology Research Society was established by the Province in 1998 for the purpose of providing resources (through seconded employees) for some of the contracted services currently provided by IBM Canada Limited and TELUS Communications Inc. The status of the Pacific Technology Research Society is under consideration.

The Ministry also has numerous contracts with service providers to provide hardware and software maintenance services related to Current Hosting Services. The current service providers, including IBM Canada Limited, TELUS Communications Inc., Hewlett-Packard (Canada) Co., Sun Microsystems of Canada Inc., etc., are not precluded by these contracts from submitting proposals in response to this JSRFP.

For non-mainframe hosting services, the Province provides its own services in relation to the Current Data Centre Facilities.

## **2.5 BROADER PUBLIC SECTOR**

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The Province has been engaged in discussions with organizations within the BPS regarding the STMS Project. It is anticipated that many organizations within the BPS will participate in the JSP Process either as subject matter experts, as part of the evaluation committee, or by providing input into their possible requirements for services. For example, the Provincial Health Services Authority, the Vancouver Coastal Health Authority and ICBC have agreed to participate in the JSP Process, and these organizations have indicated that they will require data centre facilities; other organizations within the BPS may also require data centre facilities. A general outline of the requirements for ICBC are included as an example in Appendix H, and it is anticipated, as other requirements from the BPS become available, they will be provided to Proponents as well. However, the timing and amount of each organization's purchase of any Services may vary.

It is the Province's intention to allow such interested organizations within the BPS to provide input into the negotiation of the Final Contract with the Successful Proponent and to purchase some or all of the Services as signatories to the Final Contract. Accordingly, Proponents should be aware that confidential information regarding the Solution, the Services and the terms of the Final Contract will need to be shared with such organizations within the BPS. If new organizations within the BPS then wish to acquire Services during the term of the Final

Contract, they will be added as parties to the Final Contract or may acquire the Services pursuant to the mechanisms described in section 3.4.2.3.

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## **3 DEFINING THE OPPORTUNITY**

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### **3.1 PROJECT VISION**

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The Ministry is interested in receiving Proposals from qualified and experienced Proponents who are capable of delivering the Scope of the Opportunity, including hosting services and the underlying data centre facility services, and possessing the strategic business transformation experience necessary to transform Workplace Hosting Services into a world class service delivery organisation.

### **3.2 STMS PROJECT OVERVIEW**

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The STMS Project is intended to initiate a series of service delivery transitions requiring a varied degree of strategic business transformation expertise in order to address the business challenges and risks currently experienced by Workplace Hosting Services.

The initial service delivery transition to the Service Provider will include the mainframe service currently contracted to IBM Canada Limited (see section 2.4). The Province is interested in exploring, during the JSD Phase, other functions and services which could be transitioned to the Service Provider as well as new services that address the business challenges and risks. As part of this initial service delivery transition, the Service Provider will also be expected to provision the necessary data centre facility infrastructure.

The Service Provider will be required to work with Workplace Hosting Services in reviewing the business challenges and operational risks and the future direction of Workplace Hosting Services to identify additional transformational and service delivery opportunities.

Furthermore, the Ministry will also seek to jointly develop Solutions that provide the service delivery scalability and flexibility to take advantage of opportunities for the BPS to acquire Services.

All these opportunities will be more fully explored by the Ministry and Preferred Proponents during the Joint Solution Definition Phase of the JSP Process.

### **3.3 STMS PROJECT OBJECTIVES**

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#### **3.3.1 STMS Project Business Objectives**

The Province expects Proponents to jointly develop, with the Province, a Solution which will achieve the following business objectives:

- a) Provide attractive and creative (financially and operationally) options for mainframe services;
- b) Identify strategic transformation opportunities for Workplace Hosting Services that could address the business challenges and operational risks noted earlier (see section 2.3.2), align with the long term business objectives (see section 2.3.1.2), and transform the current service delivery structure to meet the future needs of government;
- c) Identify possible Services, with an attractive business case, to be delivered by the Service Provider; and

- d) Provide attractive and creative (financially and operationally) data centre facility services.

### 3.3.2 STMS Project Technical Objectives

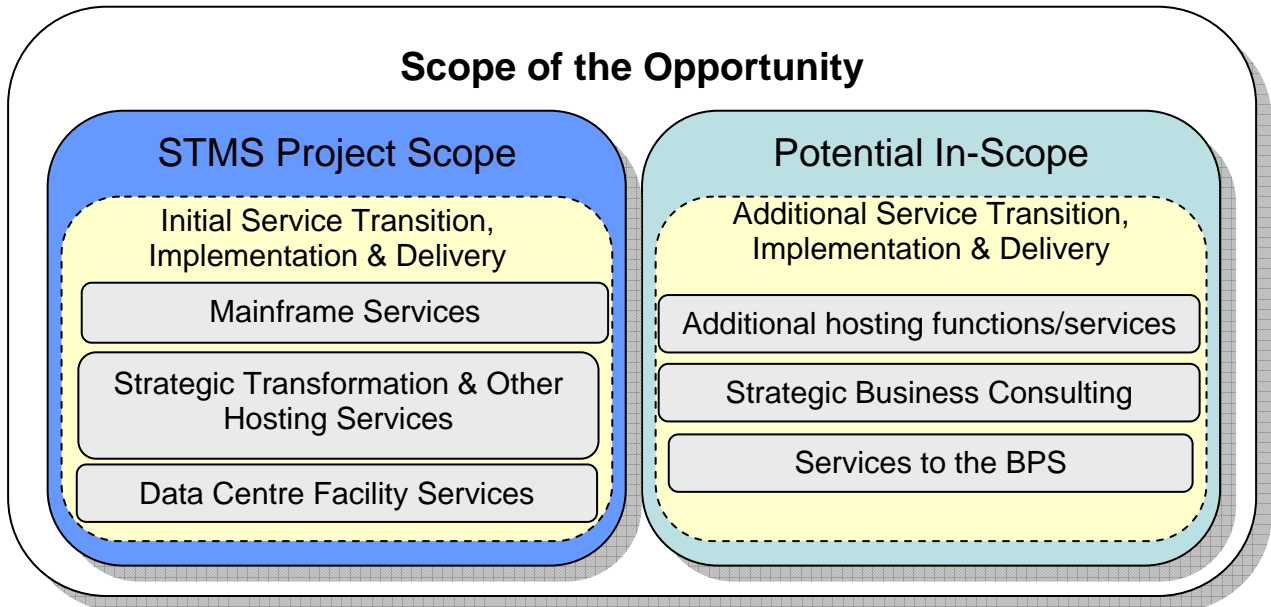
The Solution is expected to achieve the following technical objectives:

- a) Infrastructure technology operated 24 x 7, 365 days a year, while meeting or exceeding service levels;
- b) Compliant with the Province’s applicable security and privacy legislation, policies and standards in order to ensure the safeguarding of personal and other confidential information;
- c) In alignment with ISO 17799, a standards framework for security;
- d) Capable of scaling to accommodate the transaction load of a growing client base;
- e) Allow the evolution of additional functionality in support of future initiatives; and
- f) Capable of scaling to accommodate business and technology functions over time.

### 3.4 SCOPE OF THE OPPORTUNITY

The Scope of the Opportunity includes the STMS Project Scope and the Potential In-Scope.

The following diagram illustrates the Scope of the Opportunity:



**Figure 3 – Scope of the Opportunity**

The term of the Final Contract will be up to fifteen years for the data centre facility services with an anticipated option to extend for an additional five years. It is anticipated that the term for the hosting services component will likely be shorter (e.g. five to seven years) with options to extend the hosting services for additional terms of up to five years but, in no event, longer than the term of the data centre facility services term.

### 3.4.1 STMS Project Scope

The requirements for the STMS Project that are in scope are as follows:

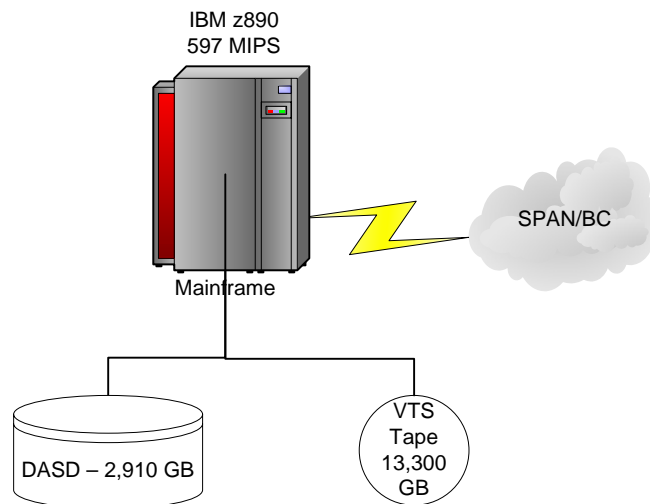
#### 3.4.1.1 Mainframe Services

Workplace Technology Services provides a shared, secure MVS processing system consisting of current technology hardware components and software products. The MVS service provides a wide range of online and batch services supporting critical line-of-business Client applications.

The current processor is a 597 MIP IBM z890, running CICS, IMS, DB2, TSO and batch via 5 logical partitions (LPARS), all under the z/OS operating system (formerly known as MVS). Current disk capacity is roughly 2,910 GB, and the complex makes use of VTS tape handling a maximum of 13,300 GB.

The following figure shows the current mainframe environment:

### Province of B.C. – Current Mainframe Environment



**Figure 4 – Mainframe Environment**

The Services will include provision and management of the z/OS mainframe platform (inclusive of the DASD, operating system and any unique software required in the WTS environment), to agreed upon service levels, and an annual disaster recovery exercise. The Province expects that the infrastructure (e.g. data centre facility), tools and processes required are included as part of the Services.

See Appendix G for more information regarding the current mainframe environment.

#### 3.4.1.2 Strategic Transformation and Other Hosting Services

It is expected that via the JSP Process, Proponents will identify and demonstrate opportunities for service delivery model transformation that will address the project objectives (see section 3.3). Depending on the transformation strategy that forms part of

the Solution, the Province will determine which transformation services may form a part of the Services in the Final Contract.

Based on the transformation opportunities identified in the Solution, the Province will determine which hosting services will be provided by the Service Provider and which will continue to be provided by the Province. The Province expects that the infrastructure (e.g. data centre facility), tools and processes required by the Service Provider to deliver the hosting services are included as part of the Services.

#### **3.4.1.3 Data Centre Facility Services**

The Province does not believe that investing in data centre facilities is core to its business strategy, and is seeking the provision of a “managed service” for data centre facilities.

### **3.4.2 Potential In-Scope**

The Province reserves the right during any phase of the JSP Process or during the term of the Final Contract to expand the scope of Services to be provided by the Service Provider under the Final Contract as follows:

#### **3.4.2.1 Additional Hosting Functions/Services**

In order to achieve the long-term business objectives (see section 2.3.1.2), STMS Project vision (see section 3.1) and STMS Project objectives (see section 3.3) additional functions/services may be considered for provision by the Service Provider. For example, such functions/services could include:

1. Server deployment;
2. Server management;
3. Operational system planning and support;
4. Release management;
5. Incident management;
6. Operational procurement; and
7. Disaster recovery and business continuity.

The Province expects that the infrastructure (e.g. data centre facility), tools and processes required are included as part of the Services.

#### **3.4.2.2 Strategic Business Consulting**

The Province could, at its discretion, engage the Service Provider to provide consulting services to assist with the strategic business transformation of its service delivery model

#### **3.4.2.3 Services to the Broader Public Sector**

The Province intends to enable and facilitate organizations within the Broader Public Sector in obtaining some or all of the Services, in particular data centre facility services, as follows:

- a) such Broader Public Sector organizations will be signatories to the Final Contract;



- b) such Broader Public Sector organizations may receive some or all of the Services as a client of the Province under the Final Contract; or
- c) during the term of the Final Contract, the Province and the Service Provider may agree to other contractual mechanisms to permit such Broader Public Sector organizations to obtain some or all of the Services.

### **3.4.3 Out of Scope**

The following are out of scope for the STMS Project:

1. Provincial network (SPAN BC);
2. Corporate policy; and
3. Corporate strategic planning.

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## **3.5 PROPOSED DELIVERY APPROACH**

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It is envisioned that the Solution could be implemented in sequential phases, likely starting with implementation of the mainframe services component of the Solution.

