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OFFICE OF THE CITY MANAGER

NO. LTC # 219-2007

LETTER TO COMMISSION

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2007 SEP 27 AM 10:08
CITY CLERK'S OFFICE

TO: Mayor David Dermer and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: September 26, 2007

SUBJECT: **FOLLOW UP ON CITY COMMISSION DISCUSSION OF UNDERGROUND ELECTRIC FACILITIES**

At the last City Commission meeting concerns raised by the Palm Hibiscus Homeowners Association relative to the progress of an underground electric conversion project were discussed by the City Commissioners. During the discussion, the Administration briefly presented information on the various steps necessary to successfully complete an underground electric conversion project and further indicated that there was no information to suggest that the City was causing any delay in the Palm Hibiscus underground electric conversion project. The City Commission action was to express their unanimous desire to encourage FPL to proceed with the Palm Hibiscus underground electric conversion project and to express their intent to allow the City's right-of-ways to be used for such purposes.

Subsequent to this City Commission discussion, a resident of Sunset Islands 3 & 4 communicated a similar concern that the City by virtue of not executing a Right of Way Agreement with FPL for underground electric conversion for Sunset Islands 3 & 4 was causing that project to be delayed. The City Administration has verbally confirmed with FPL that as expressed in the Palm Hibiscus discussion at the City Commission meeting, there is not an FPL requirement or expectation that the City sign a Right of Way Agreement for any underground electric conversion project at this point in time. The City and FPL have agreed that the Right of Way Agreement will need to be executed at the appropriate point in the project process; however, that point in time is after the completion of a final design, a final cost estimate and the City Commission establishment of a Special Assessment District.

A meeting with FPL representatives has been scheduled for Friday, September 28, 2007 at City Hall at 10:00 a.m. to discuss the specific procedural and process steps that need to be followed by the City and FPL in order to successfully complete underground electric conversion projects. The homeowner associations representing Palm Hibiscus Islands, Sunset Islands 3 & 4 and the Venetian Islands have been invited to attend the meeting.

One of the issues that will be discussed and further clarified at the meeting is also the process of communications between the different parties involved in underground electric conversion projects. In each of the previously indicated instances, it appears as if several misunderstandings were created as a result of ineffective communication.

JMG/RGM/sam

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