

ITEM 9. TENDER - HIGH RISE APARTMENT DATA PORTAL

FILE NO: X003418.011

TENDER NO: 1642

SUMMARY

This report provides details of the tenders received for the City of Sydney high rise apartment data portal.

The City of Sydney adopted the Residential Apartments Sustainability Plan in August 2015. The Plan describes how the residential apartment sector can improve its environmental performance in line with *Sustainable Sydney 2030* and defines 30 strategic actions that will be required to achieve its five specific outcomes.

A key action in the plan is the High Rise Residential Apartments Retrofit Program. The retrofit program will facilitate environmental improvements across existing residential apartment buildings, demonstrating the benefits of improved sustainability performance and helping to catalyse market-led action within the sector. The program will recruit and directly engage with 20 apartment buildings each year to provide expert technical guidance, training and support to guide the identification and implementation of sustainability improvements.

A key component of the retrofit program is an energy and water data portal, which will build participant and sector capacity to understand, monitor and manage energy and water consumption within apartment buildings. The service will also provide a means for the City to benchmark building and program performance. The data captured will also support the trial and development of a performance rating tool for residential apartment buildings.

It is recommended that Council accept the tender offer of Tenderer 'A' for the City of Sydney high rise apartment data portal.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the City of Sydney high rise apartment data portal for a period of three years, with the option of an extension of two, 12-month periods;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

Attachment B: Schedule of Prices (Confidential)

(As Attachments A and B are confidential, they will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)

BACKGROUND

1. The Residential Apartments Sustainability Plan was adopted by Council on 10 August 2015, and commits to driving environmental performance in new and existing residential apartment buildings within the City of Sydney.
2. A key action in this plan is the High Rise Residential Apartments Retrofit Program. The retrofit program will facilitate environmental improvements across existing residential apartment buildings, demonstrating the benefits of improved sustainability performance and helping to catalyse market led action within the sector.
3. The program is modelled on the City's earlier successful Smart Green Apartments program. The City will recruit and directly engage with 20 apartment buildings each year to provide technical support, training and mentoring to guide the identification and implementation of sustainability improvements.
4. A key service required to deliver the retrofit program is an energy and water data portal, which will assist Owners' Corporations, strata and building managers to monitor and manage energy and water consumption within apartment buildings. The portal will provide:
 - (a) a user-friendly display of near real-time electricity and water consumption for the apartment building, with the ability to compare consumption against relevant benchmarks and historical usage. This information will assist stakeholders to better plan, prioritise and evaluate building upgrade and operational improvement projects;
 - (b) an ability to set alerts (mobile text and email) for stakeholders that highlight anomalies such as leaks or unexplained periods of high use. This will enable prompt action to be taken to correct issues; and
 - (c) a communications platform to better inform residents and other building stakeholders of the performance of their building and of the opportunities to improve.
5. The service sought includes a web-based data portal, data logging, data management, user training, administrative and technical support.
6. Detailed building attribute and performance data will feed into the City's Environmental Sustainability Platform. This will improve the City's ability to track program performance and allow cross program and cross sector comparisons.
7. The portal and associated services will be delivered as the following individual works packages and in accordance with an agreed schedule of rates:
 - (a) Works Package 1 – establish and trial the portal with five residential apartment buildings. Develop a technical specification for the automated upload of building data to the City's Environmental Sustainability Platform;
 - (b) Works Package 2 – Deliver portal for an initial tranche of 20 buildings (year 1 Retrofit program participants);

- (c) Works Package 3 – Deliver portal for up to an additional 25 apartment buildings (the City will recruit from the past Smart Green Apartments program); and
 - (d) the City then expects to add 20 additional buildings to the portal each year through the retrofit program. These additions are outside of the scope of the initial works packages and would be implemented using the approved schedule of rates.
8. The term of the agreement will be three years, with a further two x 12 month options to extend, to be exercised at the sole discretion of the City. The maximum term of the agreement is five years.

INVITATION TO TENDER

9. The project was advertised in The Sydney Morning Herald, The Daily Telegraph and on eTender on 31 May 2016. The tender was advertised for three weeks and closed at 11.00am on 28 June 2016.

TENDER SUBMISSIONS

10. Eight submissions were received from the following organisations (listed alphabetically):
 - COzero Pty Ltd
 - Ecosave Pty Ltd
 - Energy Systems & Services Holdings Pty Ltd
 - Investment Advantaged Software Pty Ltd
 - Oberix Group Pty Ltd
 - Switch Automation Pty Ltd
 - WaterGroup Pty Ltd
 - Watersave Australia Pty Ltd
11. No late submissions were received.

TENDER EVALUATION

12. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
13. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.
14. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) proposed data portal solution;
 - (b) proposed methodology;

- (c) demonstrated experience and capacity;
- (d) proposed program;
- (e) meets non-functional requirements (as outlined within non-functional requirements returnable schedule);
- (f) environmental management;
- (g) schedule of prices;
- (h) Work Health and Safety; and
- (i) financial and commercial trading integrity including insurances.

PERFORMANCE MEASUREMENT

15. Performance will be measured against:

- (a) key deliverables;
- (b) quality of work;
- (c) time;
- (d) reporting;
- (e) communication;
- (f) WH&S compliance; and
- (g) perceived value.

FINANCIAL IMPLICATIONS

16. There are sufficient funds allocated for this project within the current year's approved operational budget. For years 2-5 services will be sought based on the schedule of rates and dependent on annual budget approvals.

RELEVANT LEGISLATION

- 17. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
- 18. Attachments A and B contain confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
- 19. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

20. If Council approval to engage the preferred Tenderer is granted, then the project is expected to be operational by September 2016. A delay would impact on the services offered to the participants of the Retrofit program.

OPTIONS

21. **Proceed with the project** – Council identified the High Rise Retrofit program as a priority action when it adopted the Residential Apartment Sustainability Plan in August 2015. The data portal is an integral component of the program. This is the preferred option.
22. **Do not proceed with the project** – The City has committed to delivering the High Rise Retrofit program as part of the Residential Apartment Sustainability Plan. The data portal is a core component of this program: it will provide ongoing energy and water data and performance tracking to participating buildings to improve the management of consumption and inform upgrades and operational improvements in apartment buildings. The portal will also facilitate improved program evaluation and monitoring and verification of building upgrades. If this preferred tenderer is not engaged, Owners' Corporations will not have near real-time knowledge of building energy and water consumption. The City will not have a key evaluation tool to track program effectiveness. This is not the preferred option.

PUBLIC CONSULTATION

23. No external consultation has been undertaken in developing this Request for Tender. There were no external advisers on the evaluation panel.

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