Proponents should note that depending on solution development activities related to Potential In-Scope requirements and the transformational opportunities presented, other services may be scheduled for parallel implementation. For this reason, the Province expects that the Preferred Proponents will have strong transformational teams prepared to develop their Solutions with the Province during the Joint Solution Definition Phase.

As the STMS Project completes transition of the mainframe services described in subsection 2.3.1.3(f), other opportunities will be explored with the Service Provider with a view to addressing the challenges, risks and business objectives described in this document. This could include a continuation of Current Hosting Services (self provision) in combination with Services provided by the Service Provider in order to address evolving Workplace Hosting Services business needs.

## **3.6 INTELLECTUAL PROPERTY PRINCIPLES**

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### **3.6.1 General**

The following are some general principles relating to Intellectual Property for the STMS Project:

1. Intellectual Property rights in relation to the Solution will be more fully developed in the Joint Solution Definition Phase;
2. The ownership of the Intellectual Property may depend on the economic model proposed by the Proponents;
3. Whether the Proponents intend to productize or commercialize all or part of the Solution may affect the economic model put forward by Proponents; and
4. Intellectual Property used or developed in relation to the Services may be required to be owned by or licensed to the Province.

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## 3.7 PROJECT GOVERNANCE

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A core team of experts are dedicated to this STMS Project, supported by the executive project sponsor who is the Deputy Minister of Labour and Citizens' Services, Lori Wanamaker.

In addition the STMS Project is overseen by a steering committee of senior executives.

Several stakeholder consultation groups will be involved during the JSP Process and will be available for ongoing consultation as subject matter experts throughout the JSP Process.

## 3.8 DEAL STRUCTURE AND ECONOMIC MODEL

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It is the intention of the Province to enter into a single Final Contract with the Successful Proponent.

It is anticipated that the Service Provider will invest in the development of the Solution and will deliver and operate it for the term of the Final Contract. Upon the expiration of the term, the Province may enter into another competition which may result in the transfer of the continuing provision of hosting services to another service provider.

There are a variety of possible economic models that can arise from the JSP Process. Proponents are asked in section 5.7.2 to describe past large scale information technology and services delivery projects (particularly those with transformational aspects) and demonstrate to the Province their in-depth knowledge and experience in conceptualizing, designing, developing and operating financial models that are true to the spirit of the type of deal structures contemplated for the opportunity.

The Final Contract may include design, implementation and operation, all under a single economic model. The Ministry is encouraging Proponents to come forward with innovative and creative deal structures and economic models that are not based on a traditional 'time and materials' basis. Additionally, the Ministry is expecting to see the detailed information which supports the creative deal structures and economic models as part of the Joint Solution Definition Phase and final Solution presentations. Two key components of the Preferred Proponent presentations on deal structures and economic model will be the principles that the Preferred Proponents would use to integrate the Potential In-Scope opportunities within the economic model over the term of the Final Contract and that each Solution will include transfer of the majority of the risk for Service delivery from the Province to the Service Provider.

## 3.9 PRIVACY AND COMPLIANCE

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### 3.9.1 Privacy

The STMS Project may entail management of sensitive health, financial and other personal information from its collection through to its destruction. The Proponent must be able to ensure that the personal information it may deal with as the Service Provider will not be disclosed and will be kept secure.

The Service Provider will be required to comply with British Columbia laws governing the collection, use and disclosure of personal information, including the *Freedom of Information and Protection of Privacy Act* (FOIPPA), the *Personal Information Protection Act*, the *Document*

*Disposal Act*, and any other applicable legislation. The Service Provider will be required to, at a minimum, adhere to the Privacy Protection Schedule attached as Appendix D.

Where FOIPPA is concerned, Proponents are expected to demonstrate understanding of the application of Part 2, including compliance with amendments that limit the disclosure, storage of or access to personal information outside of Canada. Proponents should keep in mind that changes to provincial legislation and policies may occur from time to time.

Proponents should note that a Solution including remote access from outside Canada to any personal information will not be acceptable to the Province. Furthermore, if any employees of non-Canadian companies need to have access to systems containing personal information within Canada, that access has to be supervised by staff from a Canadian organization.

More information on FOIPPA and related policies and guidelines of the Province is available at <http://www.mser.gov.bc.ca/privacyaccess/>.

Issues related to privacy, such as the role of the Information and Privacy Commissioner, and the privacy policies that apply to projects of provincial scope, will be further discussed during the Workshops and during Solution compliance activity of the Joint Solution Definition Phase.

### **3.9.2 Labour Relations**

WTS' employees predominantly have union membership in the British Columbia Government and Service Employees' Union in accordance with the *Public Service Act*.

Activities related to labour relations will be dealt with in later phases of the JSP process.

### **3.9.3 Other Policies and Regulations that may impact the Solution**

Proponents should be aware of, and the Service Provider will need to comply with, the Core Policy and Procedures Manual and other central policies of the Province (e.g. policies of the Chief Information Officer, more information is available at [www.cio.gov.bc.ca](http://www.cio.gov.bc.ca)). As part of the Joint Solution Definition Phase it is possible that specific legislation, policies and regulations that may impact a proposed Solution will be identified.

The process of disposition of assets, both current and future assets, will be further explored in a later phase of the JSP process.

Proponents should note that it is the intention of the Province that most of the Final Contract will be made public. Portions of the Final Contract that will remain confidential will be identified during the Joint Solution Definition Phase and further negotiated during the Contract Negotiation Phase but will comply with the Province's Transparency Policy, a copy of which is attached as Appendix E.

Finally, the Province is in the process of considering policies promoting environmental sustainability.

## 4 OVERVIEW OF THE END-TO-END JSP PROCESS

### 4.1 DEFINITION

A JSP Process is a multi-stage procurement process. The first phase of the JSP Process is the Proponent Qualification Phase which is designed to short-list Proponents based primarily on their capacity, capability, commitment and initial conceptual approach as described in sections 5.6.1.1 to 5.6.1.4. There follows three distinct phases consisting of a Joint Solution Definition Phase (where Solution development will occur), followed by a Due Diligence & Negotiations Phase, and ending with a Contract Negotiations Phase (where the Final Contract terms are framed, finalized and executed by the parties).

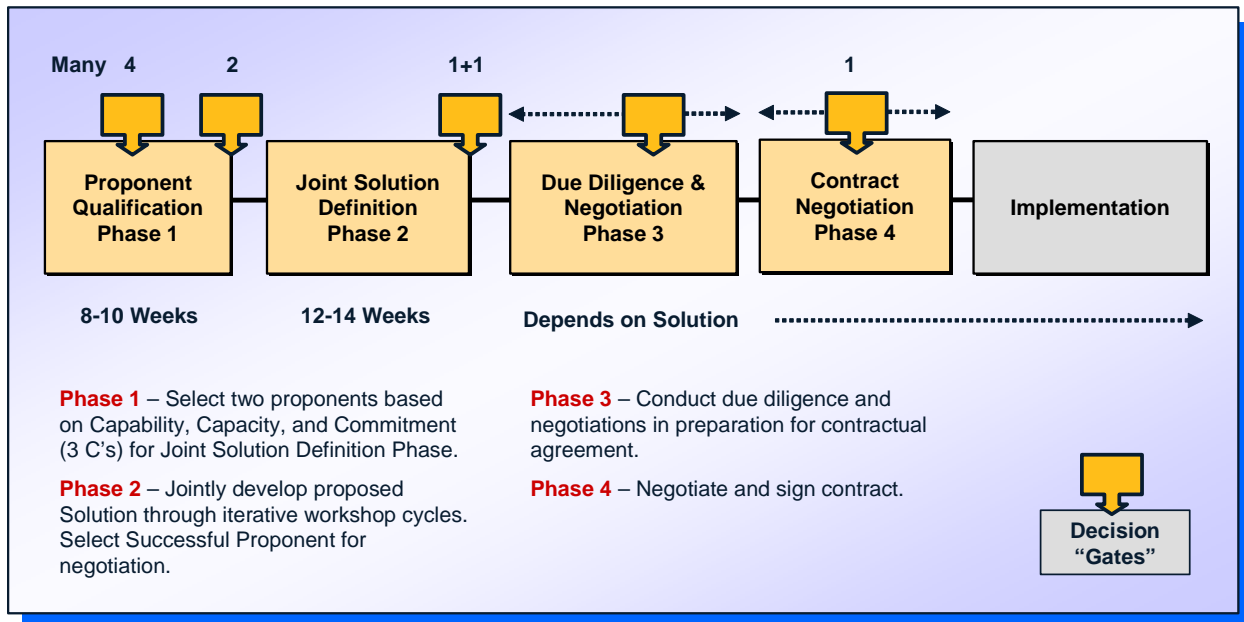


Figure 5 – JSP Process Overview

#### 4.1.1 JSP Process Schedule

Phase	Task Activity	Anticipated Date
1. Proponent Qualification Phase	JSRFP Closing date	Jul 26, 2007
	Proponents short-listed (Stage 1)	Aug 7, 2007
	Workshops and Concept Presentations (Stage 2 and 3)	Aug 15-30, 2007
	Preferred Proponents notified	Sep 14, 2007

<b>Phase</b>	<b>Task Activity</b>	<b>Anticipated Date</b>
2. Joint Solution Definition Phase	Joint Solution Definition Phase kick-off	Sep 26, 2007
	Solution presentations completed	Dec 2007
	Letter of Intent signed and Successful Proponent announced	Dec 2007
3. Due Diligence & Negotiation Phase	Due Diligence & Negotiations initiated	Dec 2007
4. Contract Negotiation Phase	Contract Negotiations initiated	TBD
	Sign Final Contract	TBD

The Ministry is interested in expediting the selection process where possible, and reserves the right to adjust the preceding schedule wherever practical.

## **4.2 KEY SUCCESS FACTORS**

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### **4.2.1 Sharing of Risks and Rewards**

Risk and reward will be explored during the Joint Solution Definition Phase and it is anticipated that the Service Provider will assume a significant portion of the risk (including, but not limited to, technology, implementation and operational risks).

### **4.2.2 Communications Protocol**

Maintaining proper communications protocol throughout the JSP Process is important in order to protect the integrity of the JSP Process and the STMS Project, as well as to protect the interests of the Proponents and Ministry. The following communication protocol will apply during the JSP Process. The failure of a Proponent to adhere to the communication protocol may result in the Proponent being disqualified from the JSP Process.

#### **4.2.2.1 During the JSRFP**

All communication related to the JSRFP should be referred to the Government Contact listed on the front page of this JSRFP document.

#### **4.2.2.2 Proponent Qualification Phase – Stage 2**

##### **Restricted Documents Room**

Communications regarding the Restricted Documents Room must be referred to the Government Contact listed on the front page of this JSRFP document. Guidelines for use of the Restricted Documents Room will be provided to short-listed Proponents prior to the opening of the Restricted Documents Room.

For further information on the Restricted Documents Room, see section 5.1.5.

## **Workshops**

Face-to-face communications between Proponents and Ministry representatives as part of the Workshops is expected (see section 5.1.6). Please note that the Ministry reserves the right to withhold information at the Workshops that may impact its negotiating position during the subsequent phases of the JSP Process.

