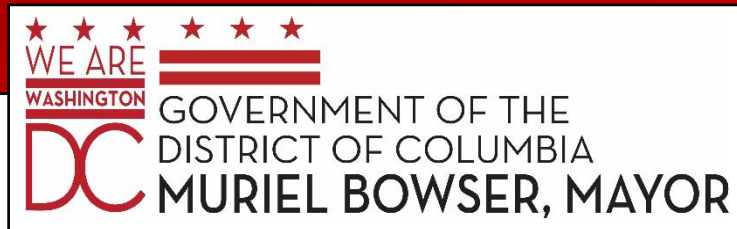


SMARTER. BRIGHTER. GREENER.



Industry Forum, January 24-25, 2017

Frequently Asked Questions

1. Introduction

This document is provided to answer questions that were frequently asked about the District's Smart Lighting project at the recent Industry Forum. Additional questions will not be allowed and the information provided here should not be relied on when preparing responses to any upcoming procurement. The Request for Qualifications (RFQ) will have all relevant information necessary to respond as well as a formal process by which questions can be asked as part of the procurement.

2. Smart City/WiFi

A. Scope: What percentage of the city does the District hope to cover with broadband WiFi service as part of this project?

Answer:

- While the ultimate goal is ubiquitous city-wide coverage in outdoor areas across the District, the scope of this project will be determined based on available funding, technical limitations, and other considerations.
- This component of the project will generally require every 4th or 5th pole to have a wireless access point (WAP), and the District's fiber network, DCNet, may need to be extended to areas that it does not currently serve unless third-party fiber is relied upon.
- The District will include technical specifications, performance metrics, and exact locations of those lights that will require WAPs in any subsequent procurement.
- The [PA2040](#) Project provides an example of the types of services the District hopes to achieve.

B. Revenue: Does the District have an interest in delivering WiFi through an advertising- or sponsorship-based model?

Answer:

- No, the District is not currently interested in pursuing any additional revenue or subsidy via sponsorships or other forms of advertising.

C. Maintenance: Will the District operate and maintain any WiFi or other Smart City aspects of this project?

Answer:

- The District is seeking a concessionaire that can install and maintain WAPs that can provide broadband WiFi and serve as a platform for additional Smart City applications that shall be identified in the future.
- Fiber backhaul provided by DCNet and other equipment installed by the District shall be the responsibility of the District to maintain, and performance criteria for the concessionaire shall be negotiated accordingly.

D. Apps: What, if any, smart city applications will the District require the concessionaire to provide as part of this procurement?

Answer:

- The District does not currently anticipate requiring the concessionaire to provide any smart city applications (e.g., parking management or kiosks) as part of this procurement beyond the WAPs, connection to DCNet, as well as a platform that provides the necessary data and energy connections and physical space on streetlight poles to enable future smart city applications.

E. Fiber Backhaul: How and where will concessionaire have access to fiber, through DCNet or other sources?

Answer:

- DCNet is a very robust fiber network, but in some cases, the District may need to have DCNet expanded or rely on another backhaul provider.
- Details on where the concessionaire will need to deploy new fiber will be provided in any subsequent procurement.

F. Performance Metrics: What performance criteria will the District require for the Smart City component of the project?

Answer:

- These detailed requirements will be included in the RFQ.

G. Security and Privacy: What are the security and privacy requirements for the system?

Answer:

- Clear specifications will be provided in the RFQ to ensure the District maintains the highest level of IT security, the District's data-sharing policy, and protects the information and privacy of all users of the WiFi system.

3. Streetlights

A. Scope: What lights will be included in the project that will need to be converted to LED technology?

Answer:

- The District's approximately 75,000 streetlights, including overhead lights in roads, alleys, highways, and tunnels, as well as signage lighting. Included in this number are some of the 5,000 streetlights that have already been converted to LED (discussed in Section E, below). Traffic signal lights will not be included in this project.

B. Remote Monitoring System: Is the District seeking a city-wide remote monitoring and control system for its streetlights, and if so, what type of technology?

Answer:

- The District is contemplating the installation of a networked outdoor lighting control system that is fully scalable, reliable and fast. It should include a dynamic user interface that monitors and controls the street lighting assets and addresses street lighting asset queries (e.g. energy consumption report, luminaire status, dimming control and schedule of one or group of luminaires, luminaire malfunction notification) without the need to install specific software. The system will require a backhaul medium that is a hybrid of both cellular and fiber networks. Additional details will be provided in the upcoming procurement.
- The District has not yet made a final determination on what percentage of the District's streetlight inventory will be served by the RMS and the exact technology specifications. This information will be provided as part of the Request for Proposals (RFP).

