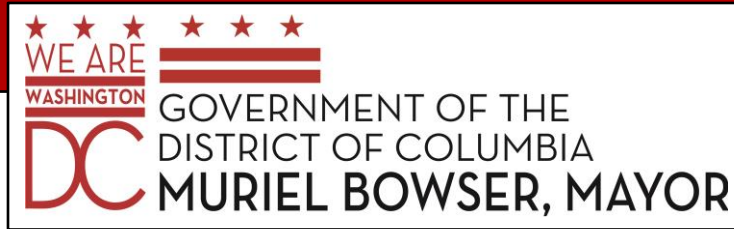


SMARTER. BRIGHTER. GREENER.



**District of Columbia Smart Lighting Project
Industry Forum – January 24-25, 2017**

Issued on January 6, 2017



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1. Introduction

1.1 Purpose of this Request for Information

The District of Columbia Office of Public-Private Partnerships (“OP3”), in conjunction with the District Department of Transportation (“DDOT”) and the Office of the Chief Technology Officer (“OCTO”), are pleased to issue this Request for Information (“RFI”) and host an Industry Forum (“Forum”) on January 24-25, 2017 regarding a potential public-private partnership (“P3”) to modernize the District’s streetlight system. By upgrading its system, the District is looking to take advantage of new technologies in the sector, namely the advent of Light Emitting Diode (“LED”) technology, to improve performance and drive down costs. Through this Smart Lighting Project (“Project”), OP3, DDOT and OCTO (hereinafter referred to as the “District” or “Agencies”) are collectively seeking a long term partner to take on responsibilities for the following:

- Converting existing non-LED DDOT-owned lights to LED technology and installing remote monitoring functionality to more effectively control and maintain the entire streetlight system;
- Delivering ongoing operation and maintenance (“O&M”) of the streetlight system, including replacing existing poles, installing new poles, improving and maintaining the electric conduit that powers the streetlights, repairing all facilities as needed, and generally ensuring that all areas of the city are well-lit.
- Introduce functionality for the streetlight system to serve as a platform for ancillary uses commonly referred to as “Smart City” technology, including (but not limited to): expanded broadband coverage, augmented cell coverage, sensors and other intra-District services.

The District is looking at a variety of procurement options in support of these goals, including a performance based operations and maintenance contract, an energy savings performance contract (ESCO / ESPC), and a performance based design-build-finance-operate-maintain (DBFOM) Public-Private Partnership (P3) arrangement. Individual firms or teams interested in participating in the Forum (“Participants”) are invited, on a non-binding basis, to express their interest in the Project; and provide feedback on its features at the District’s upcoming Forum on January 24-25, 2017. The purpose of this Forum is to solicit feedback that may help the Agencies understand the perspective of the industry and to confirm and/or refine the scope, packaging approach, contract delivery model, financing approach, and procurement approach for the Project.



1.2 Project Goals

The District seeks to build a modern and high-performing streetlight system to align with the goals listed below.

Project Objectives	Anticipated Outcomes
<p>1. Enhance public safety by upgrading the streetlight infrastructure in the District together with a 100% LED conversion to achieve cost savings</p>	<ul style="list-style-type: none"> ▪ Higher performing lighting system will enhance safety in all areas of the city, particularly those suffering from lighting outages ▪ More thorough, even illumination of streets ▪ Remote monitoring functionality
<p>2. Implement a pay for performance mechanism for the streetlight system</p>	<ul style="list-style-type: none"> ▪ Establish total cost of ownership to the District over the life of the Project/contract ▪ Long-term operational integrity of the system ▪ The District has greater contractual recourse over non-performance than allowed under the current contractual agreements (which reflects policy determinations etc...) ▪ If pre-defined KPIs are not met, payment adjustments occur
<p>3. Transfer Project integration and other commercial risks to a private partner across all aspects of the Project</p>	<ul style="list-style-type: none"> ▪ Multiple aspects of the Project are coordinated and managed by a single entity, including design, infrastructure upgrades, LED conversion, financing, operations and maintenance ▪ Key Project risks transferred to a third party to achieve a “net benefit” Value for Money (VFM) that considers the benefits and cost estimates over the lifetime of the Project, including all capital, operating, financing, and ancillary costs ▪ Constructability and operational issues are incorporated into Project design and risks are transferred to the party that is best suited to manage them
<p>4. Develop a Project structure that has limited financial recourse to the District and minimizes the impact to the debt capacity</p>	<ul style="list-style-type: none"> ▪ No or limited fiscal impact and effect of the Project on the District’s debt capacity.¹ ▪ Deliver Project in a manner consistent with value-for-money for the District consistent with Section 108(c) of DC Act 20-550 (Public Private Partnership Act of 2014)
<p>5. Foster stakeholder buy-in throughout Project development and implementation</p>	<ul style="list-style-type: none"> ▪ Stakeholder engagement takes place early in Project development stages ▪ Various stakeholder needs and concerns are incorporated in ultimate Project structure (e.g., light impacts)

¹ The District is subject to a self-imposed debt cap that limits total annual tax and fee supported debt service to 12% of total General Fund expenditures under the Limitation on Borrowing and Establishment of the Operating Cash Reserve Act of 2008, effective Mar. 25, 2009 (D.C. Law 17-360; D.C. Official Code § 47-344 *et seq.*).