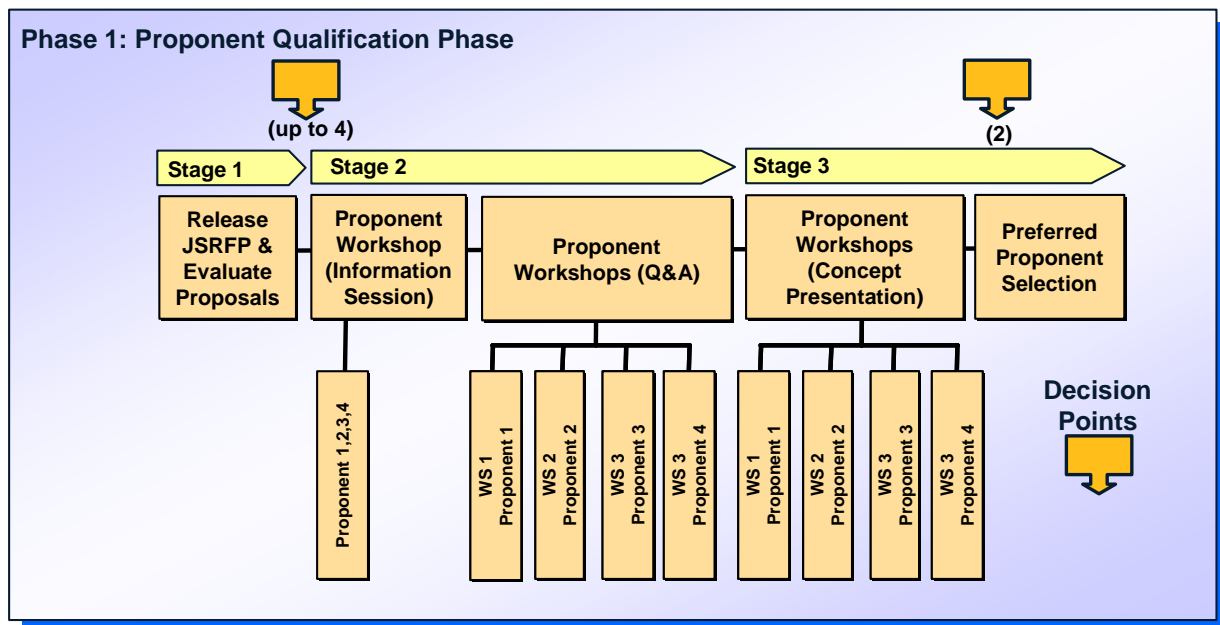
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## 5 THE JSP PROCESS AND EVALUATION CRITERIA

### 5.1 PROPONENT QUALIFICATION PHASE

#### 5.1.1 Approach and Overview

A Proponent's Proposal in response to this JSRFP is the initial step in qualifying to participate in the JSP Process. Proponents will be short-listed based on overall capability, capacity, commitment and initial conceptual approach. Preferred Proponents will then be selected based on their proposed Concept. Proponents should keep in mind that the Ministry is not only looking for information on how to provide these Services and achieve the key objectives, but also on proof that the Proponent has successfully designed, implemented and operated similar services.



**Figure 6 – Proponent Qualification Phase**

Identification of the Preferred Proponents is based on the assessment of a Proponent's capacity, capability and commitment to work with the Ministry in developing a Solution that meets the goals of the Ministry and desired business outcomes for the STMS Project. The Proponent will move through the Proponent Qualification Phase, from Stage 1 (evaluation of Proposals), gain more knowledge of the Ministry business environment and needs during Stage 2 (Workshops) and finally deliver a more focused but still conceptual solution during Stage 3 (evaluation of Concepts). The Concepts provided by the Preferred Proponents will be reviewed in the Joint Solution Definition Phase. The Proponents should understand that the Concepts may be subject to significant change as the Joint Solution Definition Phase progresses.

#### 5.1.2 Role of Lead Proponent in the JSP Process

Proponents should take care when determining their initial team structure and identifying the lead entity to be the Proponent. The Province's intention is not to permit the firm who is identified as the lead entity that is the Proponent to swap its primary role with a Subcontractor



later in the process. Please note that this does not preclude a new entity from being created by the Successful Proponent to enter into the Final Contract resulting from this JSP Process.

### **5.1.3 Release JSRFP & Evaluate Proposals**

The Proponent Qualification Phase commences on the release of the JSRFP.

Upon completion of the evaluation of the Proposals, a short-list of up to four Proponents will be created and those Proponents will be invited to participate in Stage 2 of the Proponent Qualification Phase. The remaining Proponents will be advised of their standing in writing and offered debriefing sessions. The Ministry intends to hold the debriefing sessions after the execution of the Final Contract but may at its discretion hold these sessions sooner.

### **5.1.4 If Only Two Proponents**

If as a result of the evaluation of the Proposals in Stage 1, the Ministry determines that only two Proponents are deemed to be qualified, then the Ministry reserves the right to consider these short-listed Proponents as Preferred Proponents and to proceed directly to the Joint Solution Definition Phase. In this case some aspects of the Workshops may be performed during the early part of the Joint Solution Definition Phase in order to set the stage for Solution development. The Ministry also reserves the right to invite the two Preferred Proponents to present either their Concepts or their capacity, capability and commitment to the Ministry to ensure that they have the necessary capacity, capability and commitment required to undertake the STMS Project and deliver the final Solution. These presentations may take place either prior to the commencement of the Solution definition activities, or at any other time during the Joint Solution Definition Phase.

### **5.1.5 Restricted Documents Room**

Immediately prior to the Workshops, short-listed Proponents will be provided with access to the Restricted Documents Room, if one is established. The Restricted Documents Room will serve as a repository for information relevant to the preparation of the short-listed Proponent's Concept presentations. The room may be a physical location in Victoria, British Columbia or created virtually. Access will be controlled and monitored to ensure equitable viewing time for each of the short-listed Proponents. Inquiries regarding the Restricted Documents Room must be referred to the government contact listed on the front of this JSRFP document.

### **5.1.6 Stage 2 – Workshops**

The purpose of the Workshops is to allow short-listed Proponents the ability to further explore the Scope of the Opportunity and to provide an avenue for them to assess whether the STMS Project is of sufficient interest to engage in a significant amount of work at the Joint Solution Definition Phase and, if the Proponent is the Successful Proponent, at the Due Diligence & Negotiation Phase and the Contract Negotiation Phase. These Workshops, which will be held in Victoria, British Columbia, are not evaluated.

The guidelines that will govern the Workshops are outlined below. The Ministry reserves the right to alter these guidelines (and any scheduling) as needed, but will only do so after notifying the short-listed Proponents.

- a) The Ministry will deliver a half-day information session to all short-listed Proponents. This information session will be unidirectional and with all short-listed Proponents present at the same time, to ensure that all short-listed Proponents are given the same information.

- b) A second half-day session will be reserved for each short-listed Proponent's staff to question the Ministry team so as to further explore the material presented or to ask questions that the short-listed Proponent feels are needed in order for it to deliver a Concept at Stage 3 of the selection process. Please note that there will be no allowance for a follow-up Workshop. Wide latitude will be afforded to the question period and short-listed Proponents may manage the meeting in the manner that they deem most useful (e.g. break out sessions where appropriate).
- c) While the Ministry will make every effort to ensure that pertinent people are available to answer queries, there may be some questions that cannot be answered during the second session. In this case every effort will be made to communicate the response to the short-listed Proponent within one working day of the Workshop. The Ministry will, however, not be liable for any delays whatsoever in providing a response to any unanswered questions within that period.
- d) The Workshops will not be recorded and all questions asked by a short-listed Proponent will be considered proprietary and not released to other short-listed Proponents. In addition, answers to questions asked during the Workshops which could not be answered by Ministry staff will be communicated in writing to the respective short-listed Proponent only. All questions asked prior to or after the Workshops should be submitted in writing to the contact person indicated on the front of this JSRFP. Responses to these questions may be communicated to all short-listed Proponents. The Ministry reserves the right, however, to disseminate information related to the Province or the STMS Project arising as a result of questioning in any one of the Workshops, to all short-listed Proponents if, in the opinion of the Ministry, the information is related to a matter that all Proponents will need to know in order to prepare for the presentations.
- e) The Ministry will not require short-listed Proponents to bring specific staff to the Workshops. Each short-listed Proponent should decide who from their organization is best suited to gather the necessary information.

### **5.1.7 Stage 3 - Proponent Concept Presentations**

On completion of the Workshops, short-listed Proponents will be given time to assess the information they have gathered during their Workshops and formulate a Concept for presentation to the evaluation committee in Stage 3. Section 5.6.1.4 describes the evaluation criteria that will be used at Stage 3. Prior to the presentations, the Province will provide more information regarding the presentation format and evaluation criteria.

A transcription or minutes may be taken of the Stage 3 presentations.

Presentations will be time limited. The time allocated will include time for the evaluation committee to ask questions.

The identification of the Preferred Proponents will be determined by evaluation of the Concept presentation. Each short-listed Proponent is required to supplement its presentation with speaking notes and a paper and electronic copy of its Concept presentation.

### **5.1.8 Preferred Proponents Selection**

On completion of the evaluation process, the Ministry will tabulate the evaluation results from Stage 3 of the Proponent Qualification Phase and rank the short-listed Proponents. The top two ranked short-listed Proponents will be deemed Preferred Proponents and will be invited to engage in the Joint Solution Definition Phase.

### 5.1.9 Post Presentations and Debriefings

Once the top two Preferred Proponents have been declared, a Joint Solution Definition Agreement will have to be executed by the Ministry and each of the two Preferred Proponents prior to commencing the Joint Solution Definition Phase activities.

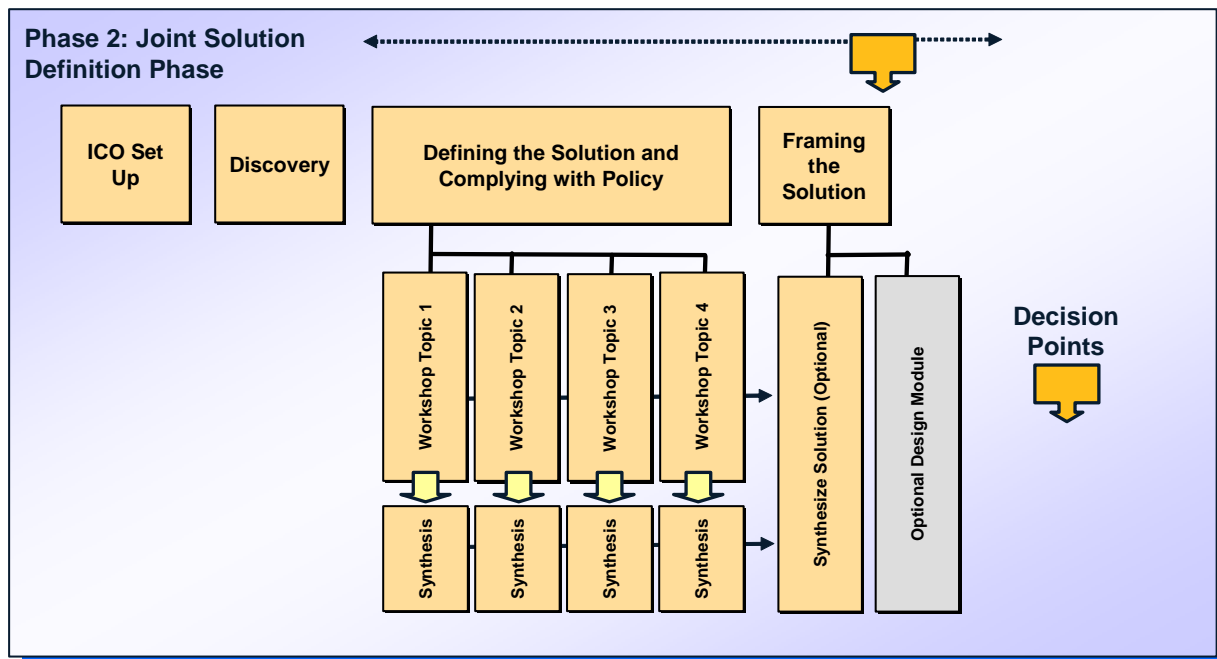
In the event that Joint Solution Definition Phase activities or negotiations with one of the Preferred Proponents fail, the Ministry reserves the right to contact the next highest ranked short-listed Proponent and invite them to engage in Joint Solution Definition Phase activities with the Ministry.

Proponents who are not invited to the Joint Solution Definition Phase may request a debriefing session which will be scheduled by the Province after the execution of the Final Contract.

## 5.2 JOINT SOLUTION DEFINITION PHASE

The Joint Solution Definition Phase of the JSP Process will require significant investment on the part of the Ministry as well as the Preferred Proponents. The Joint Solution Definition Agreement that is signed by the Province with each of the Preferred Proponents will govern the conduct of the remaining phases of the JSP Process.

