

TENDER NO. 560/18- DESIGN, SUPPLY & INSTALLATION OF ROOFTOP PHOTOVOLTAIC SYSTEMS FOR FOUR CITY OF VINCENT FACILITIES -APPOINTMENT OF A SUCCESSFUL TENDERER

TRIM Ref: 018/188131
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Authoriser: Andrew Murphy, Director Engineering
Attachments: 1. Evaluation Worksheet - Confidential

RECOMMENDATION:

That Council **ACCEPTS** the tender submitted by DNX Energy Pty Ltd for Tender No. 560/18 for the Design, Supply & Installation of Rooftop Photovoltaic Systems for four City of Vincent Facilities.

PURPOSE OF REPORT:

To consider the awarding of Tender No. 560/18 - Design, Supply & Installation of Rooftop Photovoltaic Systems for four City of Vincent facilities.

BACKGROUND:

The City developed an Energy Management Plan in 2012 for the eight highest energy use sites owned and managed by the City and made a number of recommendations to reduce energy usage at these sites. These recommendations included large-scale solar photovoltaic installations at the Library, Beatty Park Leisure Centre, Administration and Civic Centre and the Works Depot.

The City's *Corporate Business Plan 2018/19 - 2021/22* identifies a requirement for the installation of large scale solar photovoltaic panels at various sites. Installing solar panel arrays at high energy use sites is expected to reduce the City's electricity bills by a significant amount. Solar photovoltaic panels are an environmentally sound initiative that would reduce the City's greenhouse gas emissions and promote renewable energy to residents and businesses within the City.

DETAILS:

Tender Advertising

The allocated budget for the project is \$428 ,000. As the budget exceeds \$250,000, *Policy No. 1.2.3 - Purchasing* requires an open public tender process.

Under CEO Delegation 1.19, the Director Engineering approved the Procurement Plan, which included the following Evaluation Criteria:

Qualitative Criteria	Weighting
<p>1. Relevant Experience of the contractor</p> <p>a. Provide details of similar projects undertaken including scope of the Tenderer's involvement and confirming successful completion of the project; and</p> <p>b. Provide details of issues, if any that arose during the projects and how those issues were managed or resolved.</p>	<p>25%</p>

Qualitative Criteria	Weighting
<p>2. Key Personnel Skills and Experience</p> <p>Tenderers to provide as a minimum information of the proposed personnel to be allocated to this project such as:</p> <ol style="list-style-type: none"> a. Their role in the performance of the Contract; b. Resumes of key staff (including Subcontractors) inclusive of memberships of any professional or business associations, qualifications etc. 	25%
<p>3. Demonstrated understanding of the Project & Project Methodology</p> <ol style="list-style-type: none"> a. A project delivery plan including key stages and timelines; b. Site safety procedures including traffic and pedestrian management procedures/plans; c. Demonstrated understanding of the Scope of Works by providing the rationale for: <ol style="list-style-type: none"> i. Choice of solar PV and balance of system products; ii. Rooftop array layout design; iii. Choice and location of the proposed electricity metering equipment to be installed at Beatty Park site; and iv. How the systems' annual output was estimated. 	50%

The Request for Tender 560/18 was publicly advertised on 13 October 2018 and invited submissions until 6 November 2018.

At the close of the advertising period, 10 tender responses were received from the following companies:

- Australian Solar Designs
- Blasko Enterprises Pty Ltd
- DNX Energy Pty Ltd
- Efficient Homes Australia trading as Infinite Energy
- Future Grid Electrical Pty Ltd
- Nites (WA) Pty Ltd
- Origin Energy Electricity Limited
- Perdaman Advanced Energy Pty Ltd (Conforming tender)
- Perdaman Advanced Energy Pty Ltd (Alternative tender)
- Solgen Energy Group

Tender Assessment

The tenders were assessed by members of the Tender Evaluation Panel (below) and each tender was assessed using the above Evaluation Criteria, with a scoring system being used as part of the assessment process.

