



Committee Report

To: Chair and Members of the Joint Social Services and Land Ambulance Committee
From: Jackie Osti, Manager of Purchasing and Risk Management Services
Date: Wednesday, November 13, 2024
Subject: Request for Proposal Award for Solar Photovoltaic Systems

Background:

Staff recently issued Project No. CW2024-016 a request for proposal (“RFP”) for the design and installation of rooftop solar systems at three (3) County owned residential buildings in Guelph (411 Waterloo Avenue, 263 Speedvale Avenue East and 33 Marlborough Avenue).

The purpose of this RFP process was to select a proponent who could provide the most suitable solar photovoltaic system providing information such as the system design, installation and ongoing maintenance requirements.

Proponents were provided with a general description of the building design, budget allocations for each building and related requirements as stated below for which they would be responsible for:

- A thorough roof assessment performed by a licensed engineer to include roof load capacity and identify design issues.
- complete design of the solar photovoltaic system.
- demonstrated effectiveness of proposed system prior to installation.
- complete system installation including any work done by subtrades.
- maintaining existing roof warranties.
- Providing staff with a training programme.
- providing all maintenance and warrant documentation.
- Optional pricing for a minimum five (5) year comprehensive maintenance programme.

Evaluation scoring criteria was provided to proponents in the RFP. To ensure the quality of proposals, mandatory requirements were incorporated for proof of insurance, system warranty, bonding capabilities and contractors previous experience with solar installations on a flat roof system. If proponents did not provide the mandatory information, they were automatically disqualified.

The proposal was scored using a 100-point scale with points awarded as follows:

- Company Profile 10 points
- Past Project Experience 10 points
- System Features and Warranties 30 points
- Project Management and Team Profile 10 points
- Pricing (including a 5-year maintenance package) 40 points

Proponents who did not achieve a minimum score of 45 points before pricing, were disqualified from further evaluation.

Financial Implications

The proposed solar installations will generate an estimated 6,518,375 kWh of clean electricity over the warranted twenty-five-year life cycle of the systems. This output will result in an approximate cost reduction of \$885,325 in electricity expenses over the project's lifespan, supporting the municipality's ongoing efforts to reduce energy costs and enhance sustainability.

"Overall cost savings are based on current electricity rates and does not include inflation."

Environmental Impacts

In addition to the financial benefits, the proposal from VCT Group will significantly contribute to the municipality's climate mitigation targets. Once installed the systems are expected to reduce 4,139 tons of CO2 emissions over their warranted lifetime. This reduction is equivalent to the environmental benefit of planting approximately 940 acres of trees, furthering our commitment to sustainability and climate change mitigation.

Additional Savings

The County anticipates a credit from the Clean Electricity Investment Tax Credit which should result in an additional 15% credit equaling a potential \$83,210 in savings.

On Wednesday October 30, eight (8) submissions were received from contractors who attended the mandatory site visit with pricing shown exclusive of HST @ 13%. A cash allowance of \$24,000.00 (\$8,000/site) is included in the pricing to cover costs for Alectra's Connection Impact Assessment to determine the viability of the increased service.

COMPANY NAME	Base Bid Price	Cash Allowance	Total Bid Price
Essex Energy Corporation, Oldcastle	\$241,479.43	\$24,000.00	\$265,479.43
2189058 Ont Inc, Mississauga **	\$295,200.00	\$24,000.00	\$319,200.00
Guelph Solar Mechanical Inc., Guelph	\$479,847.86	\$24,000.00	\$503,847.86
12256894 Canada Inc., Etobicoke *	\$548,691.00	\$24,000.00	\$572,691.00
QPA Solar Inc., Dundas	\$553,848.00	\$24,000.00	\$577,848.00
VCT Group Inc., Kitchener	\$554,736.00	\$24,000.00	\$578,736.00
Soudliere Interiors Ltd., Ottawa **	\$613,459.77	\$24,000.00	\$637,459.77
Moose Power Inc., Toronto	\$615,000.00	\$24,000.00	\$639,000.00

* Submission failed to meet mandatory submission requirements as stated in the RFP.

** Submission did not meet minimum scoring threshold as stated in the RFP.

Based on the evaluation process and overall scoring, it is recommended that the contract for all three solar installation locations be awarded to VCT Group. Their proposal provided the best balance of competitive pricing, proven experience, and superior system features and warranties, making them the most suitable candidate for this project. Staff are recommending award to the highest scoring proponent VCT Group Inc. of Kitchener, Ontario in the amount of \$578,736.00 excluding H.S.T. @ 13%.

Strategic Action Plan:

This report relates to the following objectives and priorities in the County's Strategic Action Plan:

- Making the best decisions for the betterment of the Community

Recommendation:


That County of Wellington Project No. CW2024-016 an RFP for the design and installation of rooftop solar photovoltaic systems at three (3) County owned residential buildings as specified in the City of Guelph be awarded to VCT Group Inc. of Kitchener, Ontario at the total amount of \$578,736.00 exclusive of HST @ 13%; and

That the funding for this project be approved as set out in the attached Financial Summary; and

That staff be authorized to issue the Purchase Order for the contract; and

That the Warden and Clerk be authorized to sign the necessary agreements.

Respectfully submitted,



Jackie Osti
Manager
Purchasing and Risk Management Services

In consultation with/approved by:

Ken DeHart, County Treasurer
Scott Wilson, Chief Administrative Officer

FINANCIAL SUMMARY

COUNTY OF WELLINGTON CAPITAL PROJECT EXPENDITURE AND FINANCING SCHEDULE
--

Bid name: Solar Photovoltaic Installations for Three Housing Buildings
 Bid number: CW024-016

Project name: 2024 GHG Initiatives / 263 Speedvale Roof / 263 Speedvale MUA Repl / 411 Waterloo Roof
 Project number : 21540400 / 21570082 / 21540212 / 21540140

PROJECT COSTS

	Total
<u>Bid:</u>	
Tendered Cost	\$ 566,000
Cash Allowance	24,000
Contingency	60,000
Expenses to Date:	
Professional Fees (21540400)	4,000
Roofing Capital	
Work Awarded under CW024-014 (21570082)	814,000
Bid to Award	\$ 1,468,000

* includes net cost to County of HST

PROJECT BUDGET APPROVALS AND FINANCING

	Gross cost	National Housing Co-Investment Fund	Housing Capital Reserve	Municipal Recovery - City of Guelph
2024 Capital Budget-21540400 (GHG Init)	\$ 250,000		\$ 56,000	\$ 194,000
2024 Capital Budget-21570082 (263 Roof)	1,030,000	339,000	152,000	539,000
2024 Capital Budget-21540212 (263 MUA)	25,000		6,000	19,000
Project Total	\$ 1,305,000	\$ 339,000	\$ 214,000	\$ 752,000
21540400 GHG Initiatives (33 Marlborough)	\$ (40,000)		\$ (9,000)	\$ (31,000)
21570082 263 Speedvale Roof	(65,000)		(10,000)	(55,000)
21540140 411 Waterloo Roof	268,000		59,000	209,000
Total Adjustment	\$ 163,000	\$ -	\$ 40,000	\$ 123,000
Revised cost and sources of funding	\$ 1,468,000	\$ 339,000	\$ 254,000	\$ 875,000