

RESOLUTION NO. 2017-30077

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER, PURSUANT TO REQUEST FOR QUALIFICATIONS (RFQ) NO. RFQ 2017-119-KB, SMART CITY STREET LIGHTING SYSTEM – DESIGN, BUILD, OPERATE, AND MAINTAIN; AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH JOHNSON CONTROLS, INC., AS THE TOP RANKED PROPOSER; AND, SHOULD THE NEGOTIATIONS WITH JOHNSON CONTROLS, INC., FAIL, AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH CITELUM US, INC., AS THE SECOND HIGHEST RANKED PROPOSER; AND, SHOULD NEGOTIATIONS WITH CITELUM US, INC., FAIL, AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH MIAMI BEACH STREET LIGHTING PARTNERS, AS THE THIRD HIGHEST RANKED PROPOSER; AND FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT UPON CONCLUSION OF SUCCESSFUL NEGOTIATIONS BY THE ADMINISTRATION.

WHEREAS, on June 7, 2017, the City Commission approved the issuance of Request for Qualifications (RFQ) No. 2017-119-KB for Smart City Street Lighting System – Design, Build, Operate, and Maintain; and

WHEREAS, the RFQ was released on June 14, 2017, with an opening date of August 14, 2017; and

WHEREAS, pre-proposal conference to provide information to the proposers submitting a response was held on June 23, 2017; and

WHEREAS, the City received proposals in response to the RFQ from the following nine (9) firms: Airis USA, LLC; Ameresco, Inc.; Citelum US, Inc.; Horsepower Electric, Inc.; Johnson Controls, Inc.; MasTec North America, Inc.; Miami Beach Smart Lighting Partners; Noresco, LLC; and Siemens Industry, Inc.; and

WHEREAS, on July 26, 2017, via LTC # 382-2017, the City Manager appointed the Evaluation Committee (the “Evaluation Committee”), which convened on August 23, 2017 to consider the proposals submitted; and

WHEREAS, the Evaluation Committee’s rankings were as follows: (1) Johnson Controls, Inc.; (2) Miami Beach Smart Lighting Partners; (3) Horsepower Electric, Inc.; (4) Noresco, LLC; (5) Citelum US, Inc.; (6) Ameresco, Inc.; (7) MasTec North America, Inc.; (8) Siemens Industry, Inc.; and (9) Airis USA, LLC; and

WHEREAS, on October 23, 2017, the City Manager, as part of his due diligence in making a recommendation for award to City Commission, requested that firms wishing to be considered for award pursuant to the RFQ make oral presentations; and

WHEREAS, through the oral presentations conducted by the City Manager, the City Manager personally heard from each of the proposers, asked questions of each of the proposers, and was able to form his own impressions based on his review of the proposals and the presentations made to the City Manager; and

WHEREAS, based on the City Manager's due diligence, the City Manager has made a recommendation that differs slightly from the rankings of the Evaluation Committee, but that the City Manager believes is consistent with what a project of this sort will require, and which reflects the City Manager's impression of the demonstrated experience and qualifications of each proposer to move the City forward with improved lighting, proven Smart City technologies, and resident engagement; and

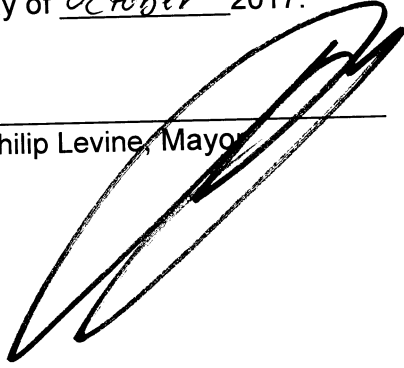
WHEREAS, after review of the proposals and considering the presentations provided by each firm, the City Manager concurs with the Evaluation Committee to the extent that it recommended Johnson Controls as the best qualified firm for the project; and

WHEREAS, with respect to second and third ranked proposers, although the Evaluation Committee has ranked Miami Beach Street Lighting Partners and Citelum US, Inc. as the second and fifth ranked proposers, respectively; it is the City Manager's opinion that the Citelum proposal has provided a combination of qualifications and technological approach that, while not as favorable as Johnson Controls, the highest ranked proposer, would be better suited for the City's requirements than that offered by Miami Beach Street Lighting Partners, a consortium of five (5) firms, and particularly given the City Manager's concerns regarding Miami Beach Street Lighting Partners approach to the deployment of the project and the consortium's approach to its organizational line of authority among the five different firms; and