Title	Role
Director Engineering	Voting
Manager Asset & Engineering	Voting
Procurement and Contracts Officer	Voting
Sustainability Officer	Voting
Eco Advance Consultants	Technical Advice (non-voting)

Evaluation

A summary table for each compliant Tenderer is provided below. A full outline of the Qualitative Evaluation Criteria for each tenderer and pricing is contained within **Confidential Attachment 1**.

Company	Qualitative Score/100	Ranking
DNX Energy Pty Ltd	75	1
Efficient Homes Australia trading as Infinite Energy	70	2
Perdaman Advanced Energy Pty Ltd (Alternative response)	62.5	3
Australian Solar Designs	60	4
Blasko Enterprises Pty Ltd	57.5	5
Origin Energy Electricity Limited	57.5	5
Perdaman Advanced Energy Pty Ltd (Conforming response)	57.5	5
Future Grid Electrical Pty Ltd	55	6
Solgen Energy Group	55	6
Nites (WA) Pty Ltd	35	7

Based on the evaluation panel discussion, the submission from DNX Energy Pty Ltd was the highest ranked submission against the Qualitative Evaluation Criteria.

Once the tenders were ranked on the Qualitative Evaluation Criteria, the evaluation panel made a value judgement as to the cost affordability, qualitative ranking and risk of each Tender, in order to determine which Tender presented the best value for money to the City.

CONSULTATION/ADVERTISING:

The Request for Tender No. 560/18 was advertised in the West Australian on 13 October 2018 and on both the City's website and Tenderlink portal between 13 October and 6 November 2018.

LEGAL/POLICY:

- Section 3.57 of the *Local Government Act 1995*;
- Part 4 of the *Local Government (Functions and General) Regulations 1996*; and
- City of Vincent Policy No. 1.2.3 - Purchasing.

RISK MANAGEMENT IMPLICATIONS:

Low: It is considered low risk for Council to appoint a qualified Contractor to undergo the specified works.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028* :

"Enhanced Environment

Invest in alternative energy and water efficiency initiatives, including consideration of emerging technologies ."

The City's *Corporate Business Plan 2018/19 - 2021/22* states:

- " 1.3 *Solar Photovoltaic Panel System Installation: Installation of large-scale solar photovoltaic panels at various sites."*

SUSTAINABILITY IMPLICATIONS:

The City's *Sustainable Environment Strategy 2011 - 2016* states:

- " 1.8 *Monitor developments in renewable energy technology , and use renewable energy sources in City-owned facilities where possible and practical ."*

FINANCIAL/BUDGET IMPLICATIONS:

The costs associated with this contract would be met from the City's 2018/2019 Annual Budget, which has an allocation of \$428,000 sourced from loan funds to complete the project. The lump sum price of the recommended contractor was within the allocated budget.

COMMENTS:

The submission from DNX Energy Pty Ltd complies with all the tender requirements, including demonstrated understanding of the project and project methodology, as well as demonstrating relevant experience, expertise and a qualified project team. The response included a well thought out project plan that included reasonable time frames. The products chosen for the installations are fit for purpose.

Reference checks were conducted for DNX Energy Pty Ltd by contacting two other local governments and an electrical contractor (project partner) in relation to recent solar photovoltaic panel system installations. All referees were satisfied with DNX Energy Pty Ltd's performance on their respective projects. The projects were completed on time and on budget.

The Evaluation Panel recommends that DNX Energy Pty Ltd be accepted for Tender No. 560/18 as they presented the best overall value for money to the City.

Originating Officer:	S Orsi
Coordinator:	
Manager sign-off (<i>if applicable</i>):	
Director sign-off:	A Murphy

APPROVAL:

<p>Approved <input checked="" type="checkbox"/></p> <p>Declined <input type="checkbox"/></p>	<p>CEO Signature: </p> <p>Date: 23/1/19</p>
<p>Comments:</p>	