<p>6. Introduce functionality for the streetlight system to serve as platform for ancillary uses</p>	<ul style="list-style-type: none"> ▪ Revenue-generating and/or other public benefit opportunities through introduction of innovative technologies that utilize the streetlight system as a platform
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1.3 Anticipated Schedule

The Project is being procured by the District pursuant to the Public-Private Partnerships Act of 2014, effective March 11, 2015 (D.C. Law 20-228; D.C. Official Code § 2-271.01 *et seq.*) (“P3 Act”) as well as the Rules (27 DCMR 4800 *et seq.*) and Guidelines and Procedures (“Guidelines”) that implement the P3 Act.² This RFI is specifically being issued pursuant to Section 106 of the P3 Act, as implemented by 27 DCMR 4801 and Section 5.1 of the P3 Guidelines. Following the Industry Forum, it is anticipated that the Agencies will issue a Request for Qualifications (“RFQ”), establish a short-list of qualified bidders based on responses to the RFQ, and issue a Request for Qualifications (“RFP”) to that short-list of qualified bidders, before selecting a preferred bidder with whom the District anticipates entering a P3 agreement. An anticipated schedule is provided below.

Milestone	Date
Industry Forum	January 24-25, 2017
Release RFQ	March 2017
Hold Public Meetings and Submit Draft RFP for Council Review	June 2017
Release RFP to Short List of Qualified Bidders	October 2017
Select Preferred Bidder	January 2018
Submit Final Contract for Council Review	February 2018

1.4 Questions/Comments

Any questions regarding the Forum or the Project, generally, must be submitted in writing, via email to StreetlightP3@dc.gov. OP3 Deputy Director and Counsel, Judah Gluckman, will be the primary point of contact for this Industry Forum. District responses to any inquiries/questions will be delivered via e-mail and may also be posted to the OP3 website.

2. Project Background

2.1 District of Columbia Government

The District of Columbia is a unique jurisdiction in the United States. In addition to being the nation’s capital, the 68 square mile District is home to more than 681,000 residents, which is the highest level in 40 years. More than 780,000 individuals work in the District and there were a record 21.3 million

² All three documents are available at <http://op3.dc.gov/page/laws-regs>.



visitors, creating a gross domestic product of \$122 billion in 2015, which is 152% of the national average on a per capita basis. The District in many ways functions as a city and a state with an 87-agency executive branch comprising more than 33,000 employees led by Mayor Muriel Bowser and a 13-member unicameral legislature known as the DC Council. The District has been self-governing since 1973, and although all legislation must undergo a 30-day passive Congressional review period before taking effect, the District has budget autonomy that allows spending of local dollars without inclusion of the District’s budget into an approved federal budget.

The District government has a \$13.4 billion operating budget in fiscal year 2017, 75% of which is derived from local revenue, including taxes and fees. Less than 1% of the District’s budget comes from federal formula spending that is unique to the District. It also has a \$6.2 billion, 6-year capital budget and is currently developing a state-of-the-art asset management system that will allow for a 15-year long-term capital financing plan. The independent Chief Financial Officer (CFO) manages the fiscal affairs of the government in close coordination with the executive and legislative branches, resulting in more than 20 straight years of a balanced budget, over \$2 billion in cash reserves, AA or better bond ratings, and fully funded employee pensions.³

2.2 District Streetlight Inventory

The District currently has an extensive streetlight network comprised of a variety of different fixture and pole types spread across its eight wards. Managed by DDOT, the District’s network has – for the most part – not been materially upgraded since the 1980s, despite significant advances in energy-saving technology. Beginning in 2005, and with the help of a significant funding commitment from the Federal Highway Administration (“FHWA”), DDOT has made the shift focusing on asset management of the system. DDOT has established performance measures, inspection procedures, and cure times for defects, contracting out streetlight maintenance. When additional lights are needed, DDOT solicits unit prices from contractors via its Indefinite Delivery/Indefinite Quantity (“IDIQ”) contracting mechanism. Streetlight maintenance and inspections are performed both by in-house DDOT personnel and by contractors, depending on the inspection.

In 2010 and 2011, as a result of concerted asset management efforts, DDOT achieved a nearly 99% level of performance on its system. Since then, DDOT had been operating under several short-term contracts that were not as cost-effective as a long-term, performance-based contract and levels of performance have been reduced. In 2016, DDOT awarded a multi-year (two base years, 1 option year) streetlight maintenance contract; however, this contract does not include streetlight LED conversion. Thus, despite this contract, there is a need for a long-term solution to convert all or the vast majority of existing lights to LEDs. In light of this background, DDOT has a preference for a long-term, reliable asset maintenance contract.