Preferred Proponents are cautioned not to delay in negotiating the Joint Solution Definition Agreement as once one Preferred Proponent has satisfactorily executed the Joint Solution Definition Agreement the discovery cycle of the Joint Solution Definition Phase described in section 5.2.2 may begin immediately with that Preferred Proponent. The Joint Solution Definition Phase will be held in Victoria, British Columbia. The following figure should be used as a guideline and timelines may be modified as required by the Province.



**Figure 7 – Joint Solution Definition Phase**

The core objective of the Joint Solution Definition Phase is to work with both Preferred Proponents to define Solutions including the economic models and deal structures for the STMS

Project. These activities (and series of meetings) will be performed jointly with the Ministry and Preferred Proponent teams but independently with each Preferred Proponent on their Solution. The Successful Proponent and their Solution will be subject to due diligence and negotiations during the subsequent Due Diligence & Negotiation Phase of the JSP Process.

### **5.2.1 Information Control Office**

The Ministry plans to establish an Information Control Office that will serve as a central repository of information used to facilitate the exchange of confidential information between the Preferred Proponents and the Ministry. The function of this office is to ensure that confidential information provided by the Preferred Proponents is kept segregated from each other and that Joint Solution Definition Phase activities are facilitated.

Details of this office will be provided to the Preferred Proponents as the JSP Process progresses.

### **5.2.2 Discovery Cycle**

The discovery cycle is a one time period of activity when Preferred Proponents may be permitted access to Ministry staff, documents, technology assets and records and service metrics (where applicable) as well as other information that a Preferred Proponent may consider necessary in order to prepare for creative Solution definition. Please note that this period is not guided by the Ministry.

### **5.2.3 Defining the Solution and Complying with Policy**

This period of activity consists of a series of iterative topic specific workshops designed to define the STMS Project Scope, the potential timing to benefit realization, the nature of the deal structure, and economic model. The Preferred Proponents will be working independently from each other, with the Ministry's STMS Project team, in jointly formulating a Solution to meet the STMS Project objectives.

While the Concept provided at the Preferred Proponent's presentation during Stage 3 of the Proponent Qualification Phase will be used as a basis for the Solution, it is possible that information gathered during the discovery cycle or as a result of discussions with the Ministry during this cycle may result in an entirely different approach being considered. It is likely that the Solutions developed by the Preferred Proponents may be very different.

Each topic is envisioned to be explored over a series of two half-day workshops with each Preferred Proponent. These workshops are typically spread over one week (e.g., 2 days of workshops per week with one Preferred Proponent in the morning and the other Preferred Proponent in the afternoon). For each topic, the results of the half-day workshops are brought together, typically in the subsequent week, at the synthesis workshop. The Ministry expects that the Solutions will be very creative. The actual schedule will be communicated to the Preferred Proponents as part of the information session launching the Joint Solution Definition Phase.

The Ministry will ensure that its decision makers are at the table so that decisions are expedited and the Joint Solution Definition Phase of the JSP Process successfully concluded.

As the economic model, business processes and technology aspects of the Preferred Proponent's Solution are being formulated, the Preferred Proponents and the Ministry will need to continually assess the evolving Solution framework for compliance with the legislation and policies of the Province. This process will include a series of iterative cycles where the Solution

parameters are measured against functions such as: conformance with privacy laws, other statutes and policies, and existing agreements that may impact the Solution.

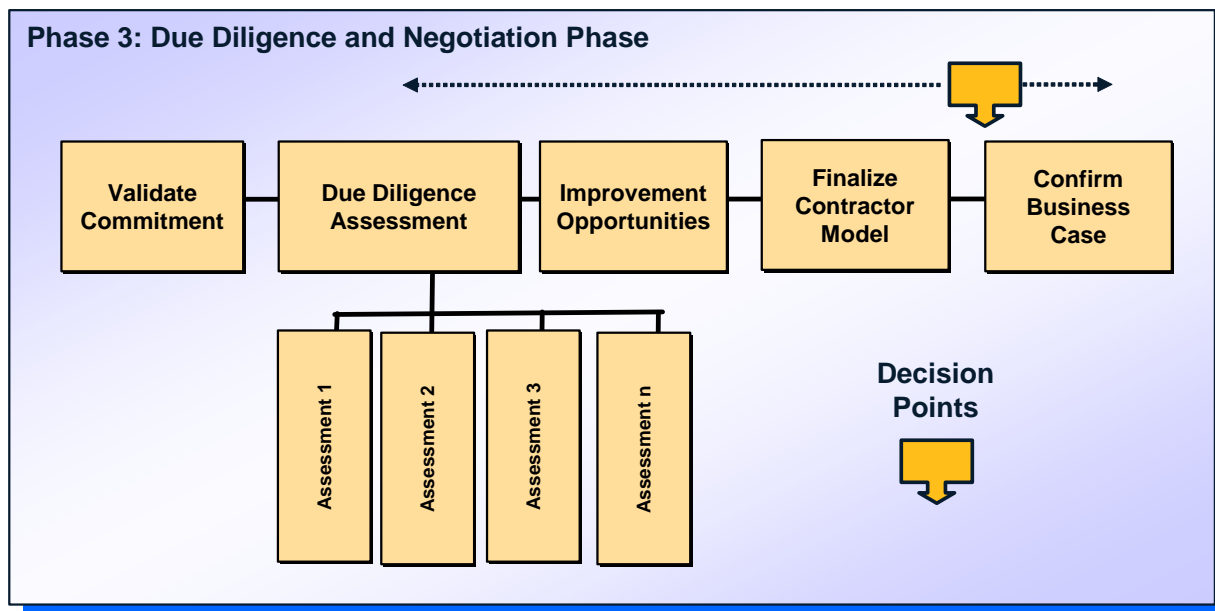
### 5.2.4 Framing the Solution

At this point in the Joint Solution Definition Phase, the Preferred Proponents will have formulated a Solution approach that incorporates work on a proposed deal structure, associated economic model, and Solution parameters addressing the scope of requirements and will have been tested against government policy and standards.

A period of Solution synthesis may take place on the overall model after which the Ministry will perform a final evaluation to determine the Successful Proponent. The final evaluation will likely be based on the Preferred Proponent’s Solution in the areas outlined in section 5.6.1.5. The Ministry intends to release a Proponent’s guide to the Preferred Proponents that outlines the evaluation criteria that will be used as a basis for determining the Successful Proponent.

Once a Successful Proponent has been announced, the remaining Preferred Proponent will be designated as the ‘vendor-in-waiting’. In the event negotiations with the Successful Proponent fail, the Ministry reserves the right to contact the ‘vendor-in-waiting’ Preferred Proponent and invite it to enter into the Due Diligence & Negotiation Phase.

## 5.3 DUE DILIGENCE & NEGOTIATION PHASE



**Figure 8 – Due Diligence & Negotiation Phase**

Once a Successful Proponent has been chosen, the Province expects that a Letter of Intent will be signed by the parties and be followed by an announcement to the public. The Letter of Intent will be in such format and contain such detail as determined by the Province. It will include certain terms and conditions that the Province intends to include in the Final Contract. A draft copy of those terms and conditions will be provided to Preferred Proponents during the Joint Solution Definition Phase.

The Due Diligence & Negotiation Phase will begin with a period of due diligence where both the Successful Proponent and the Ministry will engage in activities to ensure that the Solution

developed during the previous Joint Solution Definition Phase is validated against detailed information.

### **5.3.1 Validate Commitment**

An early activity in this phase is validation of the prospective business structure and of the Solution framework presented by the Successful Proponent entering into this phase. The Letter of Intent will make reference to the Successful Proponent's Solution framework as the approach of choice.

A series of activities will take place to set the stage for detailed due diligence and negotiations. This includes establishment of both the Ministry and Successful Proponent's negotiating and supporting infrastructure (tools and resources), meeting schedules, subject areas and rules of engagement as applicable.

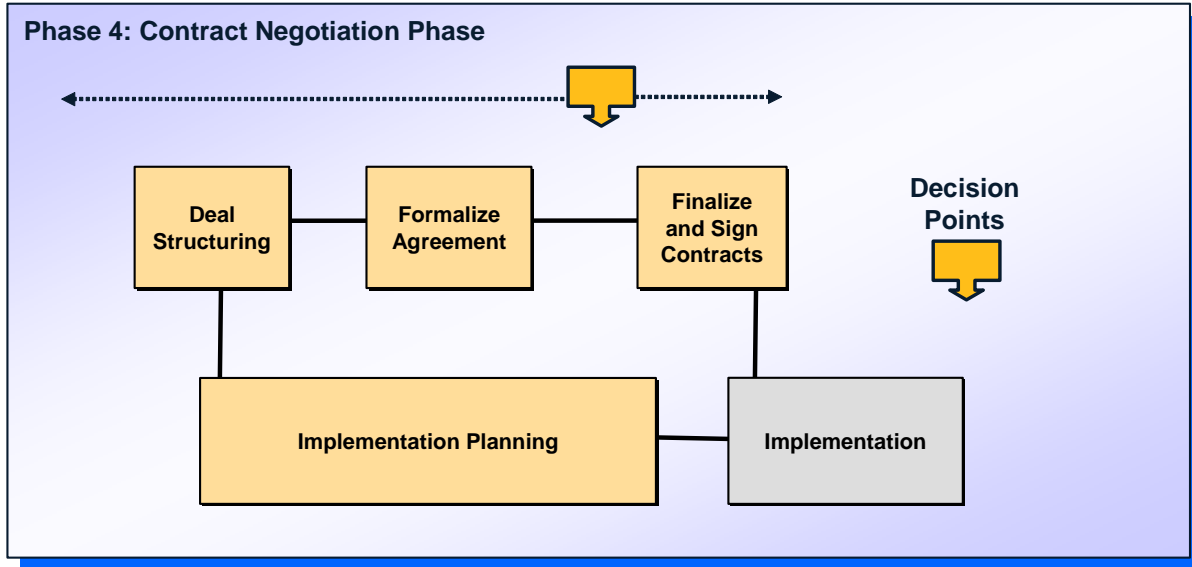
### **5.3.2 Due Diligence Assessment**

This period of activity is primarily for the Successful Proponent to detail its understanding of the parameters impacting successful delivery of the Solution formulated in the previous Joint Solution Definition Phase. This includes detailed verification of information used to design the Solution, assumptions reviewed and accepted or referred to negotiations. The Province may in addition, perform further due diligence on the Successful Proponent to verify its current financial and operating capacity to deliver on and commit to the statements made in the Solution framework. The Province may also decide to do further reference checks, including site visits.

### **5.3.3 Confirm Solution**

On conclusion of the due diligence work, the Solution coming out of the previous Joint Solution Definition Phase will be refined and include discussions around governance structure, strategic and tactical plans related to the business transformation aspects of the STMS Project and guiding principles that describe how the Service Provider model will operate over the term of the Final Contract. In addition, the deal structure model will have been completed and prepared for incorporation into the Final Contract.

## 5.4 CONTRACT NEGOTIATION PHASE



**Figure 9 – Contract Negotiation Phase**

The Contract Negotiation Phase marks the final phase of the JSP Process. The terms and conditions appended to the Letter of Intent signed at the commencement of the Due Diligence & Negotiation Phase will be included in the Final Contract.

Activities will include interest based negotiations, a structured negotiation process and will require negotiation commitment both from the Province and from the Successful Proponent. Concluding negotiations will in part be dependent on the Successful Proponent having those people responsible for delivery participating in negotiations, the obligation on the Successful Proponent to keep its Subcontractors involved and informed and timely escalation and resolution of issues.

Substantive activities will include final negotiation of the design and implementation parameters for the Solution and overall economic model and deal structure, governance and operational plans necessary to operate and maintain STMS and provide the associated services.

The negotiations will also include discussion on opportunities and mechanisms for mutual re-negotiation of the Final Contract, to respond to changes in the parties' respective business environment, as the relationship evolves over the term of the Final Contract. Work on the Solution (including development of STMS) will not start until the Final Contract has been executed with the Province.

There are three (3) key components that describe how the Contract Negotiation Phase – phase 4 will proceed.

### 5.4.1 Deal Structuring

A period of deal structuring will take place once the Solution has been finalized and agreed upon. The final term sheet will be produced, contract structure determined and final decision to proceed with the Final Contract will be made.

