Reconstruction, Management, and Maintenance of Street Lighting and Other Public Facilities, Juvignac, France

Full Description

Project Summary:

Background

Due to a significant increase in population, the city of Juvignac in France needed to adapt its infrastructure services quickly and efficiently. To this end, it decided to pursue a PPP to renovate, manage, and maintain its public lighting installations, traffic lights, video surveillance, and the civil engineering works for the city's high-speed communications network.

Project Structure

Through a competitive bidding process initiated in 2013, a private company called SPIE Sud-Ouest was awarded a PPP contract with a duration of 18 years and an estimated worth of EUR 8.8 million (or USD 10 million). The winning bidder was selected based on total proposed cost, the time required for implementation, and relevancy to the energy management and long-term development plans of the city. Under the PPP agreement, the private partner is responsible for replacing the city's street lighting in two phases, as well as upgrading the traffic lights at six intersections, installing a video surveillance network comprising 12 cameras connected to a PC, and completing 9.4 km of civil engineering works for the high-speed communications network.

SPIE Sud-Ouest will provide maintenance with guaranteed results throughout the contract. Regarding the first works phase, for example, the street lighting failure rate is not to exceed 0.5 percent, meaning no more than 10 of 2,000 lighting points may be out of order at the same time, and outages should be remedied in less than one hour.¹

Lessons Learned

Tying in the availability payment to the performance of the private company provides a strong incentive for proper operation and maintenance work. However, it also means the municipality must have adequate project management and monitoring mechanisms in place, to ensure it receives the full benefit of the project.

Footnote 1: Source(s) http://www.spie.com/en/spie-sud-ouest-andtown-juvignac-heraultsign-public-privatepartnership accessed 8 February 2019.

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