

Burnt Store Isles Underground Conversion Proposal

Questions & Answers

The following is a compilation of the questions submitted by property owners who attended the BSI community meeting held on January 21, 2020 at the Burnt Store Presbyterian Church. The answers are a combination of responses noted at the meeting and follow-up communication with City of Punta Gorda staff, FP&L and Comcast. As additional information is received the document will be updated.

PROCESS AND TIMELINE

Q: What happens after the community meeting? When will there be a vote among the BSI property owners?

A: As soon as possible after the meeting a non-binding straw ballot will be sent to BSI property owners not totally served by underground power by the City via first class mail to ensure forwarding. The mailing is expected to be made by March. After tabulation by the City the results will be presented to City Council for their consideration. If approved, the City will manage the process through completion.

Q: Where will the mailing addresses to be used to send the straw ballots to BSI property owners come from? Straw ballots in previous mailings sent to addresses from the county tax office went to mortgage offices and never reached the property owners, how will you prevent this from happening this time?

A: The current plan by the City is to follow the same methodology that was used to mail the ballots to approve the \$75 assessment to fund the FPL engineering study and that is to obtain the official mailing addresses used by Charlotte County to mail out the property tax records. This is felt to be the most accurate mailing list available and preferable to using just street addresses.

Q: Will all property owners in BSI receive a straw ballot?

A: No. If the same methodology that was used to mail the straw ballots to approve the \$75 assessment to fund the FPL engineering study is followed then only owners of individual homes and lots not completely served by underground power will be included.

Q: Will the condominiums and villas in BSI be included in the straw ballot mailing? If not, why?

A: Under the straw vote ballot plan outlined at the Community Meeting, no. This is because they are already completely served by underground power and the costs associated with connecting to their existing lines could not be broken out by FPL but is believed to be nominal. However, It is important to note that the definition of assessment unit (currently individual homes and lots), number of units, and apportionment per unit will be determined based on the methodology/feasibility report if the project is approved.

Q: What happens if a majority of the voting property owners vote “No” on funding this project?

A: The project is dead and goes no further.

Q: What happens if a majority of the voting property owners vote “Yes” on funding this project?

A: The results will be presented to City Council showing community support for the project with a request for them to take steps to assume management of the project, sign the contracts with FPL and Comcast, develop the assessment methodology, fund the project through City financing and collect payments via a special assessment that would appear on the property tax bills.

Q: How many “Yes” votes are required to move ahead? Will the straw ballot have to be approved by a quorum or majority of all BSI property owners versus a majority of those who return ballots?

A: A majority of the property owners returning a valid ballot will be required to recommend to City Council that the underground project move forward. The process will follow the guidelines established and followed by the City in similar situations where a non-binding straw ballot is used to provide to City Council evidence of a community’s desire to move forward with a project. For example, this process was used to approve funding for the dredging of the BSI rim canal in 2015-2016.

Q: Why can’t the straw ballot be conducted online? Those who want a paper ballot could request one.

A: In order to ensure that ballots are mailed to all property owners with proper mailing and addresses using information from the Charlotte County property tax records, the City Clerk will manage the process and be able to audit that one return per property.

Q: If the March 2020 straw vote determines that the project should move forward, is there another or final vote to determine whether this project is implemented?

A: The City Council will vote to determine if the project will be implemented. If yes, there will be other public meetings and public hearings held by City Council at which assessment methodology and

assessment roles will be established and approved prior to project implementation. There will be no further voting by BSI residents.

Q: How many reminders are or will be sent to property owners who don't respond to the original vote request?

A: None are currently planned.

Q: Can we see the votes by address?

A: Yes that is public information.

Q: BSI a few years ago voted no on this program. Why are we going to do this again?

A: Due to homeowner's requests and overwhelming favorable response from a survey, the BSIA Board in December 2014 sought out volunteers for a committee to study the feasibility of converting Burnt Store Isles from overhead wiring to underground.

Q: Is it possible for one street to approve and obtain underground power if the remainder of BSI rejects this proposal?

A: Yes, but the residents on that particular street would have to approach FPL for a new estimate and start the entire process over.

Q: If there are two owners on the deed (ex: husband and wife) does each get a straw vote, or is there only one vote per household?

A: There will be one vote per property.

COSTS

Q: How much will the project cost?

A: The following charts were presented by the City at the Jan. 21, 2020 Community Meeting:

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Amount	Description
\$6,616,912	Florida Power & Light (with Vistas switches)
\$660,000	Cost increase for exceeding 180 binding estimate deadline
\$2,693,177	Comcast
\$997,009	Construction Contingency (10%)
\$60,000	Legal Review
\$60,000	Cost Allocation Methodology/Feasibility
\$200,000	Project Management
\$50,000	Site Restoration/Landscape
\$50,000	Utility Relocation
\$38,110	Amortization of Existing Street Lights
\$50,000	Property Easement Set Aside
\$7,000	Special Assessment Imposition
\$11,482,208	Project Cost Estimate

Amount	Description
\$11,482,208	Project Cost Estimate
\$4,976,438	Loan Origination & Interest
\$140,000	Tax Bill Collection (\$7,000 annually)
\$1,148,221	Uncollectible
\$17,746,867	Planning Estimate for Annual Assessment

Q: And what are the payment options?