## **5.4.2 Negotiating and Drafting the Agreement**

During this period of activity the Final Contract will be negotiated and drafted. Further details with respect to this phase will be provided in the Joint Solution Definition Agreement.

## **5.4.3 Finalize and Sign Contract**

Once the Final Contract is ready for execution, both the Province and Successful Proponent will need to obtain the necessary approvals to sign the Final Contract. On signing, a public announcement may be made and implementation of the Final Contract will begin. Any public announcement by the Service Provider is to be approved by the Province before release.

## **5.5 DECISION POINTS**

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The Province reserves the right to apply a decision point at any time from the Joint Solution Definition Phase through to the end of the JSP Process and either suspend, terminate or re-start discussions or negotiations with any of the Proponents. Any determination to invoke a decision point will reside with the Province.

At various points in the JSP Process, the Province may request that the Preferred Proponents or the Successful Proponent, as the case may be, prepare and deliver a presentation to the Province so as to assess the progress of the activities to date. These presentations will be used to assess the state of the respective discussions and to determine whether the JSP Process approach continues to be appropriate.

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## 5.6 EVALUATION CRITERIA

### 5.6.1 Proponent Qualification Phase - Evaluation Criteria

Selection is based on evaluation by the evaluation committee of a Proponent's ability to demonstrate its capacity, capability and commitment to perform the services within the Scope of the Opportunity. Identification of the Preferred Proponents is based on performance over a two-stage evaluation process separated by a Workshop activity with each short-listed Proponent. The evaluation will proceed as follows:

#### 5.6.1.1 Mandatory Criteria

All Proposals that have satisfied the mandatory criteria will be evaluated according to the criteria described below. Failure to satisfy any one or more of the mandatory criteria will result in disqualification from the JSP Process.

	<b>Mandatory Criteria</b>
1	The Proposal must be received at the closing location before the specified closing time or it will not be accepted.
2	The Proposal must be delivered by courier or hand delivered (not sent by mail, facsimile or e-mail).
3	The Proposal must be in English.

#### 5.6.1.2 Proponent Qualification Phase - Stage 1 Evaluation Criteria

Proposals will be evaluated based on the evaluation criteria listed in the following table *Stage 1 Evaluation Criteria*.

Any Proponent who fails to meet any one of the minimum scores will be disqualified from the JSP Process without further consideration.

On completion of the Stage 1 evaluation process, the scores will be tallied and Proponents ranked. Up to the four (4) top ranked Proponents will be invited to participate in the Stage 2 Workshops. Scores achieved in Stage 1 will not be carried forward. However, information provided in the Proposals may be referenced throughout the JSP Process.

The remaining Proponents, who were not selected to proceed to Stage 2 Workshops, will be advised of their ranking and offered debriefing sessions. Sessions will likely be held after the Final Contract has been executed.

Section 5.7 provides detailed response guidelines and further information on each of the evaluation criteria outlined in the table below for Stage 1 of the Proponent Qualification Phase.

If a Proponent intends to either submit a joint Proposal with one or more Subcontractors, or intends to use the services of Subcontractors in the Final Contract, then the response to specific evaluation criteria should include information regarding the Proponent and the Subcontractor(s) (as indicated below in brackets). Where a choice is indicated (e.g. Any) the intent is to enable the Proponent to present the best credentials from within the

companies that form part of the Proposal. All other responses must be in relation to the lead entity that is the Proponent although responses about Subcontractor(s); may be added (Proponent plus); should be added (All); or are not be permitted (Proponent).

(Proponent) means a response regarding the lead entity that is the Proponent.

(Any) means a response regarding the Proponent **or** any of its Subcontractors.

(All) means a response regarding the Proponent **and** each of its Subcontractors.

(Proponent plus) means a response regarding the Proponent and, if applicable, any of its Subcontractors.

Stage 1 Evaluation Criteria	Points Available
<b>Capability</b> (see sections 5.7.2.1)	50 points (minimum score 30 points)
a) Proponent Profile (All)	
b) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the Scope of the Opportunity (Proponent plus)	
c) Demonstrated experience with delivering services similar to the Scope of the Opportunity (Proponent plus)	
d) Demonstrated experience with strategic business transformation (Proponent plus)	
e) Demonstrated experience managing employee transitions (preferably union) (Proponent plus)	
f) Demonstrated experience ensuring privacy protection and security in the management of government and other public sector information (Proponent plus)	
g) Demonstrated experience in designing and implementing complex economic models, engaging in long term commercial arrangements and experience in deal structuring (Proponent)	
h) Demonstrated experience managing complex project delivery with multiple stakeholder groups, and competing priorities (Proponent)	
i) Demonstrated experience with organizational change management for complex projects (Proponent Plus)	

<b>Stage 1 Evaluation Criteria</b>	<b>Points Available</b>
<b>Capacity</b> (see section 5.7.2.2) (100% of Capacity points available)	25 points (minimum score 15 points)
a) Corporate and financial capacity (Proponent)	
b) Demonstrate ability to assume and manage risk (Proponent)	
c) Demonstrate capacity to design, transition, implement, and operate services within the Scope of the Opportunity (Proponent)	
<b>Commitment</b> (see section 5.7.2.3) (100% of Commitment points available)	10 points (no minimum score)
a) Commitment of staff to engage in the JSP Process and STMS Project (All)	
b) Commitment to a long term relationship with the Province (Proponent)	
c) Commitment to environmentally sustainable service delivery practices (Any)	
<b>High level concept</b> (see section 5.7.2.4) (100% of high level concept points available)	15 points (no minimum score)
a) Provide a high level concept that addresses Workplace Hosting Services' business challenges, risks and objectives related to the Scope of the Opportunity (Proponent)	
<b>TOTAL</b>	<b>100 points</b>

### 5.6.1.3 Proponent Qualification Phase - Stage 2

All short-listed Proponents will be invited to participate in individual Stage 2 Workshops with the Ministry. Immediately prior to the Workshops, the Restricted Documents Room may open (see section 5.1.5).

The Workshops provide an opportunity for the short-listed Proponents to further explore the STMS Project to produce a Concept for delivery at the Stage 3 presentations.

Note: Stage 2 will not be scored.

### 5.6.1.4 Stage 3 Evaluation Criteria

On completion of Stage 2 of the Proponent Qualification Phase, short-listed Proponents will be asked to develop a Concept for presentation to the evaluation committee. Section 5.1.7 describes the format of the presentations.

The Concept accounts for 100% of the total evaluation score of Stage 2 and Stage 3.

The Province will finalize the evaluation criteria for Stage 3 prior to opening of the Proposals and will distribute the finalized evaluation criteria to the short-listed Proponents.

Stage 3 Evaluation Criteria	Stage 3 Weighting
<b>Vision</b>	TBD
<p>Each Proponent should describe how their Concept aligns with and supports the Ministry's and WTS' overall role as described in this JSRFP.</p> <p>Each Proponent should describe how their Concept addresses each component of the Scope of the Opportunity.</p>	
<b>Business challenges, risks and transformation</b>	TBD
<p>Each Proponent should describe their understanding of the business challenges and risks described in section 2.3.2.</p> <p>Each Proponent should describe how their Concept addresses the business challenges and risks described in section 2.3.2</p> <p>Each Proponent should describe how they would propose transforming the current service delivery structure.</p>	
<b>Client engagement approach (in transformation)</b>	TBD
<p>Each Proponent should describe how their Concept addresses the needs of clients' during transformation and service transition, and how their approach will minimize service impacts on customers.</p>	
<b>Services transition and operation</b>	TBD
<p>Each Proponent should describe how their Concept will address the transition and the operation of the Current Hosting Services.</p> <p>Each Proponent should describe their approach for transitioning services.</p> <p>Each Proponent should describe their proposed approach for provisioning the underlying infrastructure required for the Concept.</p>	

<b>Stage 3 Evaluation Criteria</b>	<b>Stage 3 Weighting</b>
<b>Labour Issues</b>	<b>TBD</b>
Each Proponent should describe their approach for dealing with potential labour issues, and how their Concept will address these issues.	
<b>Privacy and Security</b>	<b>TBD</b>
<p>Each Proponent should describe their proposed approach to providing exceptional privacy and security measures, including, at a minimum, complying with privacy laws and the contractual obligations described in Appendix D.</p> <p>In addition, each Proponent should describe how their approach to security will align with Province security and privacy policies (see section 3.9.3)</p>	
<b>Intellectual Property</b>	<b>TBD</b>
<p>Each Proponent should describe their approach to Intellectual Property in their Concept.</p> <p>Each Proponent should describe how their Concept is in alignment with the Intellectual Property principles outlined in section 3.6.</p>	
<b>Governance and Risk</b>	<b>TBD</b>
<p>Each Proponent should describe their governance approach for the STMS Project.</p> <p>Each Proponent should describe key issues and, to the extent that there are potential barriers, the resolution of such barriers, to complying with their approach to achieving a mutually beneficial governance model.</p> <p>To the extent known, each Proponent should describe the key risks associated with the STMS Project.</p> <p>Each Proponent should describe their high-level approach to allocate, manage and mitigate risk.</p>	

Stage 3 Evaluation Criteria	Stage 3 Weighting
<b>Deal Structure and Economic Model</b>	<b>TBD</b>
<p>Each Proponent should describe their proposed deal structure and supporting reasoning for such structure.</p> <p>Each Proponent should provide an overview of their proposed economic model.</p> <p>Each Proponent should describe their proposed pricing approach to transitioning, implementing and operating of Services in the proposed Concept.</p> <p>Each Proponent should describe the areas where they envision risk and reward sharing.</p> <p>Each Proponent should describe key issues and potential barriers to achieving their proposed economic model.</p>	

The Concept to be delivered at the presentations should address the broad factors described above. Proponents are required to provide slides with speaker notes in paper and electronic format of the Concept presented to the evaluation committee. The Ministry acknowledges that the final Solution may be substantially different from the Concept following the Joint Solution Definition Phase.

On completion of the Stage 3 evaluation process, the scores will be tallied, and the short-listed Proponents will be ranked. The top 2 (two) short-listed Proponents will be deemed the Preferred Proponents and invited to the Joint Solution Definition Phase. (See also section 5.2).

#### **5.6.1.5 Joint Solution Definition Phase Decision Criteria**

Once the Preferred Proponents have been identified, a period of Joint Solution Definition activities will take place that culminates with the Preferred Proponents each completing a Solution and business case that describes their proposed commercial arrangement. The Ministry’s executive (sponsor team) who was engaged with the Preferred Proponents during the iterative cycles of the Joint Solution Definition Phase will convene and determine which Preferred Proponent will be deemed the Successful Proponent and thereby invited to sign a Letter of Intent with the Ministry.

The Ministry will request that the Preferred Proponents present their Solution to the sponsor team where the following criteria will be assessed against the business goals and objectives of the Ministry.

(Note: The Ministry reserves the right to alter these criteria provided it does so prior to the commencement of the Joint Solutions Definition Phase, in which case, written notice of any alterations will be provided to the Preferred Proponents prior to the commencement of the Joint Solution Definition Phase).

<b>Joint Solution Definition Phase Decision Criteria</b>
<ol style="list-style-type: none"><li>1. Hosting Services and Data Centre Facility Services</li><li>2. Business Transformation</li><li>3. Governance / Technology Standards / Privacy / Security</li><li>4. Deal Structure</li><li>5. Economic Model</li></ol>



The more detailed decision criteria (e.g. labour, Intellectual Property, environmental sustainability, etc.) and governing process will be communicated to the Preferred Proponents upon the signing of the Joint Solution Definition Agreement (which must be signed prior to the commencement of the Joint Solution Definition Phase) and in a more detailed form in the proponent guidelines provided to the Preferred Proponents prior to the final presentations.

On completion of the evaluation, the Ministry will announce the Successful Proponent and the Due Diligence & Negotiation Phase will commence as described in section 5.3.

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## 5.7 PROPONENT RESPONSE GUIDELINES

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### 5.7.1 Proposal Format

Proponents are asked to assist the evaluation committee by structuring their Proposals in a consistent manner. The required Proposal format is described below:

- a) JSRFP cover page;
- b) Signed letter in substantially similar form to that of Appendix A;
- c) Table of contents;
- d) Executive summary;
- e) Checklist of mandatory requirements;
- f) Body of the Proposal (see section 5.7.2 below for questions that require response);
- g) Corporate references; and
- h) Appendices.