DDOT owns 71,623 streetlights, per its GIS database. This figure and the Project does not include an additional 2,500 lights also owned by DDOT but deployed for other uses (gateway signs, navigational

³ All District contracts are subject to District of Columbia Anti-Deficiency Act of 2002, effective April 4, 2003 (D.C. Law 14-285; D.C. Official Code § 47-355.01, *et seq.*) and the federal Anti-Deficiency Act (31 U.S.C. § 1341 *et seq.*).

lights, and pedestrian and bike trail lights); nor does it include traffic signals. About 37% of the fixtures for these streetlights are shielded lights (otherwise called “cutoff lights”), about a third are cobra streetlights, and about 20% are globe lights. The remaining lights are teardrop fixtures. The streetlights are powered by energy supplied via a contract with Washington Gas and Electric (“WGES”) and distributed via Potomac Electric Power Company’s (“PEPCO”) network through a mix of overhead (50%) and underground (50%) power lines.

Across the District, DDOT owns 54% of the light poles, primarily in the downtown core of the city, PEPCO owns 37%, and Verizon owns 9%.

DDOT owns the arms and fixtures on 100% of the poles and has authority to make repairs or changes to the streetlight infrastructure including lighting arms, fixtures, and cables. However, for PEPCO and Verizon poles, the District would likely need to negotiate agreements with those entities for the attachment of any additional ancillary uses beyond streetlight infrastructure.

As noted below, the vast majority of the District’s streetlights are High Pressure Sodium (“HPS”) lights, with only about five percent of the system converted to LED.

Type of Light, by Bulb Type	Number of Lights (As of August 2016) ⁴	Percent
High Pressure Sodium (HPS)	61,359	85.67%
Incandescent (INC)	5,583	7.79%
Light Emitting Diode (LED)	3,639	5.08%
Mercury Vapor (MV)	775	1.08%
Metal Halide (MH)	267	0.37%
TOTAL	71,623	100.00%

As the District is experiencing rapid population growth and a corresponding boom in new developments and construction, the DDOT-owned system is expanding at approximately 3,000 lights per year. DDOT ensures that these new lights (at new development sites) are primarily LEDs to reduce the need – and cost – of system upgrades in the future.

2.3 Smart City Technology and DC-Net

The District possesses one of the most advanced and robust municipally owned fiber networks in the country, DC-Net. This gigabit fiber network is deployed and maintained by the Office of the Chief Technology Officer (“OCTO”) to provide managed voice, data, and video wire-based and wireless services to all government constituents, including several federal agency clients, over a city-wide, secure, highly redundant, and high capacity fiber optic telecommunications platform. Among other

⁴ Note that this is a snapshot in time as of August 2016. The exact number of lights changes regularly depending on installations/removals and other factors.



things, OCTO has leveraged DC-Net to deploy over 650 broadband WiFi hotspots across the District where residents and visitors alike can access the Internet for free.

Through the DC Community Access Network (“DC-CAN”), OCTO also brings affordable broadband services to over 250 health, educational, public safety and other community anchor institutions with a focus on underserved areas of the District. As a middle mile network, DC-CAN does not bring direct service to residents and businesses. However, interested last mile service providers can partner with the District government to bring affordable broadband to residents and businesses in the city.

Presently, the District is not systematically leveraging its streetlight network for Smart City technology beyond the co-location of CCTV cameras for other District agencies. DDOT has entered into a small scale agreement (35 streetlights) with the NoMa Business Improvement District (“BID”) to use up to 35 streetlight poles for wireless access points (“WAP”) and associated equipment.

OCTO, DDOT, the Golden Triangle Business Improvement District (“BID”), George Washington University, and the National Capital Planning Commission (“NCPC”) launched a Project called PA2040 that is delivering remotely managed LED streetlights, free public Wi-Fi, and traffic and environmental sensors along several blocks of Pennsylvania Avenue NW just blocks from the White House.⁵

2.4 Office of Public-Private Partnerships

In December 2014, the Council enacted the Public-Private Partnership Act of 2014 (“P3 Act”) to develop innovative solutions that would help close the District’s infrastructure gap. Among other things, it created the Office of Public-Private Partnerships (“OP3”) and established a streamlined process outside the traditional procurement methods to encourage the use of long-term, performance-based contracts known as public-private partnerships, or P3s. The District’s goal in using P3s is to spur innovation, ensure better life-cycle management of its assets, transfer risk to the entities best able to mitigate it, and leverage private financing. While OP3 and the P3 Act are meant to encourage greater collaboration with private sector partners, protection of public interests are prioritized through living wage, benefits, small and local business preferences, environmental protection and other requirements. *See Appendix 5.1* for a detailed chart showing the P3 Act procurement process or visit OP3’s website to view the P3 Act and associated Rules and Guidelines.⁶

3. Industry Forum

3.1 Format

The District has scheduled an Industry Forum on January 24-25, 2017 to present more detailed information on the Project and to receive in-person, oral responses to this RFI from individual firms or teams that will inform any subsequent procurement mechanism and process that may be developed in support of the Project. This may lead the Agencies to refine the scope, packaging approach, contract

⁵ <http://octo.dc.gov/page/pa2040-project>

⁶ <http://op3.dc.gov/page/laws-regs>.



delivery model, financing approach, and procurement approach for the Project. The Forum will begin with a general session to provide an overview of the Project that will be open to all registered attendees, followed by a session to discuss opportunities for small and local businesses. The remainder of the Forum will consist of one-on-one meetings between all interested teams and the Agencies to discuss specific aspects of the Project, any subsequent procurement, and to answer questions. See *Appendix 5.2* for a draft agenda.

