Essential Contents

Tendering Processes: Public Transport Operation and Fleet Supply
CURRENT SCHEME AND CONTEXT
SYSTEM STRUCTURE OF 2005

- Public transport Units were defined by geographic zones
- Public transport operators own or lease bus depots
- Public transport operator own buses fleet
- Two payment items: per passenger and per kilometer
- Quality requirements according to frequency and regularity compliance
- Technological support and fare collection system through ancillary services
CURRENT SCHEME AND CONTEXT

USERS EVALUATION

Old fleet and poor maintenance

Poor drivers performance and quality of service

Low reliability in waiting times

High level of fare evasion

Difficulties to access to information for users

Low compliance in detentions at bus stops

Poor state of bus stops infrastructure
NEW SCHEME
TOWARDS A NEW SCHEME

MAIN CITY NEEDS

- More public space for people and better use of roads
- Travels efficiency
- High Service Quality
- Modal integration
- Public transport priority
- Reduction of emissions and acoustic pollution
- Flexibility to meet changes in travel demands
New scheme

- Separates capital investment from operation expenses
- Facilitates operational continuity
  - Reduces Units size
  - Provides greater flexibility
- Promotes competition in tendering processes and contracts
- Improves fleet standards
- Promotes clean technologies
- Seeks to reduce the cost of the system

Bus Operators
Operates and maintains buses and depots
5 + up to 5 years
300 buses on average

Fleet Supplier
Delivers plan and certifies maintenance
10 years internal combustion
14 years Electric

Contractual Relationship of Maintenance Certification

Public Transport Authority

TOWARDS A NEW SCHEME
2018 SCHEME DESIGN
**TOWARDS A NEW SCHEME**

**USERS BENEFITS**

**Buses improvements**

- Air Conditioning
- Information Panels for users
- Cameras and loud speakers
- Clean technologies
- Driver Safety Cabin
- Universal Accessibility
- Wi-Fi
- USB ports
TOWARDS A NEW SCHEME

USERS BENEFITS

Services improvements

- Better waiting time reliability
- New technologies to manage regularity and detention at bus stops
- Better condition of buses
- Better quality of customer service and passenger information
- New routes, less transfers
TOWARDS A NEW SCHEME
SYSTEM SCHEME

MTT (Transport Authority)

Metro
MetroTren Nos
Bus Operators
Depots
Fleet Suppliers
Other Ancillary services
Financial Ancillary services
FLEET SUPPLY SCHEME
FLEET SUPPLY SCHEME
GENERAL CONDITIONS

Fleet Supplier Requirements

- Financing for the entire term of the contract
- Training for drivers and maintenance personnel
- Major maintenance (overhaul or replacement of batteries)
- Contract period associated with bus lifetime
  - 10 years internal Combustion
  - 14 years Electric
- Certify maintenance plan to ensure roadworthiness (chassis and bodywork) through an unrelated third party
- Fleet suppliers and transport operators cannot be related companies
✓ Monthly fleet fee payment in US$

✓ It is allowed to transfer a % of the fleet fee to the financer, paid directly by the system
✓ The contract guarantees an assured base payment of the fleet fee

✓ Certification of bus maintenance must be performed by a third party proposed by the fleet supplier, complying with standards defined by the MTT
✓ The payment to the certifier is made by the Public Transport Operator

✓ Bidder must consider in his offer the major mid-life maintenance or overhaul cost (engine, transmission, differential and emission treatment equipment)
✓ For electric buses, the specified driving range must be met through the whole lifespan of the contract (bidder must consider battery replacement costs)
About the Bid
- Fleet fee per bus offered
- Certification fee per bus offered

The bidder can place an offer for every bus type and technology

A list of suppliers are awarded for each bundle (bus type and technology)

Guarantee is measured considering critical components:
- Powertrain
- Air conditioner
- Chassis and bodywork

Local Support is scored according to:
- Availability of spare parts
- Time for defects diagnosis and repair (warranty related)

Complementary elements:
- Manufacturer experience
- Alternative key components (transmission, differential, AC)
- Driving safety devices
PUBLIC TRANSPORT OPERATION SCHEME
Quality indicators

- **Regularity**
  - Excessive waiting time

- **Bus quality**
  - Through fleet supplier maintenance certification

- **Quality of Service**
  - Cleanliness, driving quality, passenger information, etc.