### 5.7.2 Proposal Guidelines

The Province intends to evaluate Proponents on their capability, capacity, commitment and high level concepts in relation to the Scope of the Opportunity.

If a Proponent intends to either submit a joint Proposal with one or more Subcontractors, or intends to use the services of Subcontractors in the Final Contract, then the response to specific evaluation criteria should include information regarding the Proponent and the Subcontractor(s) (as indicated below in brackets). Where a choice is indicated (e.g. Any) the intent is to enable the Proponent to present the best credentials from within the companies that form part of the Proposal. All other responses must be in relation to the lead entity that is the Proponent although responses about Subcontractor(s); may be added (Proponent plus); should be added (All); or are not be permitted (Proponent).

- |                  |   |
|------------------|---|
| (Proponent)      | means a response regarding the lead entity that is the Proponent.                       |
| (Any)            | means a response regarding the Proponent or any of its Subcontractors.                  |
| (All)            | means a response regarding the Proponent and each of its Subcontractors.                |
| (Proponent plus) | means a response regarding the Proponent and, if applicable, any of its Subcontractors. |

#### 5.7.2.1 Capability

##### a) Proponent Profile (All)

Each Proponent should include a corporate profile that details background information on the Proponent, and any Subcontractors, including for each the year they were established; corporate ownership and hierarchy, jurisdiction, corporate strategic direction; area of recognized expertise in the market place; an overview of the corporate information including size, revenues, market and geographic coverage.



**b) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the Scope of the Opportunity (Proponent plus)**

Each Proponent should describe their experience and any Subcontractors' experience as the case may be, in transitioning and delivering solutions of similar scope and magnitude to the Scope of the Opportunity. The information provided should demonstrate how this experience relates to the STMS Project and why the experience is evidence of the Proponent's capability to design and implement required aspects of the Scope of the Opportunity. In addition, each Proponent should describe how they have transformed operations, similar in size and scope to the Scope of the Opportunity, with minimal or no impact to customers and the services being delivered by the Proponent.

Each Proponent should describe how experience gained from past projects is relevant to the business situation currently faced by Workplace Hosting Services. The preference is that the project examples be based on projects in the infrastructure hosting services environment.

Each Proponent should support their statements with examples and include information that describes the size and complexity of the engagement(s). Where possible, the Proponent should provide examples that have similarities to the Scope of the Opportunity.

**c) Demonstrated experience with delivering services similar to the Scope of the Opportunity (Proponent Plus)**

Each Proponent should describe its experience in delivering services similar to the Scope of the Opportunity. The information provided should demonstrate how this experience relates to the Scope of the Opportunity and why the experience is evidence of the Proponent's capability to deliver a project similar to the Scope of the Opportunity.

Each Proponent should describe how experience gained from past projects is relevant to the business situation currently faced by the Workplace Hosting Services.

Proponents should support their statements with examples and include information that confirms the size and complexity of the engagement(s). Where possible, give examples that are comparable to the Scope of the Opportunity.

**d) Demonstrated experience with strategic business transformation (Proponent Plus)**

Using recent examples, each Proponent should describe where they have recently worked jointly with a client organization to develop a strategy for business transformation. The example should demonstrate where the Proponent has worked with the client, over a long term, to successfully implement the strategy.

**e) Demonstrated experience managing employee transitions (preferably union) (Proponent plus)**

Provide examples where the Proponent, or any Subcontractor as the case may be, has experience managing an employee transition project. Describe: the high level approach taken to transition employees, challenges faced, including the number of employees transitioned, union status of transitioned employees,

geographic implications, services provided to employees and retention metrics after two years. Also describe the critical success factors associated with their project examples and explain how their approach resulted with a mutually beneficial result for employees and both organizations.

**f) Demonstrated experience ensuring privacy protection and security in the management of government and other public sector information (Proponent Plus)**

Each Proponent should describe its experience and that of each of its Subcontractors dealing with sensitive, confidential and personal information. Proponents should describe any quality assurance procedures and practices they had in place to provide protection and compliance for their own information and that of their clients, in particular that of government and other public sector entities. In addition, the Proponent must describe its experience complying with stringent privacy and security requirements similar to the Province's security policies and privacy legislation.

**g) Demonstrated experience in designing and implementing complex economic models, engaging in long term commercial arrangements and experience in deal structuring (Proponent)**

Using recent examples, each Proponent should describe their ability to address business issues, and then conceptualize and produce innovative economic models with the flexibility to handle changes in program deliverables over a long term commercial arrangement. Each Proponent should also describe their depth and breadth of experience in conceptualizing, negotiating and operating within each recent example.

Each Proponent is also required to describe their approach to sharing the risks and rewards associated with long term commercial arrangements and demonstrate, using recent examples, their success in maintaining a mutually beneficial relationship with clients. Each Proponent should provide project examples and describe how benefits were accelerated and project objectives were met or exceeded.

Using recent examples, similar or larger in financial size, scope and prospective change, each Proponent is required to demonstrate where they have successfully engaged in a long term (five or more years) commercial arrangement. For each recent example, each Proponent should describe the deal characteristics, such as, but not limited to: deal structure, financial size, length of term, type of pricing model, and any key features that illustrate the principles of flexibility and risk sharing.

**h) Demonstrated experience managing complex project delivery with multiple stakeholder groups, and competing priorities (Proponent)**

Each Proponent should describe past experience in managing and delivering complex projects. Experience should relate to services and projects similar (or greater) in complexity and scope to this opportunity.

Each Proponent should also outline critical challenges that were faced and how they were overcome.

**i) Demonstrated experience with organizational change management for complex projects (Proponent plus)**

Each Proponent should describe past experience in managing organizational change for complex projects. Experience should relate to services and projects similar (or greater) in complexity and size to the STMS Project Scope.

Each Proponent should also outline critical challenges that were faced and how they were overcome.

### **5.7.2.2 Capacity**

**a) Corporate and financial capacity (Proponent)**

Each Proponent should describe where and when it has been engaged as a service provider with substantial financial obligation. Large scale public or private sector examples would be preferred and if possible, where the services were similar to the Scope of the Opportunity. Each Proponent should provide evidence of current financial stability and solvency.

**b) Demonstrate ability to assume and manage risk (Proponent)**

The Province is interested in the Proponent's experience in the management of risk including technology, implementation, operational, service delivery, financial, human resource, and investment risk. As the JSP Process contemplates a risk/reward sharing mechanism in the Final Contract, each Proponent is asked to demonstrate, using past project examples, where risks were assumed by the Proponent.

**c) Demonstrate capacity to design, transition, implement, and operate services within the Scope of the Opportunity (Proponent)**

Each Proponent is required to demonstrate their capacity to deliver, using current examples, (design, transition, implement, and operate) services of similar magnitude to the Scope of the Opportunity. Each Proponent should specifically demonstrate that they have the people, processes, and technology to deliver all components of the STMS Project Scope and the current infrastructure to deliver the mainframe services and the strategic transformation and hosting services. Each Proponent should also specifically demonstrate that they have the capacity to provide in the future the infrastructure necessary to deliver data centre facility services and the people, processes, technology, and infrastructure to deliver Potential In-Scope services as described in section 3.4.2.3.

### **5.7.2.3 Commitment**

**a) Commitment of staff to engage in the JSP Process and STMS Project (All)**

The Province requires substantial commitment from Preferred Proponents that advance to later stages and phases, of the JSP Process and from the Successful Proponent into the first few years of the Final Contract.

Each Proponent should include the names and bios of individuals that will make up the Proponent's team as the JSP Process progresses from the Stage 2 Workshops through to the Contract Negotiation Phase. Each Proponent should describe the current roles and responsibilities of these individuals in the Proponent's organization, as well as the roles and responsibilities they will play

or assume in the JSP Process. Proponents should provide a project team organization chart.

In addition, each Proponent should describe how they propose to have individuals in key roles during the JSP Process continue to be involved during the early activities for the STMS Project after Final Contract execution.

**b) Commitment to a long term relationship with the Province (Proponent)**

Each Proponent should explain what they would do to ensure a successful relationship for all parties (e.g. the Service Provider, Province, BPS) and provide examples where they have been involved in a successful commercial relationship. Each Proponent is required to include information in their examples on any problems that were addressed in order to maintain the relationship.

**c) Commitment to environmentally sustainable service delivery practices (Any)**

Each Proponent should describe how they are committed to delivering services to clients in an environmentally sustainable manner.

#### **5.7.2.4 High level concept**

**a) Provide a high level concept that addresses Workplace Hosting Services' business challenges, risks and objectives for the Scope of the Opportunity (Proponent)**

Each Proponent should include in their Proposal a high level concept that briefly explains how the Proponent will address Workplace Hosting Services' business challenges, risks and objectives. In addition, Proponents should describe how the high level concept provides the needed flexibility and scalability to address future opportunities. Each Proponent should include the principles they will use to ensure the successful delivery of the Services over the term of the Final Contract and explain their use of Subcontractors, if any, to perform the Services.

#### **5.7.3 References**

Proponents are required to provide three (3) client references that are related to a service delivery operation of similar size to the Scope of the Opportunity. At least (1) one of the three (3) references should be directly related to hosting services and strategic transformation services, whether it is a reference of the Proponent or its Subcontractor as the case may be.

Proponents should detail the contact name, phone number, and the duration and description of the project or service delivery. Proponents will be notified by the Province before any of these references will be contacted, which may take place at any point during the JSP Process. In addition, the Province, at its sole option, may undertake further reference checks by contacting other corporate and project references in addition to the ones provided by the Proponent.

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## Appendix A. PROPOSAL COVERING LETTER

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Letterhead or Proponent's name and address

Date

Ministry of Labour and Citizens' Services  
Strategic Acquisitions and Technology Procurement Branch  
c/o Reception Desk  
2nd Floor, 563 Superior Street  
Victoria, British Columbia, V8V 1T7  
Attention: Pelle Agerup

Dear Sir/Madam:

**Subject:** Joint Solution Procurement Request for Proposal for the Strategic Transformation and Mainframe Services Project No. SATP-231 including any amendments (the "JSRFP").

The enclosed Proposal is submitted in response to the above-referenced JSRFP. Through submission of this Proposal, we agree to be bound by all of the terms and conditions of the JSRFP.

We have carefully read and examined the JSRFP and have conducted such other investigations as were prudent and reasonable in preparing the Proposal. We agree that subject to the terms and conditions of the JSRFP, we shall also be bound by statements and representations made in this Proposal.