3.2 Location and Schedule

The Industry forum will be held on **January 24-25, 2017** at the One Judiciary Square Building, which is located at **441 4th Street, NW, Washington, DC 20001**.

3.3 Registration

All parties wishing to attend the Industry Forum must register for the event at <https://dcstreetlightp3.eventbrite.com>

3.4 One-on-One Sessions

In addition to the general sessions, the Agencies will hold one-on-one sessions with potential firms and teams to discuss specific aspects of the Project and to answer questions. Specific topics for discussion are described in section 3.5 below.

All interested parties will have equal opportunity to participate in a one-on-one session. Those who register for the Forum as described in Section 3.3 will be sent a short survey requesting more information about their firm or team and their availability to aid in the scheduling of sessions. The amount of time allotted for each session will be based on the number of requests made to participate in a session and District staff and time constraints of the Industry Forum.

Following the Industry Forum, the Agencies will publish and provide to all registered attendees a list of Frequently Asked Questions (“FAQ”). This FAQ will be in aggregate, anonymized form and include answers to all substantive project-related questions asked at the Forum both during the general and one-on-one sessions in preparation for any subsequent procurement that results from this process.

Note: Participation in this RFI and a session will not provide a participant with any preference, special designation, advantage or disadvantage whatsoever in any subsequent procurement process related to the Project. No aspect of these sessions is intended to provide any attendee with access to information that is not similarly available to other potential respondents in any subsequent procurement, and no part of the evaluation of proposals in any subsequent procurement will be based on the conduct or discussions that occur during the sessions. Attendees shall not seek to obtain commitments from the District in the sessions or otherwise seek to obtain an unfair competitive advantage over any other potential proposer. Any written or verbal information provided by the District during sessions may not be relied upon and will not be binding. The District will be entitled to use all information received or related during discussions at the Forum and confidential or proprietary information should not be provided. No written materials are to be submitted to the District during these sessions, and attendees

are to leave with all materials brought to the sessions. See Section 4.0 of this RFI for additional disclaimers.

3.5 Information Sought

While no written materials should be provided, the Forum will provide an opportunity for the District and participants to exchange information on key aspects of the Project that will inform any subsequent procurement. The District has provided a draft term sheet for discussion (*See Appendix 5.3*), but additional topics for discussion include, but are not limited to:

- **Company Information and Experience** – Brief description of the firm’s or team member’s lines of business and experience in the delivery of similar projects, including:
 - **Public-private partnerships** – Provide brief examples to demonstrate the participant’s experience and successful participation in the design, construction, financing, operation and maintenance of transportation infrastructure projects.
 - **Local Contracting Partners** – Provide brief examples of past practice of partnering with Small Business Enterprises, Disadvantaged Business Enterprises and/or Minority Business Enterprises.
 - **Lighting Systems** – Provide brief examples of experience with installation, operations, and maintenance of lighting systems for streets, highways and bridges. Please comment on any specific experience with LED technology.
 - **Energy Saving Technologies** – Provide brief examples of experience related to energy saving performance contracts and installation of energy saving equipment.
 - **Smart City Technologies** – Provide brief examples of experience related to the deployment of Smart City technology, including WiFi broadband, sensors, small cell antennas and other ancillary services.
- **Interest in Procurement** – The participant’s interest in participating in any subsequent procurement for the Project and the type of participation (e.g., developer, manufacturer, financial investor, design engineer, contractor, lender, operator, vendor). The participant is also encouraged to indicate the minimum size to continue their interest in the Project.
- **Scope** – A brief description of the elements of the Project the participant believes should be delivered by a single private entity. Indicate any technological innovations that would be considered viable, including, but not limited to, energy saving bulbs, online monitoring for maintenance purposes, remote control of power usage.
- **Business Model** – Brief description of the P3 business model(s) that would be considered appropriate for the Project (long term lease/concession agreement, availability and/or milestone payment schedules for delivery, operation and maintenance, indexing energy, labor and material costs and how that index is calculated, energy savings performance contracts, etc.) and what would be the benefits for the Project and the public impact from each option. Also, examples of projects where such a business model(s) has been successfully used.
- **Audit and Turn-key Criteria** – A brief description of the auditing methods (working lights, illumination thresholds, cleanliness, frequency of audits, etc.) and turn-key criteria that would be considered appropriate for the Project.



- **Risk Assessment** – An indication of whether you would be willing to retain energy saving, operation and maintenance risks under a long-term contract (e.g. 10 - 25 years).
- **Term of Agreement** – The preferred length (years) of the P3 agreement under such a business model(s) with due regard for steps that can be taken to “future-proof” the rapidly evolving streetlight and Smart City technology.
- **Other Opportunities** – Identification of other business opportunities that could be added to the scope (e.g., parking enforcement, information kiosks).
- **Financing** – Provide information on financing options available for the business model(s) identified, including, but not limited to, bank debt, leasing and vendor financing.
- **Inventory** – What other types of inventory information not provided in this document would you need before submitting a proposal?
- **Public Health and Environmental Concerns** – Discussion of how public health and environmental concerns about LED technology can be addressed while delivering the benefits of a modernized streetlight network that adheres to local and federal standards. Included in such a discussion should be the process by which the District might test different lighting specifications and settings during the procurement.
- **Conditions Precedent** – A brief description of those items or impediments to the Project’s successful implementation that should be removed or dealt with prior to the initiation of the procurement process.

