

5.5 TENDER FOR PROVISION OF HVAC (Heating, Ventilation, and Air Conditioning) MAINTENANCE SERVICES (2021093: RM)

Responsible Senior Officer: Jarrod Doake, Chief Operating Officer

RECOMMENDATION*

That Council:

1. *Awards the tender from Renown Services Pty Ltd for the following Provision of HVAC Maintenance Services, Contract No. 2021093:*

- **Category A: Major HVAC Equipment, Category B: Minor HVAC Equipment, Category D: Kitchen Exhaust Canopy Equipment**, for a fixed Lump Sum of \$45,009.09 per annum and an estimated Schedule of Rates spend of \$90,000 per annum for reactive works, and an estimated total contract value of \$1,003,695 inclusive of all available extension options*;
- **Category C: Quoted Works**, for a schedule of rates based contract with an estimated annual contract value of \$200,000 and an estimated total contract value of \$1,486,856 inclusive of all available extension options*.

**Assuming an annual CPI increase of 2%.*

2. *Authorises the Chief Executive Officer to execute the contract agreement;*

3. *Notes that the:-*

- a. *Services for this contract will commence October 1, 2021 with an initial term of two (2) years and the contract has two (2) separate extension options. The first extension option is three (3) years, and the second extension option is two (2) years. Council authorises the Chief Executive Officer to approve extension options subject to satisfactory performance.*

4. *Notes that the total allocated budget for year one available for this contract including the fixed Lump Sum and contingencies is \$335,009.*

*(*Please note that all dollar figures are GST inclusive unless stated otherwise)*

INTRODUCTION

Council has conducted a tender for Provision of HVAC (Heating, Ventilation, and Air Conditioning) Maintenance Services.

BACKGROUND

Council is seeking to appoint a supplier to provide HVAC Maintenance Services to approximately seventy council managed facilities, including Operational Centres, Preschools, Sport Pavilions, Community Halls and other council owned facilities where council support the delivery of services. The services are required to fulfil Council's legislative obligations in accordance with the Building Act and Regulations. The facilities are maintained by Council and used by various community groups to provide a range of services for the community.

Monash is seeking to form a relationship with suitably qualified and experienced suppliers to manage and deliver HVAC Maintenance to nominated facilities. The suppliers are required to maintain the equipment to meet Council's objectives in providing safe and accessible facilities for users.

Council has divided the services into the following four major categories:

Service Group	Work Required	Form of Contract
Category A. Major HVAC Equipment	Fixed Price Routine & Reactive	Routine and Reactive
Category B. Minor HVAC Equipment	Fixed Price Routine & Reactive	Routine and Reactive
Category C. Quoted Works.	Schedule of Rates	Routine and Reactive
Category D. Kitchen Exhaust Canopy Maintenance	Fixed Price Routine & Reactive	Routine and Reactive

NOTIFICATION

A public notice was placed in The Age newspaper on 20 March 2021 and the tender closed on 21 April 2021.

TENDERS RECEIVED

13 tender submissions were received by the appointed closing time. The tenders received are listed below:

Tenderer
A.G. Coombs Servicing Pty. Ltd.
Airepair Air Conditioning Services Pty Ltd
JPC Air Conditioning Pty Ltd- ASM -Chilltech
BSA Advanced Property Solutions (Vic) Pty

Ltd
CFM Air Conditioning Pty Ltd
ENGIE Mechanical Services Australia Pty Ltd
Hirotec Maintenance Pty Ltd
NAMS Airconditioning Services
Optimum Energy Australia Pty Ltd
Quadrant Mechanical Services Pty Ltd
Renown Services Pty Ltd
SP&R Air-conditioning Pty Ltd
TCM Solutions Pty Ltd

Tender Conformance:

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules.

All tender submissions were deemed conforming.

TENDER EVALUATION

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

The tenderers were assessed in accordance with the evaluation criteria published in the tender documentation:

Pass/Fail Assessment Criteria	Score
Completed and signed returnable schedules	<i>Pass/Fail</i>
OHS Quality Systems	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>
Conforming Tender	<i>Pass/Fail</i>
Participation in the Mandatory pretender brief	<i>Pass/Fail</i>

Table 2	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	25%
	Project Timelines	5%
	Sustainability (Mandatory)	10%

Quantitative Criteria	Price (Mandatory)	60%
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DISCUSSION

The following information supports the evaluation panel's recommendations.

Reference checks were undertaken on the highest ranking tenderer for further consideration. Renown Services Pty Ltd were highly commended by organisations and other local government authorities contacted.

For this service, the panel confirms that only one supplier is required to satisfy Council's service needs. The final evaluation (including price and non-price evaluation criteria) ranked the following suppliers the highest.

Tenderer	Rank	Total Weighted Score
Renown Services Pty Ltd	1	77.70%
Quadrant Mechanical Services Pty Ltd	2	70.70%
A.G. Coombs Servicing Pty. Ltd.	3	68.30%
Airepair Air Conditioning Services Pty Ltd	4	62.50%
CFM Air Conditioning Pty Ltd	5	59.10%
JPC Air Conditioning Pty Ltd- ASM - Chilltech	6	57.30%
BSA Advanced Property Solutions (Vic) Pty	7	56.70%
TCM Solutions Pty Ltd	8	54.90%
ENGIE Mechanical Services Australia Pty Ltd	9	53.20%
Hirotec Maintenance Pty Ltd	10	47.30%
NAMS Air conditioning Services	11	46.90%
SP&R Airconditioning Pty Ltd	12	38.70%

Optimum Energy Australia Pty Ltd	13	33.50%
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As such, the evaluation panel recommends Renown Services Pty Ltd as representing the best value outcome for Council.

FINANCIAL IMPLICATIONS

The total estimated expenditure for the first year of the contract is \$335,009 and an estimated total contract value of \$2,490,551 inclusive of all available extension options (including CPI of 2%).

The 2021/22 Operating Budget makes provision for an allocated budget toward this contract as follows.

Budget Account	Contract allocation (excluding GST)
Routine Maintenance (802)	\$200,000
Non-Routine Maintenance (803)	\$100,000
Facilities Programs (857)	\$ 35,009

CONCLUSION

That Council approves the recommendations contained within this report.