

Electric Buses

Our Procurement Journey

20th February 2020



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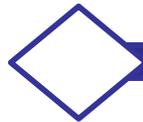


Electric Buses

The Procurement Journey



**Transport Carbon
Reduction Strategy
2017-26 presented
to Exec Team**



Dec 2016

- **Based on an Fleet Assessment of 40 vehicles**
- **Actual operational cost per mile calculated**

Electric Buses

The Procurement Journey



Concept Approval Form (CAF) - Stage Gate 1

A. Project Overview

Project Title	Landfill Bus Replacement	Project Ref	10046
Start Date	March 2016	Owner	David Winstanley
End Date	2016	Responsible Mgr	Andy McDermott
Responsible To	Caroline		
Project Phase	Unbudgeted Project	Key Project Owner	Alan Richardson
Strategic Group	Business Improvement	Strategic Unit Group	Business process improvement
Decision Board	Exec. Projects Board	Change Processed	November 2017
Capital Expenditure	£1,050,000	Capital Year	2018-19
Revenue Expenditure	0	Over 10%	
Business Benefits	<ul style="list-style-type: none"> To reduce existing diesel landfill bus provision with four electric buses in line with the Vehicle Fleet Strategy (VFS) 2015 which will: <ul style="list-style-type: none"> Reduce operating costs Improve local air quality Reduce fleet CO₂ emissions Improve public perception of the airport To establish a Landfill Bus Replacement Strategy in line with the airport emissions reduction plan. 		
Estimated Cost of Business Impact	20 days	Estimated Duration	10 months
Development Budget Available	£1,500 (includes ex-manual costs)	Submitted for approval	
Asset Management	Vehicle Fleet Strategy 2015 2015 based on the Vehicle Fleet Assessment (Dec 2015)	Car (CAF)	Car (CAF)
Asset Owner	Car (CAF)	Asset Manager	Car (CAF)
Asset Status	Car (CAF)	Asset Manager	Car (CAF)

Stage Gate 1 Outcome

Board Decision: Approved to Stage 2 / Approved to Stage 1x / Not Approved

Project to move from diesel to electric buses initiated



Key benefits identified:

- a) Reduce operating costs
- b) Improve local air quality
- c) Reduce fleet CO₂/NO_x emissions
- d) Improve public perception of the airport

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The Procurement Journey



OJEU
Notice
issued for
PQQ
process



- Establishing an 8 year strategic framework
- The solution should be 'turnkey' – to include Buses, Charging Infrastructure and Civils
- The accessing of grants from the EU/UK Government to enhance the business case
- All charging infrastructure and other equipment necessary to support the utilisation of electric buses is 'open' / industry standard

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The Procurement Journey

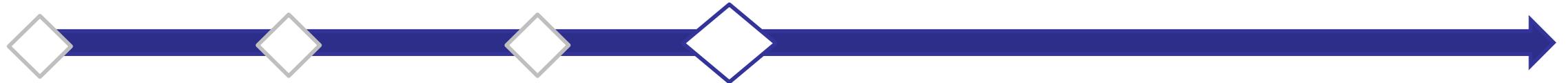


Project Information	
Project Name	Low Carbon Bus Replacement
Project ID	10000000000000000000
Project Manager	10000000000000000000
Project Status	10000000000000000000
Project Start	10000000000000000000
Project End	10000000000000000000
Project Budget	10000000000000000000
Project Location	10000000000000000000
Project Description	10000000000000000000
Project Objectives	10000000000000000000
Project Risks	10000000000000000000
Project Deliverables	10000000000000000000
Project Milestones	10000000000000000000
Project Stakeholders	10000000000000000000
Project Governance	10000000000000000000
Project Reporting	10000000000000000000
Project Communication	10000000000000000000
Project Evaluation	10000000000000000000
Project Review	10000000000000000000
Project Closeout	10000000000000000000

OJEU
Notice
issued for
PQQ
process

PQQ
Returns
received &
evaluated

May 2018



- 9 Tender responses received
- 6 Compliant bids – one duplicate
- All invited for site visits