4. Limitations/Disclaimers

4.1 Inquiry Only – No Contract

This RFI and Forum is an inquiry only and no contract or agreement will be entered into as a result of this process. It does not constitute a Request for Qualifications (“RFQ”), a Request for Proposals (“RFP”), or other solicitation, nor does it constitute the commencement of any other type of procurement process for the Project. Moreover, it does not represent a commitment to issue an RFQ or an RFP in the future. Therefore, participants choosing to participate in the RFI and Forum will not, merely by virtue of participating in the RFI and Forum, be deemed to be “bidders” on the Project in any sense, and no such participant will have any preference, special designation, advantage or disadvantage whatsoever in any subsequent procurement process related to the Project.

Furthermore, participants are informed that their submittals at this stage of the process will not lead to a short-list and other interested parties will not be precluded from participation in the future qualification process.

The primary goal of the Agencies is to act in the interest of the public. The public’s interest will be protected through the terms and conditions defined in the Contract with the successful bidder. Items such as safety, security, length of the contract, operations and maintenance responsibilities, motorist



mobility, public outreach and environmental compliance of Project components will be outlined in the Project Agreement with the successful bidder.

4.2 Right to Alter

The District reserves the right to alter this RFI, including any conditions and criteria outlined herein which may include, but is not limited to, deadlines for submissions. The District reserves the right to cancel this RFI and Forum process at any time. Any notifications regarding alterations or cancellations of this RFI will be posted on the following website: <http://op3.dc.gov/streetlights>

4.3 Cost and Expenses – No Reimbursement

Each participant is responsible for its own costs and expenses related to this process, including cost and expenses associated with participating in the Forum. No costs related to the Forum will be reimbursable from the District.

4.4 Ownership of Submissions

While the submission of written documentation as part of this RFI and Forum will be prohibited, the District will be entitled to use all information received or related during discussions at the Forum. The District will not offer any pay or other compensation for information received in response to this RFI.

4.5 Non-Confidentiality of Information

Participants are advised that parts of the information shared with the Agencies may be presented to other branches of the District government. Also, it is brought to the participants' attention that District is subject to the Freedom of Information Act and, by law, may be subject to disclosure to the public upon request. Proprietary and confidential information should not be provided.

4.6 Conflicts

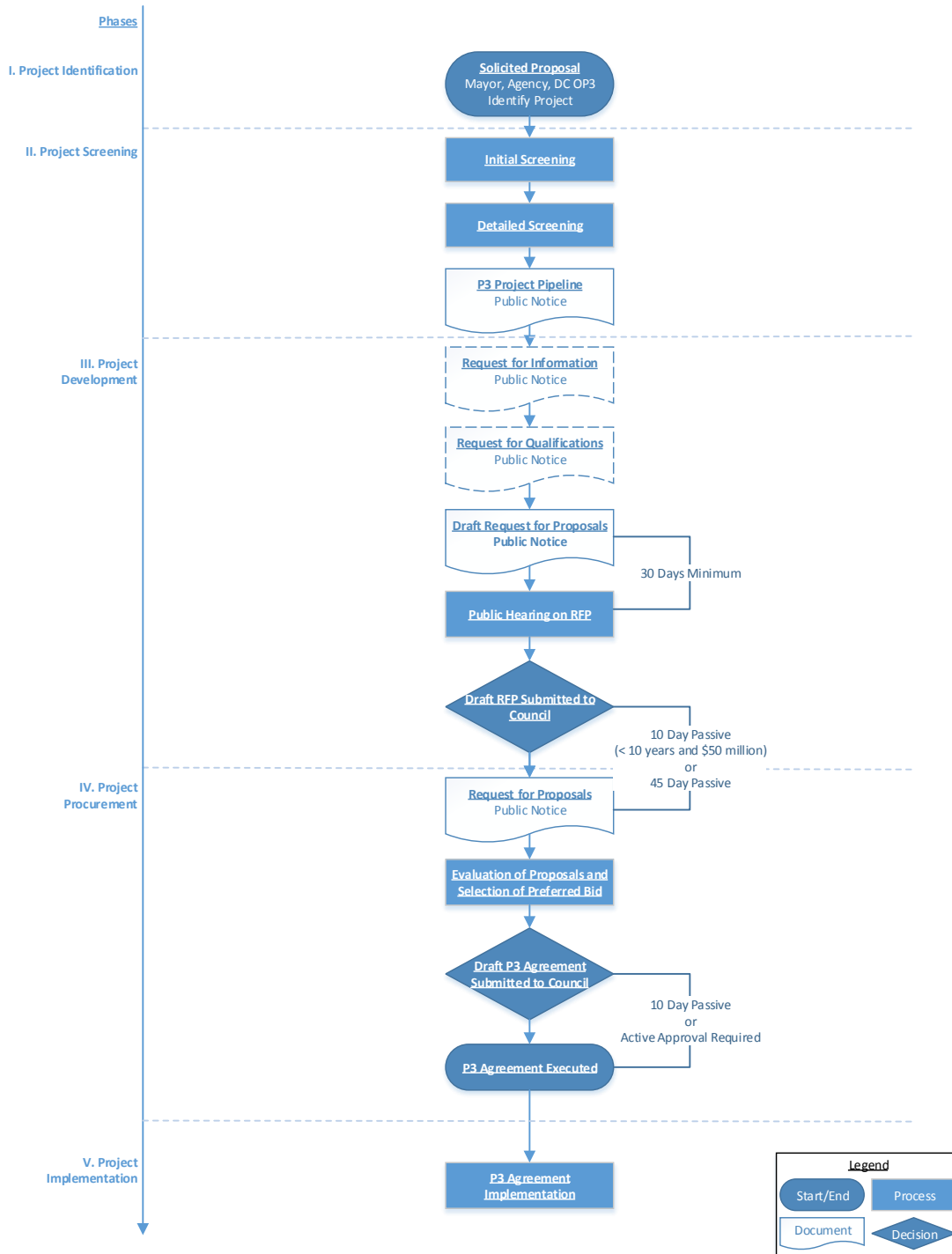
Participants should advise the District of any potential conflict of interests they may have pursuant to the District government's Code of Conduct, as defined in section 101 of the Board of Ethics and Government Accountability Establishment and Comprehensive Ethics Reform Amendment Act of 2011, effective April 27, 2012 (D.C. Law 19-124; D.C. Official Code § 1-1161.01), and Chapter 18 of the District Personnel Manual (6B DCMR, Chapter 18) where applicable.⁷

