

OLD BUSINESS 3.

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: September 20, 2019

SUBJECT: **DISCUSSION REGARDING THE BIGBELLY PROGRAM AND POTENTIAL WAYS TO SUBSIDIZE ITS COSTS****HISTORY:**

At its July 8, 2015 City Commission meeting, the Commission accepted the recommendation of the May 27, 2015 Sustainability and Resilience Committee, via Resolution 2015-29067, to proceed with a 12-month pilot program that would allow for the lease of twenty-four (24) Bigbelly + Smartbelly Double Stations under a service contract.

At its February 8, 2017 meeting, the City Commission authorized the Administration to negotiate a new agreement with BigBelly to expand the pilot program without advertising, based upon the following essential terms:

- Term: Three (3) years;
- Cost: an amount not to exceed \$ 99,000 per year;
- Number of Smartbelly stations:
 - 1.) continue using the existing 24 Smartbelly Double Stations which were installed during the pilot program; and
 - 2.) add additional single or double Smartbelly stations, with or without options such as the addition of a foot pedal and an ash tray), to be determined by the Administration; and target location of the Smartbelly stations: along Washington Avenue, between 5th Street and 17th Street, in order to maximize the efficiency of the program.

On March 1, 2017, the Mayor and City Commission approved, in substantial form, the agreement with Big Belly Solar, Inc., for an initial term of three (3) years with one (1) two-year renewal term, for a blended annual service fee, which over a five (5) year term will not exceed \$99,000 a year, excluding the shipping fee, relocation fee, annual equipment insurance (or self-insurance), deductibles, and equipment repair/replacement costs.

ANALYSIS:

At its November 30, 2018 meeting, the Finance and Citywide Projects Committee (FCWPC) was presented an item by BigBelly, where its lobbyist, Mr. Ralph Andrade discussed potential ways to subsidize the cost of the program and expansion opportunities, through either limited advertisement or through a small cell siting program (5G node), while creating revenue opportunities for the City. At the completion of the discussion, the Committee directed Public Works staff to further negotiate these options with Mr. Andrade and BigBelly and for BigBelly to come back with a proposal at a future meeting.

BigBelly is proposing to add a third component to its existing station platform, which would include an antenna to facilitate a 5G node. This would require connecting the unit to power and a fiber circuit. BigBelly is proposing that for each of these installations, there would be no cost to the City for the units which include a third component as well as receive a nominal revenue. Attached is the proposal by BigBelly received by the City.

CONCLUSION:

The Administration cannot recommend moving forward with the attached proposals as the City Commission has not fully endorsed public advertising and are presently struggling with concerns related to the widespread roll out of 5G technology.

ATTACHMENTS:

Description	Type
☐ Bigbelly proposal	Other
☐ Telebelly Amendment	Other
☐ Advertising Big Belly proposal	Other