CAMPBELLTOWN CITY COUNCIL

150 YEARS 1868-2018

Confidential Item

For Council meeting to be held on

Tuesday 19 June 2018 at 7.30 pm

Refer Item 11.1

CAMPBELLTOWN
CITY COUNCIL

Tender Evaluation Report

ARC Solar Project 2018

Cost centre 6343

Date: 18/5/18

Prepared by: Andrew King

1. Background

The Campbelltown City Council invited tenders from companies for the provision of the design, supply, installation and commissioning of a, grid-connected photovoltaic array for The ARC Campbelltown.

2. Contract Term

The contract term including milestones and project completion date shall be negotiated with the successful contractor upon award of the tender, however the project must be completed by 31 October 2018.

3. Procurement Process

3.1. Open Tender Process

Tender were released on the SA Tenders & Contract website (www.tenders.sa.gov.au).

Tenders Opened: 6/2/18
Tenders Closed: 13/3/18

3.2. Document Issued

The document issued is the standard CCC RFT package, (HPE: 18/5493)

3.3. Tender Enquiries

Several tender enquiries were received during the procurement process and this was replied to all parties that downloaded the documents from Tenders SA website.

3.4. Tender Briefing & Site Visit

A tender briefing or site visits was conducted on 20/2/18 and the list is in (HPE: 18/11545)

4. Receipt of Tender & Evaluation

4.1. Receipt of Tenders

Tender submission were received from the following companies: (96 parties downloaded the Tender Documents)

- Autonomous Energy
- Firecorp Australia
- Generate Energy
- Solar Depot
- Solgen Energy

No late tenders were received.

Tenders were opened shortly after the Closing Time by three Council staff that signed and documented the receipt of each tender. (HPE: 18/16236)

4.2. Evaluation Panel

The evaluation Panel consisted of:

- Andrew Nairn
- Alex Cortez
- Rachael Hamilton
- Roman Charles (External expert from Lucid Consulting Engineers to assist with project specification & assessment)
- Adrian Forster - Management (WHS System & Insurances) only
- Lisa Gergos - Management (Financial & Economic Stability) only

Each Members of the Evaluation Panel has completed the Tender Declaration Form and declared "No Conflict of Interest" and agreed to keep confidential the contents of each tender. (HPE: 18/20127)

4.3. Evaluation Criteria

The evaluation criteria are as follow: (From tender documents)

Assessment Criteria	Weightings
Relevant Experience & Track Record (Previous work of this type, general reputation for work competence, capacity etc)	20%
Technical Skills & Methodology (People, systems, specific abilities includes appreciation of key issues and tasks)	25%
Management & Time Performance (Organisation, quality system, meeting timeframes)	10%
Management (Work health & safety, acceptable insurances)	7.5%
Management (Financial performance)	7.5%
Local (Products, services & contractors)	10%
Price	20%
Total	100%

4.4. Evaluation Selection

The evaluation was individually carried out by the evaluation panel members and then averaged out on 18/5/18, then and the full evaluation matrix is in (HPE: 18/16672)

The summary of the evaluation is below:

Contractor	$	Score
Autonomous Energy	$462,982	320.26
Firecorp Australia	$367,604	291.81
Generate Energy	$378,597	322.99
Solar Depot	$399,314	306.63
Solgen Energy	$299,891	105.18

Note: Highest score is best

4.5. Reference Checks

Staff checked the referees of the preferred supplier who provided positive feedback on their experience with the company.

5. Discussion

That all of the submission for the Tender were detailed and it was a competitive process and, however the Generate Energy stood out from the rest on a number of fronts due to their:

- Understanding of the project
- Well experienced staff
- Quality systems in place
- Project Management Skills
- Competitive rates
- Relevant experience

The preferred tenderer (Generate Energy) has been undertaking these services (up to 100kW) on various sites for a number of years on time and without any significant issues staff believe that they would be able to deliver and meet the needs and the requirements of the project.