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The Procurement Journey



Concept Approval Form (CAF) - Stage Gate 1

A. Project Overview		
Project Title	LowMile Bus Replacement	Project Ref: 10046
Client	Aviation (2016)	Client Director: David Whiteley
Owner	Chris Day (Strategy & Infrastructure)	Responsible PM: Andy McQuinn
Project Phase	Unbudgeted Project	Key Project Owner: Alan Richardson
Strategic Group	Business Improvement	Strategic Unit Group: Business process improvement
Strategic Board	Exec. Projects Board	Change Processed: November 2017
Capital Estimate	£1,050,000	Capital Year: 2018-19
Revenue Estimate	£0	DR: 0%
Commercial Benefits to the Business	1) To reduce existing fleet low-mile bus provision with four electric buses in line with the Vehicle Fleet Strategy (VFS) 2016 which will: A) Reduce operating costs B) Improve fleet air quality C) Reduce fleet CO ₂ emissions D) Improve public perception of the airport 2) To establish a Low-mile Bus Replacement Strategy in line with the airport's emissions reduction plan.	
Estimated Cost of Business Impact	20 days	Estimated Duration: 12 months
Investment Budget Available	£1,500 (includes evaluation costs)	Status: In approval
Asset Management Plan	Vehicle Fleet Strategy 2016-2026 based on the Vehicle Fleet Assessment (Dec 2016)	
Asset Owner	Car (2016)	Asset Manager: Car (2016)
Asset Director	Chris Day (Strategy & Infrastructure)	Asset Director: Chris Day (Strategy & Infrastructure)

Stage Gate 1 Outcome

Board Decision	Approved to Stage 2 / Approved to Stage 1a / Not Approved
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OJEU Notice issued for PQQ process

PQQ Returns received & evaluated

ULEBs bid submitted to DfT/OLEV

June 2018

- Bid for c.£1.4m submitted, expected announcement of winners at end of Oct 2018

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The Procurement Journey



Concept Approval Form (CAF) - Stage Gate 1

A. Project Overview		
Project Title	Landfill Bus Replacement	Project Ref: 10046
Client	Aviation (2016)	Client: David Winstanley
Prepared by:	Carly Giddens (Strategy/Infrastructure)	Recommended by: Andy McQuinn
Project Phase	Unbudgeted Project	Key Project Owner: Alan Richardson
Strategic Group	Business Improvement	Strategic Unit Group: Business process improvement
Decision Board	Exec. Projects Board	Decision Process: November 2017
Capital Expenditure	£1,050,000	Capital Year: 2018-19
Revenue Expenditure	0	Over 100
Commercial Benefits to the Business	1) To reduce existing diesel landfill bus provision with four electric buses in line with the Vehicle Fleet Strategy (VFS) 2015 which will: a) Reduce operating costs b) Improve fleet air quality c) Reduce fleet CO ₂ emissions d) Improve public perception of the airport e) To establish a Landfill Bus Replacement Strategy in line with the airport's emissions reduction plan.	
Estimated Cost of Business Impact	20 days	Estimated Duration: 12 months
Development Budget Available	£1,500 (includes evaluation costs)	Submitted for approval
Team Management	Vehicle Fleet Strategy 2015 based on the Vehicle Fleet Assessment (Dec 2015). Carly Giddens (Prepared) Carly Giddens (Recommended) Andy McQuinn (Client Director) Alan Winstanley (Client Manager)	
Stage Gate 1 Outcome	Board Decision: Approved to Stage 2 / Approved to Stage 1a / Not Approved	

OJEU Notice issued for PQQ process

PQQ Returns received & evaluated

ULEBs bid submitted to DfT/OLEV

ITT issued, returned & evaluation commenced

1 June to 31 July 2018

- Site visits undertaken by tenderers
- Extra detailed information provided about the service