WHEREAS, for the reasons as specified in the Commission Memorandum accompanying this Resolution, the City Manager has recommended that the Mayor and City Commission authorize the Administration to enter into negotiations with Johnson Controls, Inc., as the top ranked proposer; and, should negotiations with Johnson Controls, Inc., fail, authorize the Administration to enter into negotiations with Citelum US, Inc., as the second highest ranked proposer; and, should negotiations with Citelum US, Inc., fail, authorize the Administration to enter into negotiations with Miami Beach Street Lighting Partners, as the third highest ranked proposer; further, authorize the Mayor and City Clerk to execute the agreement with the successful firm.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby accept the recommendation of the City Manager pertaining to the ranking of proposals, pursuant to Request for Qualifications (RFQ) No. 2017-119-KB for Smart City Street Lighting System – Design, Build, Operate, and Maintain; authorize the Administration to enter into negotiations with Johnson Controls, Inc., as the top ranked proposer; and, should negotiations with Johnson Controls, Inc., fail, authorize the Administration to enter into negotiations with Citelum US, Inc., as the second highest ranked proposer; and, should negotiations with Citelum US, Inc., fail, authorize the Administration to enter into negotiations with Miami Beach Street Lighting Partners, as the third highest ranked proposer; and further authorize the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration.

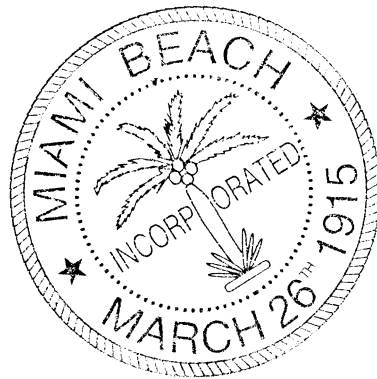
PASSED AND ADOPTED this 31 day of October 2017.


Philip Levine, Mayor

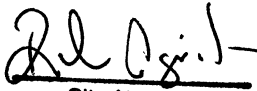

ATTEST:


Rafael E. Granado, City Clerk

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APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION


City Attorney  Date 10-26-17

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Jimmy L. Morales, City Manager
DATE: October 31, 2017

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER, PURSUANT TO REQUEST FOR QUALIFICATIONS (RFQ) NO. RFQ 2017-119-KB, SMART CITY STREET LIGHTING SYSTEM — DESIGN, BUILD, OPERATE, AND MAINTAIN; AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH JOHNSON CONTROLS, INC., AS THE TOP RANKED PROPOSER; AND, SHOULD THE NEGOTIATIONS WITH JOHNSON CONTROLS, INC., FAIL, AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH CITELUM US, INC., AS THE SECOND HIGHEST RANKED PROPOSER; AND, SHOULD NEGOTIATIONS WITH CITELUM US, INC., FAIL, AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH MIAMI BEACH STREET LIGHTING PARTNERS, AS THE THIRD HIGHEST RANKED PROPOSER; AND FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT UPON CONCLUSION OF SUCCESSFUL NEGOTIATIONS BY THE ADMINISTRATION.

RECOMMENDATION

Adopt the Resolution.

ANALYSIS

In 2016, the City's Public Works Department completed the first step in the preparation of a Citywide Street Lighting Master Plan by conducting a city-wide photometric analysis, in an effort to assess the state of the City's current lighting system. Upon the completion of the photometric analysis, the department found that large areas of the City were either over lit or under lit and that only 18.2% of the City's roadways fall within the acceptable range for illuminance and uniformity when compared to standards. In addition the study recommended the City should work with the industry to develop a Lighting Master Plan that would define the City's lighting goals, improve uniformity, and upgrade existing lighting to LED and to improve operations and maintenance with the implementation of a Computerized Maintenance Management System (CMMS).

In an effort to address the findings, follow recommendations, and to continue the department's efforts for the preparation and implementation of a Citywide Street Lighting Master Plan the solicited for Design, Build, Operation and Maintenance (DBOM) Services from qualified teams with experience in the design, construction, implementation, integration, operation, maintenance, management, and oversight of a Smart City street lighting system ("the Project"), starting with the creation of an overall Smart City LED Street Lighting Conversion Master Plan to guide the vision and direction of the Project. The Smart City LED Street Lighting Conversion Master Plan should "future proof" the City

by planning for the integration of the smart services of tomorrow that the City can implement in a phased approach. The design should apply the concepts of Lighting Master Plan to all elements of the city smart lighting conversion and utilize the improved street lighting network as a platform to not only manage its streetlights, but as an open platform capable of integrating some of the existing smart city initiatives and other smart city services such as smart parking, traffic management, air quality and sound sensors, electrical vehicles charging stations, security cameras, etc., in an effort to upgrade the City's urban lighting systems, to promote energy conservation, public safety, and economic development; and to ensure the effective long-term operation, maintenance, and management of the systems. The City may require a finance component, which will enable the system's upgrade, operation, maintenance and management, while providing a pricing structure that meets the City's cost and budget objectives.