With Generate Energy being a smaller company, their ability to showcase their Design Capabilities are a bit limited, however staff believe it does not preclude them from being the preferred supplier and Generate Energy's tender provides the highest value for money with high performance equipment offered at a very competitive price.

As part of a risk management approach staff will seek to further engage Roman Charles from Lucid Consulting Engineers to support staff in project installation phase with technical aspects of the project.

6. Financial Implication

The costs to supply and deliver the project is **$378,597**and currently there is $656,650 in the budget and some funds will be required to engage Roman Charles on top of the tendered price.

7. Terms of Payment

The contractor has requested payment of contract sum as highlighted below.

Option 2 (Generally for short term contracts)

[X] The Council must pay to the Contractor, within 30 days of the end of the month in which the Final Certificate is issued, the Contract Sum as stipulated by this agreement.

8. Financial Sustainability

The Finance department tender evaluation is part for the final combined assessment.

9. Recommendation

That Generate Energy is the preferred supplier.

10. Approval

Endorsed/Approved by:

Signed: _ Date: 21/5/18

General Manager Kevin Lowe

Endorsed by:

Signed: _ Date: 21.5.18

Chief Executive Officer

MEMORANDUM

To:	CAMPBELLTOWN CITY COUNCIL		
Attention:	KEVIN LOWE		
From:	ROMAN CHARLES	Reference:	LCE13805 – 004 revB
Project Name:	THE ARC CAMPBELLTOWN SOLAR PV PROJECT		
Subject:	REVIEW OF SOLAR PV TENDERS	Date:	30/05/2018

Lucid Consulting has completed a review of the price and technical aspect of each tender. The main findings are summarised in the following table:

	Advantages	**Disadvantages**
Autonomous Energy	- Performance and quality of proposed equipment. - Experience in large scale solar PV.	- High price - Interstate company.
Generate Energy	- Refer below	- Refer below
Solar Depot	- Competitive price	- Methodology and construction programme do not demonstrate they have fully understood the project requirements. - No information provided regarding the PV panels they intend to install.
Solgen Energy	- Low price	- Non-compliant tender

The following strengths were identified in Generate Energy's proposal based on a comparative review of the tenders:

- Proposed solar PV panels are manufactured by LG, a Tier 1 manufacturer, and are one of the best panels currently available on the market both in terms of performance and quality. Proposed inverters and DC optimisers are manufactured by Solar Edge, also a Tier 1 manufacturer. The proposed panels, inverters and DC optimisers collectively achieve a level of efficiency that is close to the highest efficiency currently achieved by solar PV systems.
- The proposed LG panels come with a 25 year warranty which exceeds the standard 10 year warranty provided on most solar PV panels.
- Generate Energy's tender provides the highest value for money with high performance equipment offered at a very competitive price.
- Generate energy is a local company which is located within the East / North East Adelaide region. The other tenderers are either located interstate or outside the East / North East Adelaide region.

- The directors of Generate Energy (whom will be supervising the project) have a combined experience of 18 years in the solar industry and 44 years as electricians. Both directors are CEC accredited for design and installation and unrestricted electricians with a background in commercial electrical.
- Generate Energy has provided a detailed methodology and construction programme, both showing a good understanding of the project requirements.

We note however the following weaknesses in their tender:

- Their experience in large scale solar PV systems is limited to systems of up to 100 kW. The system size specified for the ARC Campbelltown is approximately 175 kW, which exceeds the capacity of the largest system they have installed to date.
- Their design capabilities (software modelling, equipment selection and sizing, compliance with relevant standards, preparation of shop drawings etc) are only partially demonstrated in their tender submission. Generate Energy has however committed to produce a 3D model of the solar PV system, which will assist in resolving any design issue prior to installation.

From a financial point of view, Council has completed a review which has indicated Generate Energy is capable of delivering a project of this scale.

Based on the above analysis, we would recommend that Generate Energy is the preferred contractor for the ARC Campbelltown solar PV project and that a discussion is initiated with Generate Energy to address the issues identified in the tender review.