RESOLUTION 08-12046

A RESOLUTION APPROVING AN ADDITIONAL $12,000 CONTRIBUTION TO THE MUNICIPAL UNDERGROUND UTILITY CONSORTIUM (MUUC) IN ORDER TO COVER ADDITIONAL LEGAL SERVICES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on June 7, 2006, by Resolution 06-11241, the City entered into an Interlocal Agreement to Promote Undergrounding of Utility Facilities and Related Implementation Activities among municipalities in the State of Florida for the purpose of establishing a Municipal Underground Utilities Consortium to challenge the 25% tariff offered by Florida Power & Light (FP&L) as a credit against the capital expenditure of undergrounding facilities, in the amount of $12,000; and

WHEREAS, the Municipal Underground Utilities Consortium has engaged a consultant to ascertain the true cost savings, and the analysis has determined the credit to be 50.5% as opposed to the 25% offered by Florida Power & Light; and

WHEREAS, on December 6, 2006, by Resolution 06-11455 Council authorized an additional $12,000 expenditure to the Consortium to fund the City's calculated portion of the legal proceeding fees associated with the findings of the study to the Public Service Commission (PSC) for final determination of an appropriate credit; and

WHEREAS, FP&L has clarified that the 25% credit being offered is based solely on savings related to storm restoration costs and the 50.5% credit determined by the Power Services Study reflects storm restoration costs, as well as reduced O&M costs, avoided litigation and damages claims and preserved revenues; and

WHEREAS, based on additional legal services, on-going discussions with FP&L and postponement by the PSC, the Consortium has projected an estimated need of an additional $182,000 to address the outstanding issues; and

WHEREAS, the City of Naples' calculated share of the shortfall is $12,000; and

WHEREAS, funding is available in C.I.P. 08U23, Underground Power Study;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NAPLES, FLORIDA:

Section 1. That a $12,000 contribution to the Municipal Underground Utility Consortium (MUUC) is hereby approved in order to cover the City's share of additional legal services.

Section 2. This Resolution shall become effective immediately upon adoption.
Resolution 08-12046


Bill Barnett, Mayor

Attest:
Tara A. Norman, City Clerk

Approved as to form and legality:
Robert D. Pritt, City Attorney

Date filed with City Clerk: 5-21-08