RFQ PROCESS

On June 7, 2017, the City Commission approved the issuance of Request for Qualifications (RFQ) No. 2017-119-KB for Smart City Street Lighting System – Design, Build, Operate, and Maintain. On June 14, 2017, the RFQ was issued. A voluntary pre-proposal conference to provide information to the proposers submitting a response was held on June 23, 2017. RFQ responses were due and received on August 14, 2017. The City received proposals in response to the RFQ from the following nine (9) firms:

- Airis USA, LLC
- Ameresco, Inc.
- Citelum US, Inc.
- Horsepower Electric, Inc.
- Johnson Controls, Inc.
- MasTec North America, Inc.
- Miami Beach Smart Lighting Partners
- Noresco, LLC
- Siemens Industry, Inc.

On July 26, 2017, the City Manager appointed the Evaluation Committee via LTC # 382-2017. The Evaluation Committee convened on August 23, 2017 to consider proposals received. The committee was comprised of Roy Coley, Assistant Director, Public Works Department, City of Miami Beach; David Martinez, Director, Office of Capital Improvement Projects, City of Miami Beach; Margarita Wells, Acting Director, Environment & Sustainability Department, City of Miami Beach and Ana Zecchini, Interim Applications Division Director, Department of Information Technology, City of Miami Beach. The Committee was provided an overview of the project, information relative to the City's Cone of Silence Ordinance and the Government Sunshine Law. The Committee was also provided with general information on the scope of services and a copy of each proposal. The Committee was instructed to score and rank each proposal pursuant to the evaluation criteria established in the RFQ. The evaluation process resulted in the ranking of proposers as indicated attachment A, in the following order:

- 1st Johnson Controls, Inc.
- 2nd Miami Beach Smart Lighting Partners
- 3rd Horsepower Electric, Inc.
- 4th Noresco, LLC
- 5th Citelum US, Inc
- 6th Ameresco, Inc.
- 7th MasTec North America, Inc.
- 8th Siemens Industry, Inc.
- 9th Airis USA, LLC

Furthermore, on October 23, 2017, the City Manager, as a part of his due diligence in making a recommendation for award to City Commission, requested presentations by firms wishing to be considered for award pursuant to the RFQ.

CONCLUSION

The recent photometric analysis of the City lighting indicated that certain improvements are needed to address deficiencies in how certain City areas are illuminated. In addition, the emerging fields of technology under the umbrella known as "Smart City" provide some exciting possibilities for addressing the lighting improvements in a proactive and future-driven manner, as well as possibly moving towards the ultimate goal of an interconnected City. Finally, many of the Smart City technology providers have deployed solutions to engage both residents and staff, through the use of computerized maintenance management systems (CMMS), to better manage and maintain these systems. For all of these reasons, I have determined that this project, with its current and future opportunities to maximize services to residents, while simultaneously assisting staff in improving the effectiveness and efficiency of City street lighting and Smart City operations, is an incredibly important project for the Administration.

Because of the potential impact of this project, following the Evaluation Committee's initial review of proposals, I requested each proposer to make presentations of each team's qualifications and project approach as part of my due diligence in making an award recommendation to the City Commission. I found this to be an important step in my due diligence because the RFP clearly indicates that, despite the results of the Evaluation Committee process, my recommendation to the City Commission may differ from the proposer ranking resulting from the Evaluation Committee's review of proposals. The sessions were informative and highlighted important aspects of both qualifications of the firms and each team's approach to the project. While, in the end, my recommendation does differ somewhat from the rankings of the Evaluation Committee, I do believe that my recommendation is consistent with what a project of this sort will require to be successful and what I believe are the demonstrated experiences and qualifications of each proposer to move the City forward with improved lighting, proven Smart City technologies, and resident engagement.

After review of the proposals and considering the presentations provided by each firm, I concur with the Evaluation Committee and find Johnson Controls to be the best qualified firm for the project. Johnson Controls is already a lead provider in Smart Building technologies, and is proving itself as leader in emerging field of Smart City technologies. The firm, in my opinion, presented the most comprehensive qualifications package for today's needs, including lighting improvements around the City, as well as creating a vision for a Smart City future. In addition to its experience in lighting improvement projects, its proposal has well documented its team's experience including some of the following highlights:

- a well-rounded team of experts in lighting master plans and improvements, the engineering expertise of CH2M, networking services provided by Hotwire Communications, and a careful consideration of the importance of public outreach with the assistance of Infinite Source Communications; and
- proven experience in similar large scale street lighting projects (the City is contemplating approximately 8,200 lighting units); and
- a careful consideration of the environmental impacts of such a project, including the impact to sea turtle habitats; and
- a clear understanding of the importance of public outreach and engagement utilizing local experts, including public outreach professionals currently leading public outreach for the Miami Beach Convention Center renovation project; and
- experience in a delivering a number of projects through public/private financing options that could provide the City with funding/financing options.

