6.2 RFT IE371/2024 LEVEL 1, ADMINISTRATION BUILDING HVAC RENEWAL

Attachments: **1. Evaluation Worksheet RFT IE371-2024 - Confidential**

RECOMMENDATION:

That Council:

1. NOTES the outcome of the evaluation process for Tender IE371/2024 Administration Building Level 1 HVAC Upgrade; and

2. ACCEPTS the tender submission of Grosvenor Engineering Group Pty Ltd for Tender IE371/2024 Administration Building Level 1 HVAC Upgrade.

PURPOSE OF REPORT:

For Council to consider and determine the outcome of Tender IE371/2024 Administration Building Level 1 HVAC Upgrade.

DELEGATION:

The decision to accept or reject tenders with a value exceeding $250,000 requires a decision of Council in accordance with Council's adopted register of delegations, authorisations, and appointments.

BACKGROUND:

The City of Vincent's capital works program includes renewal or upgrade of heating, ventilation, and air conditioning (HVAC) units across the City Building's portfolio to meet energy efficiency targets.

The City sought tenders from experienced, qualified and reliable Respondents within the industry for removal and replacement of the four (4) HVAC chiller units situated on the Administration Building's roof.

HVAC systems are integral to City-owned buildings. The HVAC system at the Civic Centre Administration building is at end of life and requires replacement.
For this reason, the City requires the engagement of a suitably qualified and experienced contractor to undertake replacement of existing external and internal HVAC units in a timely, proactive, and professional manner.

DETAILS:

Tender Submissions
Submissions were received from four (4) Respondents.

Evaluation Panel
The Evaluation Panel comprised of four members, being:
- three with the appropriate operational expertise and involvement in supervising the contract (voting); and
- one with tender preparation skills and probity advice provided by a Procurement and Contracts Officer (non-voting).

Compliance Assessment
Compliance assessment was carried out and all four (4) submissions were assessed as fully compliant and progressed to the qualitative assessment stage.

Evaluation Method and Weighting

The qualitative weighting method of tender evaluation was selected to evaluate the offer. The qualitative criteria and weighting used in evaluating the submission received were as follows:

Qualitative Criteria		Weighting
1	Project Understanding	45%
2	Capacity and Skills	45%
3	Environmental Sustainability	10%

Qualitative Assessment
The qualitative assessment of all submissions were as follows:

Respondent #	Weighted Percentage Score	Qualitative Ranking
Respondent 1	71%	1
Respondent 2	67%	2
Respondent 3	63%	3
Respondent 4	52%	4

Refer to **Confidential Attachment 1** for further details.

The Evaluation Panel shortlisted Respondent 1, Respondent 2 and Respondent 3 to progress to the price assessment stage. The remaining Respondent did not progress due to the low qualitative scores.

Price Assessment
The panel carried out an assessment of the submitted pricing offered by the shortlisted Respondents.

Respondent #	Fixed Price (excl GST)	Rank
Respondent 2	$465,524	1
Respondent 1	$473,802	2
Respondent 3	$530,440	3

Refer to **Confidential Attachment 1** for further detail.

Evaluation Summary
The panel concluded that the tender submission from Respondent 1 Grosvenor Engineering Group Pty Ltd provides the best value for money to the City and is recommended for the provision of IE371/2024 Administration Building Level 1 HVAC Upgrade for the following reasons:

- compliance with the submission requirements;
- ranked first in the qualitative assessment;
- ranked second in the pricing assessment;
- pricing demonstrates value for money.

It is recommended that Council accepts the tender submitted by Grosvenor Engineering Group Pty Ltd for Request for Tender IE371/2024 Administration Building Level 1 HVAC Renewal.

CONSULTATION/ADVERTISING:

This matter is subject to a statutory advertising requirement.

The Request for Tender IE371/2024 Administration Building Level 1 HVAC Upgrade was advertised in the West Australian on Wednesday 27 November 2024 and on both the City's website and Vendor Panel between 27 November 2024 and 16 December 2024.

LEGAL/POLICY:

The Request for Tender was prepared and advertised in accordance with:

- Section 3.57 of the *Local Government Act 1995*;
- Part 4 of the *Local Government (Functions and General) Regulations 1996*; and
- City of Vincent Purchasing Policy.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to accept the preferred Respondent as they have appropriate level of experience and financial capacity. This is in line with Council's adopted Risk appetite and tolerance statements.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2022-2032*:

Connected and Healthy Community

We protect, improve and promote public health and wellbeing within Vincent.

Thriving Places

Efficiently managed and maintained City assets in the public realm.

Innovative and Accountable

Our decision-making process is consistent and transparent, and decisions are aligned to our strategic direction.

SUSTAINABILITY IMPLICATIONS:

This does not contribute to any specific sustainability outcomes of the City's Sustainable Environment Strategy 2019-2024, although the sustainability and environmental management practices of Respondents was a weighted qualitative criterion of this request, and the preferred Respondent provided some evidence of sustainability practices.

PUBLIC HEALTH IMPLICATIONS:

This is in keeping with the following priority health outcomes of the City's *Public Health Plan 2020-2025*:

Reduced exposure to environmental health risks

FINANCIAL/BUDGET IMPLICATIONS:

A total budget of $485,000 in 2024/25 budget was identified and approved through the Capital Works Budget and Procurement Plan. A total budget of $250,000 in 2025/26 budget was identified in the LTFP Capital Works Budget and Procurement Plan for the implementation of a building management System to further improve HVAC energy efficiencies.

The funding for this project will be sourced from the Capital Works Program over two financial years 2024/25 and 2025/26.

COMMENTS:

The tender submission from Grosvenor Engineering Group Pty Ltd complies with all tender requirements. The submission was well presented and included all relevant and specific information required and requested within the tender specification.

The Evaluation Panel deemed the response to be of a very good standard, convincing and credible, demonstrating the capability, capacity and experience for key evaluation criteria and therefore recommend award of tender IE371/2024 Administration Building Level 1 HVAC Upgrade to Grosvenor Engineering Group Pty Ltd.