⁷ For more information, See Section 7 of the OP3 Guidelines.



5. Appendices

5.1 P3 Procurement Process Flow Chart



5.2 Industry Forum Draft Agenda

Day 1 – Tuesday, January 24, 2017

Agenda	Speaker(s)	Location	Time
Doors Open	Coffee and Networking	Old Council Chambers	9:00 – 10:00am
Kick-Off	All Agencies	Old Council Chambers	10:00 – 11:00am
- Welcome	OP3	Old Council Chambers	10:00 – 10:10am
- Streetlight Objectives	DDOT	Old Council Chambers	10:10 – 10:20am
- Smart City Objectives	OCTO	Old Council Chambers	10:20 – 10:30am
- P3 Objectives	OP3	Old Council Chambers	10:30 – 10:40am
Questions and Answers	All Agencies	Old Council Chambers	10:40 – 11:00am
Opportunities for Small and Local Businesses and Speed Networking	All Agencies	Old Council Chambers	11:00am – 12:00pm
Lunch Break			12:00 – 1:00pm
One-one-One Meetings	All Agencies	Various Rooms	1:00 – 5:00pm
End of Day One			5:00pm

Day 2 – Wednesday, January 25, 2017

Agenda	Speaker(s)	Location	Time
Doors Open	Coffee and Networking	Old Council Chambers	9:00am – 5:00pm
One-one-One Meetings	All Agencies	Various Rooms	10:00am – 12:00pm
Lunch Break			12:00 – 1:00pm
One-one-One Meetings	All Agencies	Various Rooms	1:00 – 5:00pm
End of Day Two			5:00pm



5.3 Project High-Level Term Sheet Draft

District of Columbia Smart Lighting Project

Draft High- Level Term Sheet

January 6, 2017

This draft high-level term sheet is for discussion purposes only and is meant to serve as a sample high-level guide to the Project Agreement’s key elements as currently envisioned by the District. These terms are subject to change as detailed specifications and final requirements will be determined as part of any subsequent procurement for the Project. Neither this draft high-level term sheet, nor any oral statements made by any representative of the District about any subsequent procurement, shall be binding on the District.

No.	Term	Details
1.	<p>Relevant Entities (Roles and Responsibilities)</p>	<ul style="list-style-type: none"> • Procuring Authority – The District, through the procurement authority of the Office of Public-Private Partnerships (“OP3) for a public-private partnership, or through the Office of Contracting and Procurement (“OCP”) for all other procurements. <u>Neither DDOT nor OCTO has procurement authority.</u> • Advisory Authorities – District of Columbia: District Department of Transportation (DDOT), Office of the Chief Technology Officer (OCTO) • Electricity Providers – Potomac Electric Power Company (PEPCO), Washington Gas and Electric (WGES) • Streetlight pole owners – District, PEPCO, Verizon • Legal Sufficiency – District of Columbia Office of the Attorney General (“OAG”) • Fiscal Sufficiency – District of Columbia Office of the Chief Financial Officer (“OCFO”) • Project Company – TBD project developer or consortium of firms
2.	<p>Term</p>	<ul style="list-style-type: none"> • Term will be a sufficiently long enough period, as allowed under District law, to deliver value to the District and to allow the Project Company the opportunity to earn back its investment and ongoing costs related to delivering system operations and maintenance. • <u>The District estimates that this will require a term of 10 to 20 years or at least the approximate lifetime of the LED bulbs</u>