With respect to second and third ranked proposers, my recommendation differs from the Evaluation Committee's ranking. The Evaluation Committee has ranked Miami Beach Street Lighting Partners and Citelum US, Inc. as the second and fifth ranked proposers, respectively. While they are both well qualified firms, it is my opinion that the Citelum proposal has provided a combination of qualifications and technological approach that are better suited for the City's requirements and world-class reputation, including:

- proven experience and an understanding of the demands and expectations of working on lighting projects for world class cities (including Copenhagen, Paris, Madrid and Bordeaux); and
- a valuable partnership with Cisco Systems, a leading provider of technology infrastructure solutions for the Smart City functionalities; and
- a careful consideration of the importance of aesthetics, both in street light and other artistic lighting projects; and
- a robust CMMS portal for customers/residents to report issues and to assist staff in managing maintenance of assets.

I would also note that Roy Coley, Public Works Department Assistant Director, who oversees street lighting operations, has also ranked Citelum as the second ranked proposer.

Miami Beach Street Lighting Partners also provided a good set of qualifications, including:

- a well detailed maintenance plan; and
- an understanding of the importance of stakeholder communications; and
- a well-qualified team of individual firms.

However, several areas of Miami Beach Street Lighting Partners raised a number of concerns for a complex and, possibly, longer term project such as this one. Primarily, the proposal, submitted by a consortium of five (5) individual firms, was unclear as to which firm would be the City's primary partner responsible for successful deployment of the project(s). While the RFQ does not specifically prohibit this sort of joint venture, in this case I find the combination of so many firms acting as primary partners with the City not to be advantageous to the overall success of the project. Further to this point, in its proposal Miami Beach Street Lighting Partners has indicated that the City's lead or main point of contact will change throughout the phases of the project. At one time during the presentation, the team did state that the overall lead firm for the project would be Star America, the finance/developer team member. However, this appears to deviate from what the team originally stated in its proposal indicating that there would be several team firms that would be interacting with the City, either solely or simultaneously. The lack of clarity in this area raises concerns for the ability of so many team members to deploy a project successfully, and for the City to hold a single party accountable.

Additionally, while all team firms appear to be individually qualified, the issues raised above are especially concerning since it is difficult to ascertain the number of similar projects that the firms constituting Miami Beach Street Lighting Partners have successfully completed as a team. From its proposal, it appears that four of the five team member firms have collaborated together on only one project.

For the reasons stated herein, I recommend that the Mayor and City Commission approve the Resolution authorizing the Administration to enter into negotiations with Johnson Controls, Inc., as the top ranked proposer; and, should negotiations with Johnson Controls, Inc., fail, authorizing the Administration to enter into negotiations with Citelum US, Inc., as the second highest ranked proposer; and, should negotiations with Citelum US, Inc., fail, authorizing the Administration to enter into negotiations with Miami Beach Street Lighting Partners, as the third highest ranked proposer; further, authorizing the Mayor and City Clerk to execute the agreement with the successful firm.

FINANCIAL INFORMATION

TBD.

Legislative Tracking

Public Works/Procurement

ATTACHMENTS:

Description

- Attachment A
- Firm Summaries
- Resolution

**REQUEST FOR QUALIFICATIONS
 (RFQ) 2017-119-KB SMART CITY
 STREET LIGHTING SYSTEM – DESIGN,
 BUILD, OPERATE, AND MAINTAIN**

Roy Coley

David Martinez

Margarita Wells

Ana Zechini

LOW AGGREGATE
 TOTALS

Rank

Ranking

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Ranking

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Ranking

TOTALS

Airis USA, LLC	5	9	55	9	45	9	15	9	36	9
Ameresco, Inc.	80	5	80	5	78	5	81	5	20	6
Citelum US, Inc	95	2	75	6	76	6	92	4	18	5
Horsepower Electric, Inc.	90	4	81	4	80	4	94	1	13	3
Johnson Controls, Inc.	100	1	95	1	83	2	93	2	6	1
MasTec North America, Inc.	80	5	70	7	75	7	78	8	27	7
Miami Beach Smart Lighting Partners	80	5	85	2	88	1	93	2	10	2
Noresco, LLC	91	3	85	2	82	3	80	6	14	4
Siemens Industry, Inc.	80	5	65	8	65	8	80	6	27	7

A summary, based on the information contained in the proposals, of each of the three top-ranked firms follows:

Johnson Controls, Inc.