Yours truly,

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Legal name of Proponent: \_\_\_\_\_

Date: \_\_\_\_\_

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## Appendix B. RECEIPT CONFIRMATION FORM

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**Strategic Transformation and Mainframe Services Project  
Closing Date: July 26, 2007  
Joint Solutions Request for Proposal No. SATP-231  
Ministry of Labour and Citizens' Services**

To receive any further information about this JSRFP please return this form to:

**Attention: Pelle Agerup**

Mail: Ministry of Labour and Citizens' Services  
Strategic Acquisitions and Technology Procurement Branch  
c/o Reception Desk  
2nd Floor, 563 Superior Street  
Victoria, British Columbia, V8V 1T7

Fax: (250) 356-0846

Email: padmin@gov.bc.ca

**Company:** \_\_\_\_\_

**Street address:** \_\_\_\_\_

**City/Province:** \_\_\_\_\_ **Postal Code:** \_\_\_\_\_

**Mailing address if different:** \_\_\_\_\_  
\_\_\_\_\_

**Phone number:** \_\_\_\_\_ **Fax number:** \_\_\_\_\_

**Contact person:** \_\_\_\_\_

**e-mail:** \_\_\_\_\_

**Unless it can be sent by fax or email, further correspondence about this JSRFP should be sent by courier collect as follows:**

**Courier collect.**

**Provide Courier name and account  
no:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_

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## Appendix C. JOINT SOLUTION DEFINITION AGREEMENT

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The Preferred Proponents must enter into a Joint Solution Definition Agreement with the Province that will govern the actions of the Province and the Preferred Proponents during the Joint Solution Definition Phase, the Due Diligence & Negotiation Phase and the Contract Negotiation Phase. The Joint Solution Definition Agreement will include, but not be limited to, the provisions summarized below:

1. general representations, warranties and covenants;
2. conflict of interest provisions including representations and warranties in respect of conflicts and a requirement to implement a conflicts plan;
3. evaluation process including formation of the evaluation committee; certain evaluation criteria used to evaluate the Preferred Proponents; and the debriefing process;
4. the right of the Province to amend, modify or suspend the JSP Process or suspend or cancel negotiations with a Preferred Proponent;
5. right of the Province to designate an alternate Preferred Proponent;
6. obligation of Preferred Proponents to bear all of their own expenses;
7. restriction on lobbying and on any contact with Ministry or government personnel except as authorized by the Province;
8. due diligence covenants including certain rights of the Preferred Proponent to seek information from the Province and the right of the Province to consult outside references and obtain third party information regarding the Preferred Proponent;
9. the Province being under no obligation to enter into a Final Contract;
10. no obligation for the Final Contract to be based upon the JSRFP and the ability of the Province and the Preferred Proponent to enter into arrangements that exceed or only include part of the scope contemplated by the JSRFP;
11. duty of the Preferred Proponent to act in good faith throughout the JSP Process;
12. confidentiality provisions including (a) the Province agreeing to keep detailed Solutions of the Preferred Proponent confidential subject to reasonable exceptions in order to facilitate the JSP Process and subject to the Freedom of Information and Protection of Privacy Act; and (b) the parties agreeing on processes for information to be released in certain circumstances to other stakeholders;
13. privacy provisions;
14. intellectual property provisions including ownership rights, representations, warranties, indemnities and cross licensing provisions;
15. the term of the JSP Process, default provisions, termination rights and consequences of termination or breach;
16. a summary of certain terms that would be required to be included in the Final Contract including risk allocation, audit and reporting, limited force majeure, change control, service levels, default, privacy and confidentiality, proprietary rights, acceptance testing, termination services, dispute resolution and Province funding restrictions;

17. no representations or warranties from the Province; no liability of the Province for indirect or similar types of damages; and a limit of liability of the Province equal to the reasonable direct expenses incurred by the Preferred Proponent;
18. no liability for errors or inaccuracies of the Province;
19. no assignment right for the Preferred Proponent;
20. manner in which consortiums and their members are obligated to the Province; and
21. general provisions including notice, governing law, entire agreement, nature of relationship, survival and execution.

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## Appendix D. PRIVACY PROTECTION SCHEDULE

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This Schedule forms part of the agreement between Her Majesty the Queen in right of the Province of British Columbia represented by \_\_\_\_\_ (the "Province") and \_\_\_\_\_ (the "Service Provider") respecting \_\_\_\_\_ (the "Agreement").

### Definitions

1. In this Schedule,
  - (a) "**Act**" means the *Freedom of Information and Protection of Privacy Act* (British Columbia), as amended from time to time;
  - (b) "**contact information**" means information to enable an individual at a place of business to be contacted and includes the name, position name or title, business telephone number, business address, business email or business fax number of the individual;
  - (c) "**personal information**" means recorded information about an identifiable individual, other than contact information, collected or created by the Service Provider as a result of the Agreement or any previous agreement between the Province and the Service Provider dealing with the same subject matter as the Agreement.

### Purpose

2. The purpose of this Schedule is to:
  - (a) enable the Province to comply with its statutory obligations under the Act with respect to personal information; and
  - (b) ensure that, as a service provider, the Service Provider is aware of and complies with its statutory obligations under the Act with respect to personal information.

### Collection of personal information

3. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Service Provider may only collect or create personal information that is necessary for the performance of the Service Provider's obligations, or the exercise of the Service Provider's rights, under the Agreement.
4. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Service Provider must collect personal information directly from the individual the information is about.
5. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Service Provider must tell an individual from whom the Service Provider collects personal information:
  - (a) the purpose for collecting it;
  - (b) the legal authority for collecting it; and
  - (c) the title, business address and business telephone number of the person designated by the Province to answer questions about the Service Provider's collection of personal information.

### Accuracy of personal information

6. The Service Provider must make every reasonable effort to ensure the accuracy and completeness of any personal information to be used by the Service Provider or the Province to make a decision that directly affects the individual the information is about.

### Requests for access to personal information

7. If the Service Provider receives a request for access to personal information from a person other than the Province, the Service Provider must promptly advise the person to make the request to the Province unless the Agreement expressly requires the Service Provider to provide such access and, if the Province has advised the Service Provider of the name or title and contact information of an official of the Province to whom such requests are to be made, the Service Provider must also promptly provide that official's name or title and contact information to the person making the request.

### **Correction of personal information**

8. Within 5 business days of receiving a written direction from the Province to correct or annotate any personal information, the Service Provider must annotate or correct the information in accordance with the direction.
9. When issuing a written direction under section 8, the Province must advise the Service Provider of the date the correction request to which the direction relates was received by the Province in order that the Service Provider may comply with section 10.
10. Within 5 business days of correcting or annotating any personal information under section 8, the Service Provider must provide the corrected or annotated information to any party to whom, within one year prior to the date the correction request was made to the Province, the Service Provider disclosed the information being corrected or annotated.
11. If the Service Provider receives a request for correction of personal information from a person other than the Province, the Service Provider must promptly advise the person to make the request to the Province and, if the Province has advised the Service Provider of the name or title and contact information of an official of the Province to whom such requests are to be made, the Service Provider must also promptly provide that official's name or title and contact information to the person making the request.

### **Protection of personal information**

12. The Service Provider must protect personal information by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure or disposal, including any expressly set out in the Agreement.

### **Storage and access to personal information**

13. Unless the Province otherwise directs in writing, the Service Provider must not store personal information outside Canada or permit access to personal information from outside Canada.

### **Retention of personal information**

14. Unless the Agreement otherwise specifies, the Service Provider must retain personal information until directed by the Province in writing to dispose of it or deliver it as specified in the direction.

### **Use of personal information**

15. Unless the Province otherwise directs in writing, the Service Provider may only use personal information if that use is:
  - (a) for the performance of the Service Provider's obligations, or the exercise of the Service Provider's rights, under the Agreement; and
  - (b) in accordance with section 13.

### **Disclosure of personal information**

16. Unless the Province otherwise directs in writing, the Service Provider may only disclose personal information inside Canada to any person other than the Province if the disclosure is for the performance of the Service Provider's obligations, or the exercise of the Service Provider's rights, under the Agreement.
17. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Service Provider must not disclose personal information outside Canada.

### **Inspection of personal information**

18. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Service Provider, enter on the Service Provider's premises to inspect any personal information in the possession of the Service Provider or any of the Service Provider's information management policies or practices relevant

to its management of personal information or its compliance with this Schedule and the Service Provider must permit, and provide reasonable assistance to, any such inspection.

#### **Compliance with the Act and directions**

19. The Service Provider must in relation to personal information comply with:
  - (a) the requirements of the Act applicable to the Service Provider as a service provider, including any applicable order of the commissioner under the Act; and
  - (b) any direction given by the Province under this Schedule.
20. The Service Provider acknowledges that it is familiar with the requirements of the Act governing personal information that are applicable to it as a service provider.

#### **Notice of non-compliance**

21. If for any reason the Service Provider does not comply, or anticipates that it will be unable to comply, with a provision in this Schedule in any respect, the Service Provider must promptly notify the Province of the particulars of the non-compliance or anticipated non-compliance and what steps it proposes to take to address, or prevent recurrence of, the non-compliance or anticipated non-compliance.

#### **Termination of Agreement**

22. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Service Provider, terminate the Agreement by giving written notice of such termination to the Service Provider, upon any failure of the Service Provider to comply with this Schedule in a material respect.

#### **Interpretation**

23. In this Schedule, references to sections by number are to sections of this Schedule unless otherwise specified in this Schedule.
24. Any reference to the "Service Provider" in this Schedule includes any subcontractor or agent retained by the Service Provider to perform obligations under the Agreement and the Service Provider must ensure that any such subcontractors and agents comply with this Schedule.
25. The obligations of the Service Provider in this Schedule will survive the termination of the Agreement.
26. If a provision of the Agreement (including any direction given by the Province under this Schedule) conflicts with a requirement of the Act or an applicable order of the commissioner under the Act, the conflicting provision of the Agreement (or direction) will be inoperative to the extent of the conflict.
27. The Service Provider must comply with the provisions of this Schedule despite any conflicting provision of this Agreement or the law of any jurisdiction outside Canada.

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## Appendix E. TRANSPARENCY POLICY

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The government of British Columbia is committed to the goals of openness and transparency in government procurement processes. The government of British Columbia supports the public's expectation of, and demand for, a higher level of disclosure about information relating to government business than it does for commercial relationships in the private sector.

While the government of British Columbia supports maximum disclosure of information regarding procurement processes, such disclosure must be done in a way that does not jeopardize the competitive process or government's negotiating position.

The intent of this policy is to increase openness and transparency by maximizing the proactive public disclosure of contract information, project summaries and performance measures related to alternative service delivery projects.

At the same time, this policy will ensure that the goal of maximum disclosure in the public interest is balanced against the need to protect commercially sensitive information of third parties and information which could harm the financial, economic or other interests of a public body or the government of British Columbia.

### Scope

1. All ministries that are responsible for an alternative service delivery project must comply with this policy.
  - 1.1 For the purpose of this policy an “**alternative service delivery project**” is a complex alternative service delivery project involving the Alternative Service Delivery Secretariat and is designated as an alternative service delivery project by the Deputy Minister of the Ministry of Labour and Citizens' Services.

### Direction to Negotiating Team

2. A ministry responsible for an alternative service delivery project must train and direct all members of its negotiating team on the application of this Transparency Policy.
3. A ministry responsible for an alternative service delivery project must direct its negotiating team to use the contract transparency format in negotiating the contract and the project summary template to describe the project. This format and template will ensure maximum disclosure of contract and project information.
  - 3.1 For the purpose of this policy “**contract**” means the Master Service Agreement or such other main agreement governing the alternative service delivery project.

## **Notice to Proponents**

4. A ministry responsible for an alternative service delivery project must include in the procurement document a copy of this Transparency Policy and notice to proponents that the successful service provider will be expected to comply with the policy and to give all due consideration to the maximum public disclosure of contract and project information.

## **Public Disclosure of Contract and Other Information**

5. A ministry responsible for an alternative service delivery project must proactively disclose to the public all provisions of the signed contract, subject to the exceptions set out in sections 9 and 10, below.
  - 5.1 Because disclosure of the provisions of the contract is presumed, the ministry must inform the parties to the contract that they have an obligation to identify when information that forms part of the contract may be commercially sensitive information that should be protected from disclosure.
  - 5.2 Where information is identified as excepted from public disclosure under section 9 or 10, the ministry must remove that excepted information and publicly disclose the remaining information.
6. A ministry responsible for an alternative service delivery project must disclose to the public a detailed summary of the project that includes project objectives, scope, rationale, vendor profiles, contract value, business cases, key changes that occurred during the procurement negotiation process, and key elements of the contract.
7. In disclosing information to the public under sections 5 and 6, a ministry responsible for an alternative service delivery project must use the contract transparency format for the alternative service delivery contract and the template for the project summary. These formats will ensure maximum disclosure of contract and project information.
8. A ministry responsible for an alternative service delivery project must disclose regular reports including, but not limited to:
  - performance reports based on the alternative service delivery project objectives and consistent with template guidelines established by the Alternative Service Delivery Secretariat; and
  - reports outlining additional contract and project information not originally contained in the project summary and as negotiated by the ministry and the service provider to increase project disclosure.

## **Protection for Commercially Sensitive Information**

9. Before publicly disclosing the contract, a ministry responsible for an alternative service delivery project must remove from the contract, commercially sensitive information.