		<u>installed as part of the Project.</u>
3.	Key Performance Requirements	<ul style="list-style-type: none"> • Project Company must upgrade the existing lighting system in accordance with the Project Agreement (including technical requirements and DDOT and FHWA guidelines). • From a set time period after Financial Close (“O&M Period”), Project Company must operate and maintain the system to achieve pre-defined service levels (e.g., 98% of system performance and availability) and ensure that further significant defects or outages do not occur (“O&M Standard”). • It is assumed that the O&M standard during the construction period will be reduced from the standard required during the operating period. Disincentives may be applied for failure to achieve required performance standards or other requirements during either period. • The Project Company is obligated to achieve a certain level of energy savings (based on benchmarking identified in the Project Agreement). If actual energy savings are less than the guaranteed, agreed-upon amount, projected payments may be adjusted accordingly. • Project Company will be required to warrant all construction, work, and components, in addition to any manufacturers’ warranties.
4.	Labor, Wage, and Local Hiring Requirements	<ul style="list-style-type: none"> • Since the District is seeking federal funding for the Project, it is anticipated that the Project will be subject to the Disadvantaged Business Enterprise (“DBE”) program pursuant to 49 C.F.R. Part 26 and a specific goal for hiring DBEs will be developed in coordination with the Office of Civil Rights at the Federal Highway Administration (“FHWA”) during the procurement. The District’s Small, Local, and Disadvantaged Business Enterprise program (D.C. Official Code § 2-218.01 <i>et seq.</i>) will therefore not apply. • Since the District is seeking federal funding for the Project, it is also anticipated that District First Source and Fair Wage requirements will be pre-empted by the equivalent federal requirements.
5.	National Environmental Policy Act (NEPA)	<ul style="list-style-type: none"> • NEPA directs federal agencies to consider how decisions affect people and their environment and to assess the benefits and risks associated with proposed actions including funding or approval (e.g., by permit). This is achieved by preparing



		<p>varying levels of NEPA reviews for particular classes of action - categorical exclusion (CE), environmental assessment (EA), or environmental impact statement (EIS) depending on the significance of a proposed project's effects on the environment. EISs are required for projects that have significant impacts, CEs are used when projects do not have significant impacts, and EAs are used when the significance is not yet known.</p> <ul style="list-style-type: none"> • Since the District is seeking federal funding for the Project, NEPA likely applies to this Project. Routine operation and maintenance activities may have different requirements than substantive redesign or construction activities. Once the scope of the Project is finalized, the class of action is determined, followed by environmental analyses and federal approval of the environmental document.
6.	Buy America	<ul style="list-style-type: none"> • Since the District is seeking federal funding for the Project,, it is anticipated that this Project will be subject to 23 CFR § 635.410, Buy America requirements.
7.	Historic Preservation	<ul style="list-style-type: none"> • The District streetlight design guidelines already allow for LED technology, although some updates to the guidelines may be required for this Project. • All proposals will require consultation with the District's Historic Preservation Office (HPO) and with the Commission on Fine Arts. • The District, with assistance from the Office of Planning and HPO, will be responsible for seeking approval through any required review processes prior to the construction period of the Project.
8.	District Retained Risks	<p>District is considering retaining the following risks:</p> <ul style="list-style-type: none"> • Pre-existing hazardous substances in amounts exceeding amounts allowed by law; • Construction delays caused by force majeure events, to be defined; • Construction costs and non-concurrent delays caused by defined Extension Events; • District-initiated changes to technical requirements or the Project Agreement; • Shared risk for defined force majeure events that affect operations of the Project; • Changes in District policy or law directed exclusively at the