According to the firm, developing a future proof smart city program requires significant technological expertise and real world implementation experience. They have evaluated several potential partners and assembled a cohesive team that brings the smart city expertise, project experience, local utility knowledge and understanding of local stakeholders that will help turn Miami Beach into a smart island. As the team leader in the Smart Street Lighting project, Johnson Controls will be ultimately responsible for all aspects of the project design, financing, community outreach and implementation. CH2M brings their extensive smart city planning experience from around the country and the world. Hotwire Communications has implemented major related communications networks and will be the telecommunications manager. Infinite Source Communications Group brings established relationships with Miami Beach stakeholders from leading the public outreach efforts of several major projects.

With the experience of Johnson Controls, their partner firms and the key personnel they have dedicated to Miami Beach, they will help the City improve the lighting infrastructure to preserve the history and beauty of the city, establish appropriate light levels, and reduce energy and maintenance costs while maintaining the occurrence and density of sea turtle nesting through environmentally sensitive technology. The system will improve the safety of area streets by implementing a Johnson Controls solution focused on adaptable and expandable technology. A Johnson Controls lighting system is intelligent, adaptable and future ready and can be connected to other systems that monitor gunshot detection, street flooding, air quality, traffic flow and parking needed for a world class cultural entertainment tourism capital and international center for innovation and business.

Citelum US, Inc.

According to the firm, Citelum is a global expert with respect to Lighting Master Plans and has provided planning services to cities across the globe. Streetlights are no longer simply a means to light roadways and neighborhoods. The location of streetlight assets throughout the city means that a modern streetlight system can serve as a data communication network and the foundation of a truly "smart city." As such, it is necessary that such a network be robust enough not only to serve the City's current needs, but to serve them well for many years into the future as technology evolves. Citelum believes that its experience in designing and implementing world-class smart city solutions, as well as its partnership with Cisco, positions the firm to exceed the City's goals in implementing the solution sought by the City in its RFQ.

Cisco has worked with cities across the globe to create Cisco® Smart+Connected™ Communities solutions that accommodate the diverse conditions found in each city. The Cisco® Smart+Connected Digital Platform, part of the Smart+Connected Communities solution set, connects a city's digital services and infrastructure, from devices to applications, into a cohesive view that can easily extend to include other services. All that is required is integration with Cisco's APIs, and any sensor and application will function within one integrated, cohesive infrastructure. This allows seamless integration of technology currently on the market, as well as technology released in the future.

While the technology aspect of lighting is important to the future of the City, so are the functional and aesthetic aspects of its lighting. Citelum manages over 2.5 million streetlights around the world and believes that decades of experience uniquely qualify the team to ensure that the right light, for the right application, for every location of the City of Miami Beach is planned, installed

and maintained. Additionally, its global artistic lighting experience with such iconic structures as the Eiffel Tower, Tower Bridge in London and the Case Memorial Bridge over the Potomac in Washington, DC will allow it to bring unique and beautiful artistic lighting designs to Miami Beach.

Miami Beach Smart Lighting Partners (MBSLP)

According to MBSLP, the firm will lead, develop and deliver this innovative project, providing unparalleled collective experience. The firms that have come together to form the project team are all national and global leaders in smart city and lighting design, construction, asset management, maintenance and finance. The team believes this makes MBSLP uniquely qualified to deliver a state of the art, first of its kind smart lighting platform for the City of Miami Beach. This is the exact same team of companies is just days away from an on –time completion of the construction phase of the Metro Region Freeway Lighting P3 Project in Michigan (MDOT Lighting P3 Project). This ground-breaking project is the first LED roadway lighting public private partnership (P3) in the United States. With MBSLP, the City will benefit from a team that has recently worked together successfully gaining this profoundly relevant experience. Every best practice of the MDOT Lighting P3 Project, as well as the team’s collective experience working on similar projects, will ensure a state of the art system, utilizing cutting edge technologies and exceeding the City and its resident’s expectations for the project.

Their team also recognizes the strong desires for the City of have a robust and comprehensive stakeholder and local community outreach initiative, to listen and engage its citizens in the development of this project. To meet this important project need, their team has brought on Media Relations Group, LLC (MRG) to help facilitate that interaction. MRG will lead discussions, solicit feedback and input, provide education, information and customer support throughout the entire project.