

MIAMIBEACH

Neighborhood/Community Affairs Committee Meeting
City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive
June 20, 2018 - 10:00 AM

Commissioner Kristen Rosen Gonzalez, Chair
Commissioner Michael Góngora, Vice-Chair
Commissioner Mark Samuelian, Member
Commissioner Micky Steinberg, Alternate

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A meeting of the Neighborhood/Community Affairs Committee was held on Wednesday, June 20, 2018, at 10:00 a.m. in the Commission Chambers, 3rd Floor of City Hall. Commissioners in attendance: Kristen Rosen Gonzalez, Michael Góngora, Mark Samuelian and John Elizabeth Alemán. Members from the Administration and the public were also in attendance.

28. DISCUSSION REGARDING UNDERGROUNDING FOR NORTH BAY ROAD AND ALTON ROAD

May 16, 2018 - R7 O
Public Works

ACTION

Commissioner Samuelian stated that one of the important lessons from [Hurricane] Irma was the need for the City to think undergrounding. There have been some discussions about Alton Road and undergrounding as well as North Bay Road and undergrounding. He pointed out that there is also a placeholder in the GO Band for undergrounding. Commissioner Samuelian believes that the City's policy of undergrounding needs to be tightened up. As some neighborhoods have heard about these plans, they have inquired about the opportunity. Commissioner Samuelian asked for a quick overview of where the City is with undergrounding and any specifics on the two projects.

David Martinez, Capital Improvement Projects Director, stated that historically the initiation of an undergrounding project has been initiated by interested parties for three key utilities: electric, phone, and cable TV. An interested neighborhood would define the limits of where this would happen, and they would initiate the interest with the City as well as with Florida Power Light ("FPL"). FPL takes the lead and the other two utilities follow suit. FPL sets the

momentum and the tone of this moving forward. Historically, the particular interested party would fund 100 percent of the cost of doing this work. The funding would occur one of two ways: (1) through a County Taxing District or (2) through a City Special Assessment, both of which would come through a City's property tax. Ideally, the work would be done in concurrent with a neighborhood project; however, the timing is not always perfect. For example, two projects are getting ready to wrap up that have an undergrounding element. Sunset Island 3 and 4 and Hibiscus Island have undergrounding elements that are going to be completed soon. Following those projects, the West End of Palm Island had a failed petition years ago. Around that time, Hibiscus was favorable. Now they believe they may have an opportunity to get done. San Marino and Di Lido Island are also pursuing the undergrounding effort solely paid by the residents who are interested. West Palm Island and the San Marino/Di Lido Islands would come after the right-of-way project. There are logistics and potentially cost implications to whether this would happen concurrently with the projects or after a neighborhood project.

Commissioner Samuelian asked if the City plays a role if FPL would give a discount or credit to the project.

Mr. Martinez responded that FPL doesn't really give you a choice. Basically, whether it is a whole neighborhood or a large district, FPL will not contract with the neighborhood association or the residents directly to perform the undergrounding. They have agreements in place that state the City is the one that has to enter into a contractual agreement with FPL. FPL applies a 25 percent discount within a year of the systems being energized and converted to undergrounding if 100 percent of all the properties affected switch over and they are able to remove the aerial systems. If that were not to happen, the City would be on the hook for the 25 percent discount amount.

Commissioner Rosen Gonzalez stated that what the City has right now is terribly inefficient. It took Palm and Hibiscus years to complete undergrounding. Commissioner Rosen Gonzalez suggested directing staff to come up with a streamlined process for undergrounding in the Alton Road and North Bay Road neighborhoods: figure out where the bottlenecks are, where the inefficiencies are and figure out how it can go from 5 years to 6 months. This is how long it should take for a neighborhood to come together and figure out that they want to put their utilities underground. The vote needs to be streamlined and we need to get somebody from FPL that's going to work with the City on this.

Commissioner Samuelian agreed with Commissioner Rosen Gonzalez. Given Irma and the focus on resiliency, the City should step up its role in undergrounding. This is going to be taken more seriously and we are going to pursue a process. This is an expensive proposition, so a lot of thought needs to go into how this is done. Commissioner Samuelian made it clear that the City is not committing to anything at this point; rather the City is just saying they want to be more involved.

Commissioner Góngora agreed with both Commissioner Samuelian's and Commissioner Rosen Gonzalez's statements.

Commissioner Samuelian stated that given the City's focus on resiliency the Committee believes undergrounding is a top priority and that it should have additional emphasis.

Eric Carpenter, Public Works Director, stated that there is a lot of effort that goes into this process and there is certainly some dollar figures associated with. Mr. Carpenter asked if the Committee wanted the City to go to the neighborhoods early in the process to get a

threshold vote. The original policy is that the City was going to consider creating a Special Assessment District if there was a 60 percent vote of the affected parties.

Commissioner Samuelian stated that there are different approaches. If there were a couple of different policy options e.g. starting immediately, make sure they vote or proactively ask if they're going to vote. Commissioner Samuelian asked that three options be laid out for the Committee to consider. He requested an assessment as to what staff thought should be done.

Mr. Carpenter stated it was his understanding that after the discussion regarding the La Gorce neighborhood, the City was to engage with the homeowner associations and the neighbors to see if they could get a vote committing to moving forward. The Commission, as a whole, can assess the properties for the undergrounding. The prior policy had been that that wouldn't happen absent of a 60 percent supportive vote of the affected properties.

Commissioner Samuelian stated to proceed by talking to the neighborhood that specifically expressed interest. At the same time, they need to have a dialogue with the two neighborhoods that are in the process, such as the Venetian Islands and Palm Island. Commissioner Góngora will be attending a meeting in the La Gorce neighborhood next month and one of the topics is undergrounding. Commissioner Samuelian recommended proceeding with Upper North Bay Road as indicated and to step up the dialogue with the other neighborhoods because the key principle is that all neighborhoods will be treated equitably.

Mr. Cohen stated that equipment placement needs to be taken into account when discussing equitability. A neighbor might have an impediment to their property because transmission lines and power lines might need some equipment on their land. Without a mapping or have engineering done, they might find out later on that while they have voted yes that it turns out to be on a neighbor's property and that can stop the process. Mr. Cohen suggested more work needs to be done prior to going to the community and looking at it.

Commissioner Samuelian stated the location of the transformers can be a potential barrier to people conceptually. Commissioner Samuelian asked that as part of the policy discussion that those considerations would be in place.

Mr. Carpenters stated that the sticking point that they run into, on most of these underground projects, is not the cost but the transformer location. Trying to get a commitment from property owners on transformer locations have been paramount to being able to move forward on these in the past.

MOTION: Commissioner Samuelian made a motion directing the Administration to come up with a policy that streamlines the current processes and treats neighborhoods that want to proceed, equitably. The Administration is also directed to come up with an initial policy regarding undergrounding and report back next month with the information, giving an assessment of three options. Proceed with North Bay Road as indicated. Commissioner Góngora seconded the motion.