

**CITY OF MIAMI BEACH
COMMISSION ITEM SUMMARY**



Condensed Title:

A Resolution Authorizing the Purchase of a 10-Year Warranty Agreement For The Sports Field and Court Lighting Systems at the North Shore Park Athletic Field and Tennis Center from Musco Lighting, the Sole Source Provider of The Warranty for the Musco Lighting Equipment Installed in the Original Construction of The North Shore Park, at a Total Cost of \$41,300.

Issue:

Shall the City Commission approve the 10 year warranty agreement?

Item Summary/Recommendation:

The lighting system installed at the North Shore Park sports fields was manufactured by Musco Lighting. The City is proposing to purchase a 10-year warranty from the original manufacturer. The warranty provides materials and labor to maintain the operation of the lighting system for ten years.

The City's decision to purchase the Warranty is based on cost savings realized from purchasing the warranty versus maintaining the facilities on an as needed basis with outside contractors. Musco's expertise and single focus in sport lighting allows them to operate very efficiently and to offer maintenance at less cost to the City. Otherwise, the city would continuously engage the use of outside contractors and Property Management Division to scale the light poles to replace and repair the system.

APPROVE THE RESOLUTION

Advisory Board Recommendation:

N/A

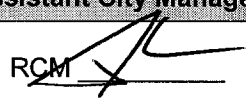
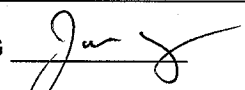
Financial Information:

Source of Funds:		Amount	Account	Approved
<div style="border: 1px solid black; width: 40px; height: 40px; display: inline-block; vertical-align: middle;"></div> Finance Dept.	1	\$41,300.00	Parks and Recreation General Fund Account 011-0950-000325	
	2			
	3			
	4			
	Total	\$41,300.00		

City Clerk's Office Legislative Tracking:

Gus Lopez, Ext. 6641

Sign-Offs:

Department Director	Assistant City Manager	City Manager
KS _____	RCM 	JMG 

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AGENDA ITEM C7H
DATE 2-23-05

CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139
www.miamibeachfl.gov



COMMISSION MEMORANDUM

To: Mayor David Dermer and
Members of the City Commission

Date: February 23, 2005

From: Jorge M. Gonzalez
City Manager

A handwritten signature in cursive script, appearing to read 'Jorge'.

Subject: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING THE PURCHASE OF A 10-YEAR WARRANTY AGREEMENT FOR THE SPORTS FIELD AND COURT LIGHTING SYSTEMS AT THE NORTH SHORE PARK ATHLETIC FIELD AND TENNIS CENTER FROM MUSCO LIGHTING, THE SOLE SOURCE PROVIDER OF THE WARRANTY FOR THE MUSCO LIGHTING EQUIPMENT INSTALLED IN THE ORIGINAL CONSTRUCTION OF THE NORTH SHORE PARK, AT A TOTAL COST OF \$41,300.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

AMOUNT AND FUNDING

\$41,300.00 Funding is available from Parks and Recreation General Fund Account
011-0950-000325

ANALYSIS

On October 17, 2001 the Mayor and City Commission approved and authorized the City Manager or his designee to negotiate a contract with The Collage Design and Construction Group, Inc. doing business as "The Collage Companies", as the lowest bidder, in response to Invitation to Bid No. 58-00/01 for the construction of the North Shore Park and Youth Center.

The lighting system installed by The Collage Companies at the North Shore Park sports fields was manufactured by Musco Lighting. The City is proposing to purchase a 10-year warranty from the original manufacturer based on the number of hours the system is used. The warranty provides materials and labor to maintain the operation of the lighting system for ten years.

The warranty is based on 301-900 hours of annual usage for the ball field for a total warranty of 9,000 hours or ten years, whichever comes first, and 2,001-3,000 hours of annual usage for the tennis facility for a total warranty of 30,000 hours or 10 years whichever comes first. The cost of the 10-year warranty is \$41,300 based on those usage levels.

A comparison between the average maintenance costs for the North Shore Park facilities mentioned above versus purchasing the 10-year warranty agreement, reflects a cost saving to the City based on the following particulars:

The City typically expects to have at least one service call per year. The typical cost to troubleshoot and repair one (1) lamp outage is approximately \$1,300. That figure includes labor, lift, materials, and freight. In addition to unscheduled service calls, proper fixture maintenance requires periodic replacement of fixture bulbs, or re-lamping. Musco's Extended Warranty includes three (3) complete re-lamps over the course of the warranty. A typical quote for one (1) re-lamp of our facility by a different contractor would be \$16,200. There are three (3) re-lamps included with Musco's Extended Warranty for a value of approximately \$48,600. Therefore, for the total cost of Musco's Extended Warranty for \$41,300, the City receives three (3) complete re-lamps and 10 years worth of labor, lift, parts, and freight to cover any spot-outages between re-lamps. The extended warranty pays for itself in the re-lamps alone.

The City's decision to purchase the Warranty is based on the aforementioned and Musco's expertise and their only source of operation being sport lighting. As such Musco can maintain and keep the sports lights in operating condition with less cost to the City. Otherwise, the City would continuously engage the use of outside contractors and Property Management Division to scale the light poles to replace and repair the system.

CONCLUSION

The Administration recommends that the Mayor and City Commission adopt the attached resolution, herein authorizing the purchase of a 10-year warranty agreement for the sports field and tennis court lighting systems at the North Shore Park athletic field and tennis center from Musco Lighting, the sole source provider of the warranty for the Musco lighting equipment installed in the original construction of the North Shore Park, at a total cost of \$41,300.



February 16, 2005

City of Miami Beach Park & Rec
Attn: John Ellis
2100 Washington Ave.
Miami Beach, FL 33139

Re: 10 Club Warranty

Dear John,

I am writing per your request for this letter. Musco Lighting is a sole source provider of our 10 Club Warranty. Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Todd Kirby".

Todd Kirby
Lighting Services Sales Representative
Musco Lighting