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Tender

## **Bridgend Town Heat Network - Design, Build, Operate, Maintain**

Bridgend County Borough Council - (Utility)

F05: Contract notice – utilities

Notice identifier: 2021/S 000-002319

Procurement identifier (OCID): ocds-h6vhtk-029076

Published 5 February 2021, 9:24am

### **Section I: Contracting entity**

#### **I.1) Name and addresses**

Bridgend County Borough Council - (Utility)

Procurement Unit, Civic Offices, Angel Street

Bridgend

CF31 4WB

#### **Contact**

Michael Jenkins

#### **Email**

[michael.jenkins@bridgend.gov.uk](mailto:michael.jenkins@bridgend.gov.uk)

#### **Telephone**

+44 1656643179

#### **Country**

United Kingdom

**NUTS code**

UK - UNITED KINGDOM

**Internet address(es)**

Main address

[www.bridgend.gov.uk](http://www.bridgend.gov.uk)

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA80483](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA80483)

**I.3) Communication**

Access to the procurement documents is restricted. Further information can be obtained at

<https://etenderwales.bravosolution.co.uk>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://etenderwales.bravosolution.co.uk>

Electronic communication requires the use of tools and devices that are not generally available. Unrestricted and full direct access to these tools and devices is possible, free of charge, at

<https://etenderwales.bravosolution.co.uk>

**I.6) Main activity**

Other activity

General Public Services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Bridgend Town Heat Network - Design, Build, Operate, Maintain

Reference number

B641

#### **II.1.2) Main CPV code**

- 45232140 - District-heating mains construction work

#### **II.1.3) Type of contract**

Works

#### **II.1.4) Short description**

The Council is seeking to procure suitably experienced companies to support the successful development of a heat and private electricity network in Bridgend town centre – the Bridgend Town Heat Network ('BTHN').

As part of the project the Council is proposing to create an energy service company ('ESCO') to enter into the contracts for the design, build, operation and maintenance of the BTHN with the successful contractor following the procurement process. The ESCO will be a newly created special purpose company which is wholly owned by the Council. The ESCO will own the infrastructure as well as operate the BTHN and enter into contracts with customers for the sale of heat and electricity.

Funding for the project is expected to be provided in part from the Council and in part from the Department for Business, Energy and Industrial Strategy (BEIS) Heat Networks Investment Project (HNIP).

#### **II.1.5) Estimated total value**

Value excluding VAT: £6,900,000

#### **II.1.6) Information about lots**

This contract is divided into lots: No

## **II.2) Description**

### **II.2.2) Additional CPV code(s)**

- 09300000 - Electricity, heating, solar and nuclear energy
- 09310000 - Electricity
- 09323000 - District heating
- 38551000 - Energy meters
- 42515000 - District heating boiler
- 44163120 - Distance-heating pipes
- 45232140 - District-heating mains construction work
- 45000000 - Construction work
- 45251000 - Construction works for power plants and heating plants
- 45251250 - District-heating plant construction work
- 45259300 - Heating-plant repair and maintenance work
- 45315100 - Electrical engineering installation works
- 45317300 - Electrical installation work of electrical distribution apparatus
- 71314000 - Energy and related services
- 71314200 - Energy-management services
- 71314310 - Heating engineering services for buildings
- 71322200 - Pipeline-design services

### **II.2.3) Place of performance**

NUTS codes

- UKL17 - Bridgend and Neath Port Talbot

### **II.2.4) Description of the procurement**

The Bridgend Town Heat Network project is located adjacent to the centre of Bridgend Town. The scheme is primarily retrofit connecting the existing Bridgend Life Centre, Civic Offices and Bridgend Bowls Centre.

The scheme will create an Energy Centre in the plant room of the Bridgend Life Centre which will utilise a gas CHP engine to supply heat and power to the buildings involved in the scheme. Bridgend County Borough Council is the primary building owner within the scheme (although the Life Centre and Bowls Hall are operated by Halo Leisure).

It is anticipated that the contract scope shall include (but is not limited to):

(1) Design and build of:

(a) the energy centre to be located in the Bridgend Life Centre including CHP unit, back-up/ top-up boilers, thermal stores, and all ancillary plant and equipment required to provide heat and electricity to customers in the Phase 1 scheme.

(b) the district heating network from the energy centre to all customers in the Phase 1 scheme including the connection of the district heating network to the secondary distribution networks within the customer sites. This may include works on the secondary distribution networks to ensure those networks are suitable for connection to the district heating network.

(c) the private wire electricity network from the energy centre to all customers in the Phase 1 scheme.

