

RESOLUTION NO. 2020-2743

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, APPROVING AND AUTHORIZING EXPENDITURE OF FUNDS TO (1) ENGAGE A CONSULTANT FOR PROJECT MANAGEMENT SUPPORT NOT TO EXCEED \$25,000, AND (2) FLORIDA POWER & LIGHT COMPANY FOR AN ENGINEERING DEPOSIT REQUIRED IN CONNECTION WITH PREPARATION OF A BINDING ESTIMATE FOR UNDERGROUNDING OF ELECTRIC DISTRIBUTION FACILITIES; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on November 3, 2020, a vast majority of the Town of Surfside (“Town”) electorate approved a ballot/referendum question in order to move forward with developing a plan to underground utilities in the Town; and

WHEREAS, Florida Power & Light Company (“FPL”) will assist with a feasibility analysis of converting overhead electric distribution facilities to an underground system, and requires a non-refundable engineering deposit of \$62,432.00 in order to prepare a binding estimate for the undergrounding work, as set forth in the Electric Facilities Conversion Letter Ballpark Estimate dated May 31, 2018 attached hereto as Exhibit “A”; and

WHEREAS, the Town Administration is seeking authorization to first engage a consultant for project management support in an amount not to exceed \$25,000, and engage with FPL and expend funds in the amount of \$60,432.00 towards a binding estimate; and

WHEREAS, the Town Commission finds that this Resolution is in the best interest and welfare of the residents of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

Section 1. Recitals. Each of the above-stated recitals are hereby adopted, confirmed, and incorporated herein.

Section 2. Approving and Authorizing Expenditure of Funds to Engage Consultant for Project Management Support and FPL. The Town Commission approves and authorizes (i) the engagement of a consultant for project management support in an amount not to exceed \$25,000, and (ii) an expenditure of \$62,432.00 to FPL for a binding estimate in connection with the undergrounding of electric distribution facilities in the Town as set forth in the Electric Facilities Conversion Letter Ballpark Estimate dated May 31, 2018 attached hereto as Exhibit “A”.

Section 3. Implementation. The Town Manager and Town Administration are authorized and directed to take any and all action necessary to accomplish the purposes of this Resolution.


Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED on this 8th day of December, 2020.

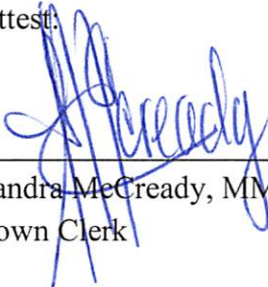
Motion By: Commissioner Velasquez
Second By: Vice Mayor Paul

FINAL VOTE ON ADOPTION:


Commissioner Charles Kesl	<u>yes</u>
Commissioner Eliana R. Salzhauer	<u>yes</u>
Commissioner Nelly Velasquez	<u>yes</u>
Vice Mayor Tina Paul	<u>yes</u>
Mayor Charles W. Burkett	<u>yes</u>



Charles W. Burkett, Mayor

Attest:


Sandra McCready, MMC
Town Clerk

Approved as to Form and Legal Sufficiency:


Weiss Serota Helfman Cole & Bierman, P.L.
Town Attorney



May 31, 2018

Mr. Guillermo Olmedillo
Town Manager
Town of Surfside
9293 Harding Ave.
Surfside, FL 33154

**Re: Town of Surfside
Electric Facilities Conversion – Ballpark Estimate
Entire Town
WR # 8245255**

Dear Mr. Olmedillo:

FPL welcomes the opportunity to assist you in examining the feasibility of converting from overhead electric distribution facilities to an underground system at the following location:

Entire Town limits in Surfside, Florida.

As per your request, the non-binding "ballpark" estimate to complete this conversion is \$6,700,000. This estimate is provided strictly to assist you in preliminary decision making and it does not include the conversion of any existing streetlight system. It is not an offer from FPL to perform the requested conversion and should not be construed or used as such for detailed planning purposes. This represents an "order of magnitude" figure based on previous FPL experience and reflects the CIAC payment that the Town would ultimately need to make to FPL if the conversion were performed at this point in time utilizing standard underground equipment. It is our experience that conversions in developed areas are the most complex and challenging types of construction. As such, this estimate likely will not precisely represent the Town's ultimate actual cost to convert, but can assist the Town in preliminary decision-making.

FPL estimates include only estimated charges to be paid by the Town to FPL. The costs of the following items are not included with the estimate and are the responsibility of the Town / residents. These potential costs should be included in future planning of the project:

- Site restoration (sod, landscaping, pavement, sidewalks, etc)
- Rearrangement of customer electric service entrances (requires electrician) from overhead to underground. Also, additional customer expense if local inspecting authorities require customer wiring to be brought to current codes.
- Trenching/backfilling for service laterals.
- Removal and undergrounding of other utilities (e.g. telecom, CATV, etc.)
- Acquiring, describing, securing and recording of easements for underground facilities. In underground systems, major components formerly attached to poles must now occupy "at grade" appurtenances, e.g., ground level pad mounted transformers and switch cabinets. Facilities of an underground distribution system will not be placed in road right-of-way, with the exception of cables required for crossings. (See special note below)

Note: Obtaining easements is typically the most difficult aspect of the conversion process; the time required to secure the easements may even exceed the 180 day binding estimate timeframe. FPL strongly suggests that all easements required for the conversion be described and secured prior to requesting the detailed cost estimate.

In 2007, the Public Service Commission approved FPL's 25% Governmental Adjustment Factor (G.A.F.) waiver for local government sponsored projects. In order to be eligible for the G.A.F. waiver a project must meet a series of criteria (see Attachment). Based on the preliminary information you provided for the proposed conversion area, this request would qualify for the G.A.F. waiver. The G.A.F. waiver amount is not reflected in the ballpark estimate presented above.

After reviewing the "ballpark" estimate, if you decide to move forward with the conversion project, you may request a detailed and "binding" estimate. Due to the complexity and time required to estimate such a conversion, a non-refundable engineering deposit is required prior to beginning the estimating process, as set forth in the Florida Administrative Code 25-6.115. For this conversion project the amount of the required engineering deposit is \$60,432.00. If you decide to proceed with the work contained in the estimate, the amount of this deposit would be applied toward the estimated amount owed to FPL for the conversion. The work must commence within 180 days of the date the binding estimate is provided.

The request for the binding estimate must be in writing, and must describe in detail the facilities to be converted. Binding estimates are valid for 180 days, and would be subject to change in the event of a work scope change. Should actual FPL costs exceed the binding estimate amount, the customer may be responsible for those additional costs up to a maximum of 10% of the binding estimate amount. Payment of customer costs, easements (with opinion of title and recorded), agreements from other utilities/pole licensees, and execution of a Conversion Agreement would be required before commencement of construction.

If you have any questions or wish to consider a binding cost estimate, please call me at 305-442-5711.

Sincerely,

Jose Triana
Customer Advisor
Customer Service
Florida Power & Light Company

Attachments

cc: Mr. Tom Allain – FPL
Mr. John Lehr – FPL
Mr. Roger Mendoza – FPL