Report from Evaluation Committee RFP No. 3380, Design-Build Solar Energy Facility

REPORT FROM EVALUATION COMMITTEE REQUEST FOR PROPOSAL FOR DESIGN-BUILD SOLAR ENERGY FACILITY

COMMITTEE MEMBERS:

Stephen Hogg, Assistant Director, Department of Public Utilities
Raul Gonzalez, Professional Engineer, Department of Public Utilities
Kevin Norgaard, Supervising Professional Engineer, Department of Public Utilities
Todd Eischen, Electrical Supervisor, Department of Public Utilities
Shannon O'Connell, Professional Engineer, Parsons Water & Infrastructure
Randy Britt, Professional Engineer, Parsons Water & Infrastructure
Sowmya Venkatasubramanian, Parsons Water & Infrastructure

Jean Thomas-Runnels, Senior Buyer, City of Fresno, Purchasing Facilitator

BACKGROUND:

The goal of this Request for Proposal (RFP) was to solicit proposals to provide a design-build for a 2 Megawatt (MW) solar energy facility at the Regional Wastewater Reclamation Facility (RWRF). Eleven prospective proposers downloaded the specifications and a single proposal was received and opened on May 5, 2015. Outreach was performed to determine why only a single proposal was received. Proposer's reasons ranged from the requirements in the RFP were too strict to not having enough resources to cover a project of this size. This 2 MW solar energy facility will help offset the electricity needs of the Tertiary Treatment and Disinfection Facility (TTDF), currently under construction. The TTDF project is approved to receive a State Revolving Fund (SRF) loan. The 2 MW Solar Energy Facility is a part of the same loan package.

The proposal was evaluated by the City of Fresno's Purchasing Division and Parsons Water & Infrastructure. The results of this two part review are summarized below. Compliance with contract requirements is summarized in the attached matrix.

CONTRACT COMPLIANCE

The proposal package was reviewed by the City of Fresno, Purchasing Division to verify compliance with bonding, licensing, and DBE Good Faith Effort.

A letter from OneBeacon Surety Group stating that MD Energy's parent company (Solar3D) is a client in good standing. The project's construction cost is within the range of the normal scope for bonding for Solar3D. MD Energy holds the requisite licensing requirements for this project.

The proposal was evaluated by the City's Disadvantaged Business Enterprise (DBE) Program Coordinator and found to be in compliance in all areas.

EVALUATION COMMITTEE

The review by the Evaluation Committee, principally Parsons Water & Infrastructure staff, reviewed technical compliance aspects – design, technical expertise, comparable experience, performance record, proposed equipment, value to the City, Life Cycle Cost, Performance Guarantee, and Operations and Maintenance contract. This initial review is presented in Appendix A. Although Parsons recommended acceptance of MD Energy, a number of concerns were raised. These concerns were related to financial strength of the company, experience with similar sized solar facilities, and design deviations. It was decided to conduct an interview of MD Energy, and their principal subcontractors, to address these concerns. The interview was conducted on June 4, 2015 at the RWRF. The interview panel consisted of the members of the Evaluation Committee, either in person or by telephone conference.

The financial strength of MD Energy was supported by its recent acquisition by the publically traded parent company, Solar 3D. Design deviations such as using a single 2-MW inverter instead of two 1-MW inverters were well supported during the interview. It was evident that MD Energy made design deviations because they had a thorough knowledge of the industry. They understood RWRF's concern for system redundancy and equipment compatibility. Additional equipment data was requested during the interview by Committee members and has been provided. All Committee concerns have been addressed satisfactorily.

RECOMMENDATION

The Evaluation Committee recommends award of a design-build contract to MD Energy, Inc. for the 2 Megawatt Solar Energy Facility.