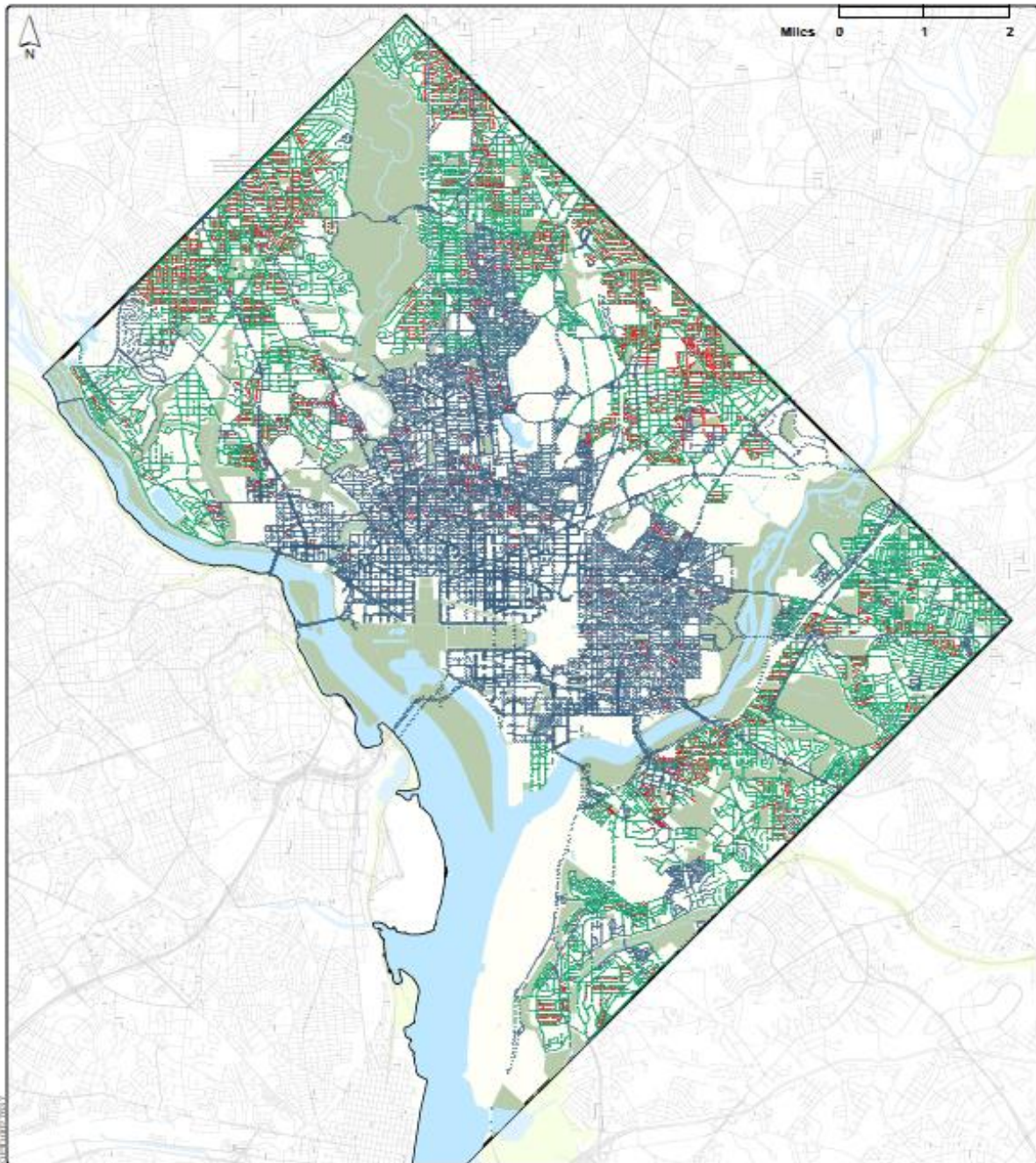
		<p>Project;</p> <ul style="list-style-type: none"> Regulatory and permitting approvals for the project; and Non-concurrent delays caused solely by the District. <p>The items above may be compensable by an extension of time or by an increase in the Project cost, or both, as defined in the Project Agreement.</p>
9.	Project Company Commercial Risks	<ul style="list-style-type: none"> The District anticipates requiring the Project Company to be responsible for all other risks with respect to the Project not retained by District, including: <ul style="list-style-type: none"> <u>Operations and maintenance risk</u>: O&M of the lights for the duration of the contract term; <u>Performance risk</u>: performance of network subject to pre-defined service levels and availability levels (e.g., 98% of streetlight system performance and availability); <u>Energy savings risk</u>: Project Company obligated to achieve certain level of guaranteed cost savings based on benchmarks identified in the Project Agreement; <u>Financing risk</u>: Project Company obligated to finance upgrade of streetlight network.
10.	Payment Mechanism	<ul style="list-style-type: none"> Milestone payments may be paid by District to Project Company once defined progress milestones have been achieved by Project Company. District will make service payments to Project Company during the operating period. Disincentives will be incurred to the services payments if the performance specifications are not met by the Project Company.
11.	Proposed Financing	<ul style="list-style-type: none"> The District is considering a range of financing options for the Project, with a preference for a financial structure that has limited financial recourse to the District and has limited negative impact on the District’s debt capacity. The District prefers a financial structure that accesses long-term operating efficiencies and savings achieved by the Project as a funding source, as well as any federal funding made available to the Project. It is anticipated there will be an equity component of the financing, though a preferred debt-to-equity ratio has not been determined.



		<ul style="list-style-type: none"> Project Company will likely be responsible for all risks associated with the availability and cost of finance.
12.	Utilities	<ul style="list-style-type: none"> Project Company will likely bear the associated cost and risk with the existence, location and availability of utility infrastructure.
13.	Risk of Damage	<ul style="list-style-type: none"> Project Company will likely be responsible for the risk and cost of property damage during the period of performance, including accidents, theft and vandalism, except to the extent caused by defined force majeure events.
14.	Insurance, Surety and Performance Bonds	<ul style="list-style-type: none"> Project Company will be required to obtain and maintain all insurances specified by the Project Agreement. Project Company will be subject to the payment and performance bond requirements contained in Titles VII of the Procurement Practices Reform Act of 2010, effective April 8, 2011, (D.C. Law 18-371; D.C. Official Code § 2-351.01 et seq.).
15.	Disincentives	<ul style="list-style-type: none"> Disincentives will be applied for failure to meet performance standards outlined in the technical requirements and Payment Mechanism. Disincentives are intended, among other things, to ensure Project Company does not materially impact routine traffic, constructs and operates the Project in a safe manner, and generally designs, builds, finances, operates, and maintains the Project in accordance with the Project Agreement (including the technical requirements).



5.4 Map of Streetlight Inventory



Streetlights by Ownership



Office of Planning – January 5, 2017
Government of the District of Columbia
This map was created for planning purposes from a variety of sources. It is neither a survey nor a legal document. Information provided by other agencies should be verified with them where appropriate.

- DDOT Streetlight
- PEPCO Streetlight
- Verizon Streetlight

