



## Committee Meeting

Meeting Date: June 13, 2023

Reject Unsolicited Proposal for Augusta Outdoor Lighting Proposal

Received from Georgia Power

Unsolicited Proposal 23-000

---

<b>Department:</b>	Procurement / Engineering & Environmental Services
<b>Presenter:</b>	Geri Sams / Dr. Hameed Malik
<b>Caption:</b>	Reject the Unsolicited Proposal for Augusta Outdoor Lighting Proposal received from Georgia Power.
<b>Background:</b>	Augusta, Georgia adopted the Public-Private Facilities and Infrastructure Act of 2015 (the “PPFIA”) (OCGA §36-91-110 et seq.) on July 18, 2017, Augusta, Georgia provides a process to partner with private entities for the development of a wide range of projects for public use if the public entities determine there is a need for such projects and that private involvement may provide such projects to the public in a timely or cost-effective fashion. Procurement solicits proposal via an advertisement each year for unsolicited proposals. The deadline for the unsolicited proposal was March 31, 2023. Augusta received one unsolicited proposal (Proposal) from Georgia Power (GPC).

The Proposal was reviewed by Augusta Procurement Department, Augusta Finance Department and Augusta Engineering Department. City Administrator Office was also included in this review process. Under Proposal Project Description GPC stated “GPC proposed to install and maintain the lasts generation of utility grade LED outdoor lighting equipment fitted with network lighting controls (NLC’s) that proactively provides advanced knowledge of each fixture, the location of each device, and advanced light distribution, all while significantly reducing the carbon footprint of equivalent High Intensity Discharge (HID) lighting system. The acquisition of City owned assets will integrate into GPC’s current lighting assets in the City service area. GPC states that such transition provides predictable cost structure.

GPC attached Exhibit A outlined various elements of Assets proposed acquisition starting with preliminary audit of the City Assets will be undertaken by the GPC. Audit includes number, condition, and location of each light currently existing with the City service area. It will also include identifying any third-party equipment attached to City Assets. GPC is asking the City to pay GPC \$1million for conducting this preliminary audit and providing this audit data to the City. Attached GPC

EXHIBIT A outlines implementation of GPC proposed acquisition including Assets purchase price, monthly maintenance & regulatory energy cost that City has to pay, City obligations. Term of proposed acquisition is also stated in attached EXHIBIT A.

Per the process and procedures, an Advisory Committee and Evaluation Committee was created to review the proposal.

**Analysis:**

Per the process and procedures, an Advisory Committee and Evaluation Committee was created to review the Proposal. Committee included representatives from Engineering, Procurement and Finance Departments and Administrator office.

This submittal possibly will not qualify under the Public-Private Facilities and Infrastructure Act of 2015 (the “PPFIA”) be an unsolicited proposal. Following summarized evaluation committee comments.

- i) Unknown Financial Impact and Cost saving to the City.
- ii) Exhibit A outlines various element of the Proposal; however, Proposal scope not clearly defined.
- iii) No backup data to support lighting audit asking fee of \$1million.
- iv) No backup data to support asking \$28 per LED light pricing formula. Not clearly defined what services covered under asking \$28/light unit rate.
- v) Proposal asking City agreeing to several unknowns such as regulatory energy cost inclusion, no attachment to lighting fixtures, increase in unit rate after five year initial period, early termination fee, assets control at agreement term expiration, assets ownership documents, etc.
- vi) This term does not include innovative or unique configurations or uses of commercial items that are being offered for further development and that may be submitted as an unsolicited proposal.
- vii) Not be an advance proposal for a known agency requirement that can be acquired by competitive methods.

**Financial Impact:**

Current streetlighting unit rate structure cannot support GPC proposed agreement cost. It will require Augusta Commission adopting Outdoor Lighting fee assessment new policy and creating unite rate structure accordingly. Or It will require Augusta Commission Increasing Streetlighting current unit rate with progressive escalation factor to cover GPC this proposed agreement cost obligations.

**Alternatives:**

City may consider soliciting such services under open competition procurement method Request for Proposals.

**Recommendation:**

Reject the Unsolicited Proposal for Augusta Outdoor Lighting Proposal received from Georgia Power

**Funds are available in the following accounts:** N/A

**REVIEWED AND**  
**APPROVED BY:**