C. Conditions Assessment: What kind of information will the District provide about the current conditions of the streetlight inventory?

Answer:

- The District will provide GIS data for each streetlight in its inventory. In addition to the inventory, the District will release condition assessment data as well. The data released will include a numeric score of each asset. Other records such as maintenance logs, service requests, pole knockdowns, will also be provided.

D. Pole Replacement: Will the District require the concessionaire to replace streetlight poles?

Answer:

- Yes, the District will require the concessionaire to replace streetlight poles as they reach the end of their useful life or are not meeting performance criteria prescribed in the procurement.
- Exact specifications and performance requirements will be provided in the RFP regarding risk transfer, insurance requirements, and pole accessibility.
- The District will only ask the concessionaire to assume knockdown or replacement risk to the extent sufficient data on pole condition and knockdown rates are available, and may include a cap on the concessionaire's maximum liability.
- Other terms and risks such as vandalism and handback conditions will also be addressed in the RFP.

E. Existing Stock: Will the District require the concessionaire to replace existing LED bulbs in the District's streetlight inventory?

Answer:

- The exact location of the inventory of lights will be provided in the procurement, but it is anticipated that some number of the existing LED lights that are reaching the end of their useful life or do not meet the District's technology and performance specifications will need to be replaced by the concessionaire.
- The District will require the concessionaire to assume maintenance risk of all lights regardless of whether they have been replaced.

F. Energy Rate Risk: Will the District require the concessionaire to assume the risk of changing energy rates?

Answer:

- No. While the District will negotiate a minimum energy savings that the concessionaire must guarantee, the District will maintain the risk of fluctuating energy rates and will be responsible for paying the energy bill. The District is also considering gainsharing options where incentives will be paid to the concessionaire for exceeding prescribed energy efficiency targets.

G. Real-Time Metering: Will the District require real-time metering of energy usage or continue to rely on the current billing for energy usage that relies on manufacturers specifications?

Answer:

- The District has not yet made a determination on whether any changes will be made to the existing billing arrangement with the District's energy provider.

H. Correlated Color Temperature: Has the District selected a standard specification for correlated color temperature (CCT)?

Answer:

- The District has not selected a specific CCT, but more information will be provided on this as part of any subsequent procurement.

4. Funding and Financing

A. Project Delivery Structure: What project delivery model and financing structure will the District require?

Answer:

- While the exact requirements will be provided in the RFQ, the District's general preference is for a design, build, finance, operate and maintain (DBFOM) model where availability payments are made to the concessionaire based on their ability to meet negotiated performance criteria.

B. Milestone Payments: Will the District offer the concessionaire milestone payments for meeting certain performance benchmarks?

Answer:

- While the exact requirements will be provided in the RFQ and RFP, the District is assessing funding availability and may offer milestone payments as negotiated with the concessionaire that will ultimately reduce the District's financing costs.

C. Financing and Funding Sources: What if any credit/grant/financing programs will the District rely on for this project?

Answer:

- The District is still making this determination, though it will be some combination of energy savings, local appropriated funds, and federal formula funds. Additional sources will be considered if they are advantageous to the District.
- For private financing sources, the District is agnostic as long as the concessionaire is able to meet the performance goals of the P3 agreement while minimizing the total cost of the project to the District.

5. Procurement Process and Terms:

A. Term Length: How many years does the District expect construction to be completed and how many years does the District expect the concessionaire to assume operations and maintenance of

the facilities.

Answer:

- The exact terms of the agreement will ultimately be negotiated with the concessionaire, but the District anticipates the construction period being approximately 2 to 3 years, followed by a 10 to 12 year operations and maintenance period.

B. RFP Development: Will the District utilize a collaborative process to develop the RFP with the qualified bidders on the shortlist?

Answer:

- Yes, the District anticipates using such a collaborative RFP development process, which is described in OP3’s guidelines and will be described in the RFQ.

C. Public Outreach: Will the District require bidders to conduct public outreach as part of the procurement process.

Answer:

- The District will conduct public outreach throughout the procurement process. The extent to which bidders must participate in such outreach during and after the procurement will be specified in the RFQ.

