



Glasgow City Council

Contracts and Property Committee

Report by Director of Legal and Administration

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Item 1
13th January 2022

**RESPONSE TO QUESTIONS RAISED AT THE
CONTRACTS AND PROPERTY COMMITTEE ON 25th NOVEMBER 2021**

Purpose of Report:

To provide a response to the questions raised at the Contracts and Property Committee on 25th November 2021.

Recommendations:

It is recommended that the Committee notes the content of this report.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes No consulted: Yes No

Contracts and Property Committee

25 November 2021

Enquiries from Elected Members

(Agenda Item 7)

Delegated Contract Awards Report

Tender Reference: GCC005392CPU

The Supply of a Mobile Hydrogen Refuelling Station Managed Service

**Question 1
(Cllr Malcolm
Cunning)**

The evaluation split is Price 35% and Quality 65%.

1. What does the quality cover?
2. Is this just the quality of the service or does it refer to the hydrogen being green?

Response

The quality element of the evaluation was made up of the following evaluation sub criteria:

Quality	Quality Sub Criteria
65%	Mobilisation/Lead Time 8%
	Hydrogen Refuelling Station Operation 15%
	Logistics Management 10%
	Training 5%
	Maintenance and Repair 10%
	Fuel Management System Support 4%
	Account Management 2%
	Sustainability 3%
	Business Continuity 3%
	Fair Work Practices 5%

This managed service contract is to provide the Council with a temporary hydrogen supply solution until the longer-term contract for supply and dispensing of Fuel Cell Purity Green Hydrogen Fuel is implemented.

The specification included relevant fuel purity standards and did not include a specific requirement for the fuel to be Green Hydrogen as Green Hydrogen fuel is not yet being produced at

industrial scale will not be readily available during the timeframe of the contract.

Initial market research, ahead of the procurement process, examined the placing of a small electrolyser at an NRS depot, but the cost was estimated at over £1.5m (3 times the grant fund available) and not of sufficient capacity.

As this is a temporary solution and a steppingstone to net zero, Grey hydrogen (created by SMR using Natural Gas) is acceptable given that a 30% reduction in emissions at the tailpipe will be realised. The full scale HRS when built and commissioned will produce Green Hydrogen fuel only and the temporary supply contract will lapse at this point.

The fully managed fuelling service includes the use of a mobile self-powered, self-contained Hydrogen Refuelling Station (HRS) which is refilled at an upstream production facility and returned to Glasgow on a weekly basis. All aspects of logistic, HRS rental, fuel management system, maintenance and repair is provided as part of this contract”

The Council’s longer-term contract for the supply and dispensing of fuel cell purity grade green hydrogen fuel was approved at the Contracts and Property Committee held on the 26th August 2021.

This contract will provide the Council with a supply of compressed hydrogen which is produced exclusively from renewable energy and defined as Green Hydrogen. The hydrogen must be fuel cell purity/grade for use in heavy duty fuel cell electric vehicles (FCEVs), specifically refuse collection vehicles (RCVs) and diesel-hydrogen dual-fuel Carriageway Gritters.

Green Hydrogen ,as defined by the Hydrogen Council, and required for this contract is: Hydrogen fuel produced by electrolysing water using renewable energy sources and as close to zero carbon as possible, with latest technology.”

<p>(Agenda Item 7)</p>	<p>Delegated Contract Awards Report</p> <p>Tender Reference: GCC005359CPU</p> <p>Carriageway Thin Surfacing 2021/22</p>
<p>Question 1 (Baillie James Scanlon)</p>	<p>Is this a temporary job and why is this not thick surfacing?</p>
<p>Response</p>	<p>No this is not temporary work, thin surface treatments or early intervention treatments are used and recognised nationally as good practice if used in the correct circumstances. These treatments are environmentally friendly, provide good value and are designed to be used on roads that are starting to show signs of deterioration but would not merit a full structural resurface (plane off and relay). These roads generally have minor cracking, fretting or loss of skid resistance.</p> <p>The application of the thin surface treatment re-seals, re-textures and re-profiles the road, preventing water ingress. If untreated these roads would quickly deteriorate and require a full reconstruction resulting in an increased duration of works, increased construction vehicle emissions, increased volume of material being disposed of and subsequently, significant additional expense to the Council.</p> <p>Typically, these treatments can extend the life of the road by up to 10 years.</p> <p>Thick Surfacing is also not designed to improve the structural integrity of the road. These treatments are used on roads that are structurally sound and are designed to prevent deterioration to the road structure as well as providing a retextured surface course, increasing the thickness of the surface course would not provide any additional benefit</p>
<p>Agenda Item 7)</p>	<p>Tender Reference: GCC005377CPU</p> <p>LED & Column Replacement Programme 2b.</p>
<p>Question 1 (Cllr Steven Curran)</p>	<p>There is a significant cost saving within this contract – Is there a contact relating to this particular award and is there any reason why the saving is so substantial?</p>

Response	<p>The client compared the recommended contractor's bid to past bids and was satisfied that they could carry out the work for this rate.</p> <p>The cost avoidance figure is based on the variance between the available budget and the contract award value.</p> <p>Our approach to calculating cost avoidance is aligned to the Scottish Government's guidance on savings definitions and calculations.</p>
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