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The Procurement Journey



Concept Approval Form (CAF) - Stage Gate 1

A. Project Overview		
Project Title	Landfill Bus Replacement	Project Ref: 10046
Client	Aviation (2018)	Owner
Client Ref	Cheryn Infrastructure	Client Reference
Submitted by	Carl Gable	Recommended by
Approved by	Arin McQuinn	
Project Phase	Unbudgeted Project	Key Project Owner
Strategic Group	Business Improvement	Asset Replacement
Strategic Board	Exec. Projects Board	Change Process
Change Process	November 2017	
Capital Expenditure	£1,050,000	Capital Year
Revenue Income	0	2018-19
Revenue Expenditure	0	2018-19
Commercial Benefits to the Authority	1) To reduce existing fleet landfill bus provision with four electric buses in line with the Vehicle Fleet Strategy (VFS) 2018 which will: a) Reduce operating costs b) Improve fleet air quality c) Reduce fleet CO ₂ emissions d) Improve public perception of the airport	
Commercial Cost of Business Reduced	1) To establish a Landfill Bus Replacement Strategy in line with the airport's existing policies	
Estimated Duration	12 months	
Development Budget Available	£1,500 (includes extension costs)	
Asset Management	Vehicle Fleet Strategy 2018 based on the Vehicle Fleet Assessment (Oct 2016)	
CAF Status	Carl Gable (Author)	
Asset Manager	Arin McQuinn (Owner)	
Client Ref	Cheryn Infrastructure	

Stage Gate 1 Outcome

Board Decision: Approved to Stage 2 / Approved to Stage 1 / Not Approved

OJEU Notice issued for PQQ process

PQQ Returns received & evaluated

ITT issued & Tenderers invited for a site visit

ITT issued, returned & evaluation commenced

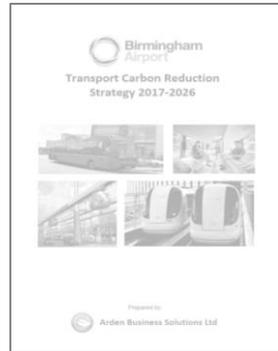
Final two bidders invited to site

Sept/Oct 2018

- Negotiations on the pricing of individual elements:
 - Buses
 - Maintenance & Servicing
 - Battery Replacements

Electric Buses

The Procurement Journey



Concept Approval Form (CAF) - Stage Gate 1

A. Project Overview		
Project Title	LowCost Bus Replacement	Project Ref: 10046
Client	Birmingham Airport	Client Representative: David Whiteley
Contract No.	CH018/18	Recommended By: Andy McDermott
Project Phase	Unbudgeted Project	Key Project Owner: Alan Hutchinson
Strategic Group	Business Improvement	Strategic Lead Group: Business process improvement
Approval Board	Exec. Projects Board	Change Processed: November 2017
Capital Expenditure	£1,050,000	Capital Year: 2018-19
Revenue Expenditure	£0	2018-19
Commercial Benefits to the Business	1) To reduce existing fleet lifecycle bus provision with four electric buses in line with the Vehicle Fleet Strategy (VFS) 2015 which will: a) Reduce operating costs b) Improve fleet air quality c) Reduce fleet CO ₂ emissions d) Improve public perception of the airport e) To establish a LowCost Bus Replacement Strategy in line with the airport's emissions reduction strategy.	
Commercial Value of Business Impact	20 days	Estimated Duration: 12 months
Investment Budget Available	£1,000 (includes evaluation costs)	Submitted for approval
Asset Management	Vehicle Fleet Strategy 2015-2025 based on the Vehicle Fleet Assessment (Oct 2015)	
CAF Status	Carried Forward	CAF Status: Carried Forward
CAF Owner	Andy McDermott	CAF Manager: Andy McDermott
CAF Date	2018-01-18	CAF Date: 2018-01-18
CAF Version	1.0	CAF Version: 1.0
CAF Ref	CH018/18	CAF Ref: CH018/18

Stage Gate 1 Outcome

Board Decision	Approved to Stage 2 / Approved to Stage 1a / Not Approved
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OJEU Notice issued for PQQ process

PQQ Returns received & evaluated

ITT issued & Tenderers invited for a site visit

ITT Returns received & evaluation commenced

Final two bidders invited to site

Volvo selected as preferred bidder

Nov 2018

Main BAL Board Approvals obtained for:

- Option A: With UK Government Grant
- Option B: Without Grant

Delegated authority to Exec to sign-off funding

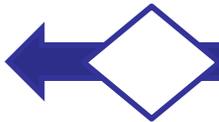


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**Contract
negotiations
with Volvo**



Nov 2018 to
Jan 2019

- Main elements of negotiations around liabilities and infrastructure as this is a full “turnkey” solution not just a bus purchase

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Time from start of project to order placement:

- Identification of requirements/market analysis – 4 months
- OJEU 2-Stage Procurement Process – 8 months
- Contract negotiations – 2 months