- **Greater impact of quality indicators for bus operators**

Incentives and Discounts

- **Discount for no detentions at bus stops**

- **Payment subject to operational plan compliance**
  - (frequency and capacity)

- **Incentive for increases in users trips and lower evasion rates**

*Contract termination may be executed due to breach of service quality*
✓ ISO 39.001 Road Safety Certification will be required during the contract period, prior to the start of the third year of operation

✓ A minimum of 5% of women will be required in the operation and maintenance staff. This rule must be met within a maximum period of 2 years

✓ Certification in the Chilean Standard NCh 3262 (gender equality, reconciliation of work, family and personal life) is required prior to the start of the third year of operation

✓ A minimum of pre-paid zones is established to be managed by the operator
PUBLIC TRANSPORT OPERATION SCHEME

PTO EVALUATION CRITERIA

**Economic Evaluation**

- Price per passenger
- Price per service kilometer
- Additional depots*
- Bidder must consider fuel or energy infrastructure in his offer

**Technical Evaluation**

- Second door validator
- Employment conditions
- Emissions reduction
- PM NOx
- Experience in the last 20 years
- Regularity offer

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✓ Bidder can place offers to every Service Units of the tender
✓ Maximum of 2 Services Units will be awarded per bidder
✓ The best offer is awarded in every unit (no discounts for unit combinations are allowed)
✓ The participation of public and private transport companies, urban and interurban services is allowed (companies with experience in urban public transport will be privileged)

*Apart from the depots made available by MTT*
TENDER SCHEME
PTO bidder chooses bus and technology

- Operator, who have greater knowledge of the industry and the biggest impact by the decision, chooses from a list of buses and suppliers (from the awarded fleet suppliers).

Pre-selection of fleet suppliers per bundle

- Maximum of 3 suppliers per bundle
- Bundle: bus type and technology (example: B2-diesel, B2-Electric, B2-GNC, etc.)

Timeline

- Tendering process begins
- List of fleet suppliers awarded
- Bids
- Contract award
- Bus choices
- Bus purchase
- Bus manufacturing
- Bus arrival
- MFS and ticketing equipment
- Operation beginning
MTT publishes bidding terms for Fleet Suppliers detailing the amount of buses of each type.

The number of buses is related to the Services Units of the following operators tender.

Each type of bus has a technical specification that the bidder must comply.
Fleet supplier bidder can offer to more than one bundle (bus type-technology) even within the same type

Economic Evaluation
- Fleet fee
- Maintenance certification fee

Different for every bus offered

Technical Evaluation
- Warranty
- Local support
- Other complementary elements

Final Score
- It is calculated as a weighted score of technical and economic offers
For each Bundle (bus type and technology)
- Bids are sorted by final score
- A maximum of 3 suppliers are awarded

For every bundle, a selection of fleet suppliers are awarded

The list of awarded suppliers is delivered to operations tendering process bidders to prepare their offers

Bus type

A

X
Quantity

B

Y
Quantity

C

Z
Quantity

Bundle example: C2 Diesel
C2 GNC

A maximum of 3 suppliers are awarded per bundle
Bidder in operations tendering process:

- Can place bids for every unit
- Bid must consider buses from the list of fleet suppliers (considering the fleet fee of awarded contracts)
- Defines fleet size (to be considered in economic evaluation)
- Considers fuel or energy charging infrastructure implementation in its offer
TENDER SCHEME

EVENTS SCHEDULE

Fleet Supplier

Operator

Contract award

Bus purchase

3

4

Bids

5

Contract award

Maximum of 2 services units will be awarded per bidder

Economic evaluation

- Price per passenger
- Price per service km
- Additional depots (lease value)
- Number of buses times bus fee

Technical evaluation

- Operation experience
- Regularity offer
- Second door validator
- Emission levels of chosen buses
- Employment conditions

Final score

✓ It is calculated as a weighted score of technical and economic offers

Operator

Fleet Supplier

A maximum of 3 suppliers are awarded per bundle

Considers bus quantity and fee

Operator

Fleet Supplier

A maximum of 3 suppliers are awarded per bundle

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