- 9.1 For the purpose of this policy, “**commercially sensitive information**” means trade secrets or other confidential commercial, financial, labour relations, scientific or technical information of or about a third party that, if disclosed, could reasonably be expected to result in significant harm to the third party including, but not limited to:
- a) Information from competitive proposals;
  - b) Economic models and detailed cost or pricing information (except for overall contract value);
  - c) Corporate margins, including overhead or profit margins;
  - d) Specific financial penalty amounts (not including a description of principles and penalty ranges);
  - e) Names of key staff (other than corporate officers);
  - f) Descriptions of proprietary technology, business processes, or methodologies, including ownership of intellectual property provisions;
  - g) Productivity statistics (that could be deconstructed to provide competitive information such as number of staff proposed, etc.);
  - h) Strategic clauses related to labour relations;
  - i) Details of third party/subcontractor relationships (excluding names of material subcontractors, which should be released);
  - j) Business development plans and targets;
  - k) Service provider’s corporate strategies;
  - l) Disaster recovery and business continuity plan details;
  - m) Limitations of liability, indemnities, and warranties; and
  - n) Gainsharing provisions, terms and conditions around transition, security policies, practices and procedures.

## **Protection for Information Harmful to the Government**

10. Before publicly disclosing the contract, a ministry responsible for an alternative service delivery project may remove information that, if disclosed, could reasonably be expected to harm the financial, economic, or other interests of the ministry or the government of British Columbia, including information the disclosure of which could reasonably be expected to harm the security or negotiating position of the ministry or the government of British Columbia.

## **Application of Policy to Existing Contracts**

11. This policy applies to all new alternative service delivery projects, effective January 1, 2006. Where the contract for an alternative service delivery project was signed or largely negotiated prior to January 1, 2006, then the ministry responsible for the project must comply with only sections 6 and 8.

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## Appendix F. LIST OF WEBSITES IN JSRFP

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Description	Website
Government Website	<a href="http://www.gov.bc.ca">www.gov.bc.ca</a>
Ministry of Labour and Citizens' Services	<a href="http://www.gov.bc.ca/lcs">www.gov.bc.ca/lcs</a>
Service plan for Ministry of Labour and Citizens' Services	<a href="http://www.bcbudget.gov.bc.ca/2007/sp/lcs/">http://www.bcbudget.gov.bc.ca/2007/sp/lcs/</a>
Core Policy and Procedures Manual	<a href="http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm">http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm</a>
Office of the Chief Information Officer, Privacy and Security Protection Policies	<a href="http://www.cio.gov.bc.ca/">http://www.cio.gov.bc.ca/</a>
Office of the Information Protection and Privacy Commissioner for British Columbia – Guidelines for Data Services Contracts.	<a href="http://www.oipcbc.org/advice/Guidelines-Data_services.pdf">http://www.oipcbc.org/advice/Guidelines-Data_services.pdf</a>
FOIPPA and related policies and guidelines	<a href="http://www.mser.gov.bc.ca/privacyaccess/">http://www.mser.gov.bc.ca/privacyaccess/</a>

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## Appendix G. CURRENT MAINFRAME ENVIRONMENT

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### **Mainframe (MVS) service**

The service broadly includes system management and reporting and data centre facility and operations services as outlined below:

System management and reporting:

- asset/inventory management;
- availability management;
- capacity management;
- change management;
- configuration management;
- performance management;
- problem management;
- recovery management;
- security management;
- service level management;
- system software management (e.g. currency, license mgt.); and
- workload management.

Data centre operations services:

- backup and recovery;
- communications connectivity (e.g. Netsol, TCP/IP, VTAM);
- database online services (DB2, IMS, CICS, MQ, SRS system);
- disaster recovery plan;
- document/print services;
- production control (batch, job scheduler);
- security controls (e.g. software, data centre);
- services support (e.g. services documentation);
- storage management (e.g. DASD, tape);
- system software support; and
- technical support – end users.

### **Mainframe (MVS) Software Base:**

The current MVS service includes more than 100 software products from multiple vendors for the operating system, database subsystems and application development. A summary of the current software product list is provided below.

Vendor	Product Names
Allen Systems Group	Docutext Pro/JCL
BMC Software Inc	Delta Plex Extended Terminal Assist Plus LOAD PLUS for IMS Mainview® Tools Secondary Index Utility UltraOptIMS
Chicago Soft	MVS/QuickRef



<b>Vendor</b>	<b>Product Names</b>
Computer Associates Inc	AION Business Rules Expert Culprit Dads Plus for CICS Interrest for CICS MIA / MII SMR TSO Plus
Compuware Corporation	Abend-AID for IMS Abend-AID MVS CICS/Abend-AID/FX File-AID - for DB2, IMS w/DC options, MVS
Cybermation Inc	ESP / ESP Encore
Fischer International Systems	IOF/TSO
IBM	z/OS ADF ASF CICS TS COBOL for OS/390 & VM DB2 UDB DCF / DLF IMS, IMS Utilities IMS/ESA BTS Image Plus InfoPrint Server MQ Series NCP Netview PL/I for MVS & VM PPFA PSF QMF SDF SDSF Security Server (RACF) TSO Unix System Services (e.g. Java, SecureFTP, SecureLDAP) VAG VPS / DRS
Innovation Data Processing	FATS/FATAR FDR, FDR-Crypt
Levi, Ray, Shoup Inc.	VPS VPS / TCPIP DRS
MacKinney Systems	CICS Message
Merrill Consultants	MXG
Mobius Management Systems	ViewDirect Document Direct for Internet
MVS Solutions Inc	Thruput Manager – JBS, DCS
Open Software Technologies	REXXtools MVS
Pathlore Software	Preference
SAS Institute	SAS

<b>Vendor</b>	<b>Product Names</b>
Software Engineering of America	PDSFAST
SPSS Inc.	SPSS Stat
SYNCSORT Inc	Syncsort for z/OS PROC/Syncsort z/OS

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## Appendix H. ICBC DATA CENTRE REQUIREMENTS

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### Data Centre Requirements

1 of 3

#### Background

The ICBC data centre located on the 6<sup>th</sup> floor at 151 West Esplanade in North Vancouver was built in the early 1980s as part of the Corporation's head office building. The data centre facility was designed for mainframes that had different environmental requirements than current platforms and it is reaching the end of its design life. It would require extensive renovating if it were to be used beyond three years into the future. Shortcomings of the existing data centre include a floor that is structurally inadequate to support modern equipment, recurrent roof leaks, and heating, ventilating and air conditioning inadequate for future equipment needs. The Information Technology (IT) Infrastructure group has mitigated risk to this point, however these measures cannot provide the reliability required to support the Corporation's critical business systems and sustain the organization in the long term.

Over the years, the ICBC data centre has evolved from being of operational importance to being a strategic corporate asset, with business requiring it to be available 24x7x365, and strategic business decisions being dependent on its ability to change and adapt. The datacentre now represents a competitive advantage to ICBC, servicing custom-designed broker-customer sales transactions, and securing a vital asset, the store of claims and insurance data.

The data centre facility must be able to adapt over the years, and it must be able to do this reliably, without disrupting business operations. The data centre supports claims offices with extended hours, 7 days a week insurance sales, 24x7 customer-facing call centre operations, and customers accessing web applications at any time.

#### Objectives

ICBC's Data Centre initiative is driven by the goal to:

*Ensure a reliable data centre facility that will sustain the Corporation for the foreseeable future.*

To attain this goal, four key objectives have been identified:

- |                                    |  |
|------------------------------------|--|
| 1. Long-term Facility Requirements | Satisfy the facility requirements for a data centre to sustain the organization for a 15-20 year lifespan. |
| 2. Operational by End of 2010      | Implement data centre operations in the new facility by the end of 2010.                                   |
| 3. Cost/Benefit                    | Ensure the data centre solution is cost effective.   |
| 4. Risk                            | Ensure that minimizing risk is a key consideration in developing the solution.                             |

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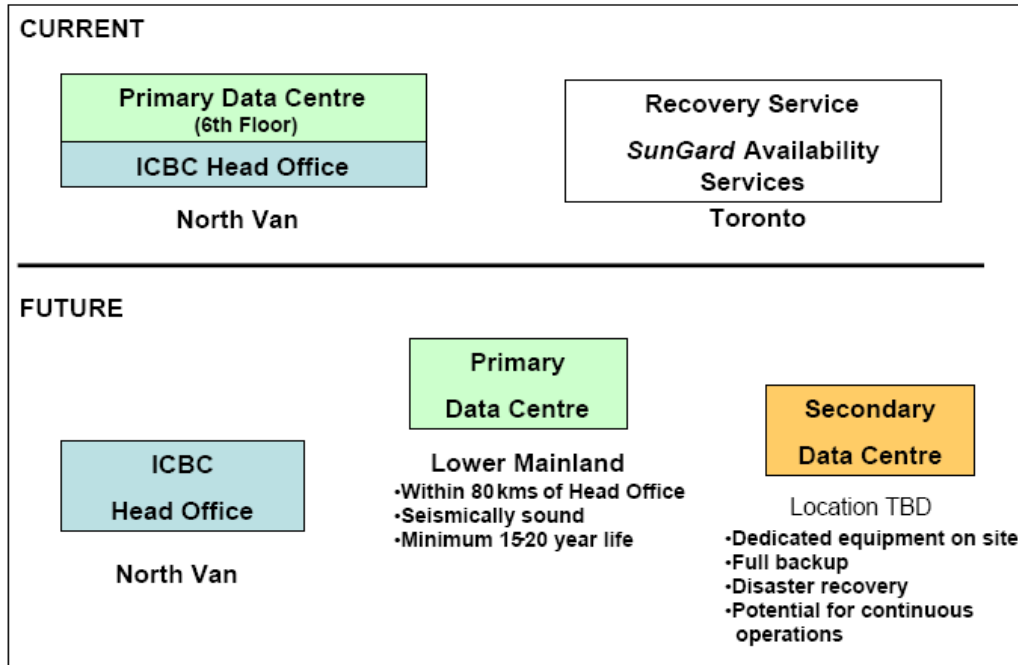
June 6, 2007

ICBC's datacenter requirements June 2007

**ICBC Data Centre – Current and Future**

As discussed, ICBC’s primary data centre is located in the North Vancouver head office. Secondary data centre services are provided by SunGard Availability Services in Toronto, Ontario. ICBC is currently assessing its overall processing needs including those of two of its critical systems hosted on the Workplace Technology Services (formerly Common IT Services (CITS)) mainframe in Victoria.

ICBC’s vision for the future is represented by the following diagram.



**SUMMARY OF REQUIREMENTS**

**Reliability Level**

Data centers with a higher reliability level have redundancy built into them and will cost more. ICBC uses the Brunspak reliability levels criteria and have opted for a Level 7 (Tier II Uptime Institute) with the ability to move to a level 8 (Tier III Uptime Institute) if required. Building redundancy into data centers at the outset is more cost effective than trying to upgrade them later.

The following table summarizes the ICBC’s Data Centre requirements

<u>Requirements</u>	<u>Preference High/Low</u>
Implement data centre operations in the new facility by the end of 2010.	H
Facility can house Data Centre for next 15 years at a	H

<u>Requirements</u>	<u>Preference High/Low</u>
minimum	
<b>Location</b>	
1. Outside 200 year floodplain	H
2. Seismically sound area	H
3. Not located near sources of vibration	H
4. Near good public transportation network (primary)	H
5. No more than 80 Km from Esplanade Head Office (primary)	H
6. No more than a one hour commute from Esplanade Head Office (primary)	H
7. Near two major communication carriers	L
8. Crime rate should be low	L
<b>Space</b>	
1. Raised Floor area of 10,000 Sq. Ft.(primary data centre)	H
2. Raised Floor area of 4,000 Sq. Ft. (second data centre)	H
3. Office Space of 6,000 Sq. Ft. (primary)	H
4. Infrastructure area	H
5. Build out space	L
<b>Architectural</b>	
1. Raised Floor Loading of 300 lbs/Sq. Ft.	H
2. Minimum height of 15 ft. from slab to slab	H
3. Data Centre located in single story building at ground level	H
4. Raised floor height of 30"	H
<b>Electrical</b>	
Power - 2000kva unit substation	H
UPS - 2 x 75kv	H
Power 75w per sq ft	H
Backup Generator - 1 x 1500kv	H
<b>Cooling</b>	
190 tons of cooling required for 75w per sq ft	H