(2) Operation, maintenance (planned and reactive) and repair of all of the assets being designed and built as referred to at (1) above including performance monitoring and reporting and optimisation of plant operation to minimise the use of back-up boilers. The successful contractor will be responsible for the cost of consumables required for the operation and maintenance of the assets. Lifecycle risk will be retained by the ESCO. However, the successful contractor may be required to carry out lifecycle replacement works at the ESCO's cost.

(3) Collection and provision of metering data and supporting ESCO with customer interface on operational issues including works and maintenance required at customer premises.

The contract will contain the option for the successful contractor to price and carry out the design and build of network extensions to new customers beyond the Phase 1 scheme but the ESCO will reserve the right to benchmark the price of those works and potentially award those works to third party contracts. The contract will require the successful contractor to operate and maintain the network as extended whether or not the contractor has carried out the extension works.

### **II.2.5) Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement

documents

### **II.2.6) Estimated value**

Value excluding VAT: £6,900,000

### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

60

This contract is subject to renewal

No

### **II.2.9) Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 3

Objective criteria for choosing the limited number of candidates:

A shortlist of participants will be drawn up and invited to tender at the ITT stage. The participants with the 3 highest scores will be invited to participate in the negotiation at the ITT stage.

### **II.2.10) Information about variants**

Variants will be accepted: No

### **II.2.11) Information about options**

Options: Yes

Description of options

The contract value stated above includes a current estimated value for Phase 1 (excluding lifecycle) of GBP4.4m (GBP3.4 capex plus O&M) and an allowance of a further GBP1.5m for the value of any network extensions that may be instructed at the Council's option. The contract duration stated above represents 5 years of O&M following the completion of the capital works. This may be extended by a further 5 years at the

Council's option.

### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

### **II.2.14) Additional information**

The contract value includes an estimated value for Phase 1 (excluding lifecycle) of GBP4.4m (GBP3.4 capex plus O&M) and an allowance of a further GBP1.5m for the value of any network extensions that may be instructed at the Council's option. The contract duration stated represents 5 years of O&M following completion of the works. This may be extended by a further 5 years at the Council's option.

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## **Section III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.2) Economic and financial standing**

Selection criteria as stated in the procurement documents

#### **III.1.3) Technical and professional ability**

Selection criteria as stated in the procurement documents

#### **III.1.4) Objective rules and criteria for participation**

List and brief description of rules and criteria

Please see Qualification Questionnaire which is part of the tender documents available as noted at I.3.

#### **III.1.6) Deposits and guarantees required**

To be confirmed at invitation to negotiate stage.

#### **III.1.7) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them**

To be confirmed at invitation to negotiate stage.

#### **III.1.8) Legal form to be taken by the group of economic operators to whom the contract is to be awarded**

If the winning bid is from a consortium the Council will contract either with a lead contractor or an appropriately supported special purpose vehicle; or with consortium members on a joint and several basis.

### **III.2) Conditions related to the contract**

#### **III.2.2) Contract performance conditions**

To be confirmed at invitation to negotiate stage.

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Negotiated procedure with prior call for competition

#### **IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue**

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

### **IV.2) Administrative information**

#### **IV.2.2) Time limit for receipt of tenders or requests to participate**

Date

8 March 2021

Local time

4:00pm

#### **IV.2.3) Estimated date of dispatch of invitations to tender or to participate to selected candidates**

29 March 2021

#### **IV.2.4) Languages in which tenders or requests to participate may be submitted**

English, Welsh

#### **IV.2.6) Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 12 (from the date stated for receipt of tender)

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## **Section VI. Complementary information**

### **VI.1) Information about recurrence**

This is a recurrent procurement: No

### **VI.2) Information about electronic workflows**

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

### **VI.3) Additional information**

All dates, timescales and values set out in this notice are estimates only and so subject to change during the tender process, if required. The date and time for tender submission will be confirmed in the invitation to negotiate.

The tender evaluation methodology will be published as part of the invitation to negotiate.

NOTE: The authority is using eTenderwales to carry out this procurement process. To obtain further information record your interest on Sell2Wales at [https://www.sell2wales.gov.wales/search/search\\_switch.aspx?ID=107988](https://www.sell2wales.gov.wales/search/search_switch.aspx?ID=107988)

Under the terms of this contract the successful supplier(s) will be required to deliver Community Benefits in support of the authority's economic and social objectives. Accordingly, contract performance conditions may relate in particular to social and environmental considerations. The Community Benefits included in this contract are:

The Community Benefits included in this contract will be detailed within the invitation to negotiate.

(WA Ref:107988)

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

High Court

Royal Courts of Justice, The Strand

London

WC2A 2LL

Telephone

+44 2079477501

Country

United Kingdom