A: The planning cost estimates presented by the City at the community meeting are based on 20 year financing and on 1246 units with FPL electric accounts in BSI. It is important to note that the definition of assessment unit (currently individual homes and lots), number of units, and apportionment per unit will be determined based on the methodology/feasibility report if the project is approved.

- Single, one-time prepayment estimate \$9,215.26 per unit
OR
- Annual assessment on tax bill estimate of \$712.15
 - Which equals over 20 years = \$14,243.00 per unit

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OR

- A payoff at any time after the first year where the final payment will be determined by the City in a manner similar to paying off a mortgage early.

Q: Can I pay off the assessment after year one?

A: Yes. A payoff at any time after the first year will be determined by the City in a manner similar to paying off a mortgage early.

Q: If you prepay and then later sell the property will there be any additional cost?

A: No.

Q: If I sell my property am I required to pay off the assessment in full at that time? What happens to the assessment if I die?

A: The assessment is assigned to or conveys with the property so the next property owner would be required to pay the yearly assessment until it is fulfilled.

Q: Will every homeowner/property owner pay the same assessment? Will the assessment be the same amount for each property regardless of the assessed tax value of the property?

A: The taxable assessed value of a property has nothing to do with imposition of a special assessment. The approved assessment methodology will determine the amount per property.

Q: For assessment purposes how will the condo and duplex units be treated? For example the 40 condo units in Mondovi Bay that already have underground power?

A: The definition of assessment unit (currently individual homes and lots), number of units, and apportionment per unit will be determined based on the methodology/feasibility report if the project is approved.

Q: How will vacant lots without electrical connections be assessed or treated?

A: Vacant lots will be assessed in the same manner as developed lots.

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Q: What happens if the amount collected by the City via the assessments is more than what is required to pay for the project? What happens to the money?

A: Once all the debt is retired from financing the project, the City will calculate the amount remaining in the assessment fund and make a determination of refund per property at that time.

Q: Will at least half of the costs be shared by the utility company and the internet/TV suppliers? Why do we have to pay the whole bill? FPL and Comcast should pay something.

A: FPL and Comcast provided the committee with their costs to perform the work. The BSI property owners pay the entire bill. FPL has already included a 25% discount in its calculation.

Q: Are there any grants or government subsidy that we could apply for to help with the cost?

A: None that we are aware of at this time.

Q: Are the estimates from FPL and Comcast fixed price? Time and Materials? NTE? Are the contracts binding? What happens if we vote "Yes" and the costs increase, who pays? What percentage of costs are fixed versus variable?

A: The cost that FPL and Comcast provided are their best estimates for work to be completed and include a contingency built in.

Q: What is the historical track record of FPL for completing work on-time and within budget?

A: That information will come from FP&L.

Q: Have you met with other FPL customers who have been through a similar sized conversion? If yes, what were their lessons learned? If not, why not?

A: The BSI Committee and City staff met with a representative from Longboat Key since that town is going underground throughout the entire area. Since they are just getting underway, there were limited lessons learned from our conversation.

Q: I would like an explanation of why the \$2.7M cost of Comcast is included. I do not use Comcast and never will. Comcast is an independent telecommunications conglomerate - why should I pay for them? / Why was Comcast the only cable/internet/TV provider included in the project? Seems like a monopoly./ Will this agreement require me to have or subscribe to Comcast service?

A: Whether one uses Comcast or not, their wires still have to be removed from the FPL poles and placed underground.

Q: What is the City's proposed timeline for the project?

A: At the Jan. 21, 2020 community meeting the following timeline was presented:

2020

March	Conduct BSI property owner straw poll
April/May	Present results to City Council for project consideration
May	Engage services of a methodology consultant
August	Adopt allocation methodology
December	Adopt Resolution of Intent to Assess

2021

February	Adopt Initial Assessment Resolution
March	Secure Financing
April	Public Hearing to Adopt Final Assessment Resolution
May-August	Prepayment Period
November	First Annual Assessment on Tax Bill

Q: If the project is approved, when would construction start?

A: The earliest would likely be in mid-2021.

Q: Would the work be done in phases?

A: Yes, the work would be accomplished in three phases as indicated on this map.



Q: What was the process that led to the development of the cost estimate?

A: The City of Punta Gorda, after reviewing the proposals from FPL & Comcast, developed cost estimates for their areas or responsibility:

- Legal review & allocation methodology
- Project management & support
- Utilities relocation & overhead lights
- Easements
- Financing
- Collection fees
- Contingencies

Q: Wouldn't it be cheaper to for the City to manage the contracts for things such as the boring and other pre work rather than paying the higher process charged by FPL and Comcast?

A: Not necessarily. The estimated project management costs unveiled at the community meeting would rise if the City had to undertake all the bidding, contract management, inspections, etc.

Q: Who is responsible for the management of interactions and dependencies between FPL and Comcast?

A: The City Public Works staff.

Q: What happens to my lawn after the project is completed?

A: Project contracts will require that lawns be restored to their original condition. For example the restoration work associated with swale maintenance commonly performed by the City.

Q: What type of landscaping will help hide/"beautify" the ugly FPL or Comcast boxes?

A: Current plans call for lawns be restored to their original condition. For example the restoration work associated with swale maintenance commonly performed by the City.

Q: What happens if my driveway cracks as a result of the boring by either FPL or Comcast? What process will be used to under my driveway or sidewalk?

A: It is highly unlikely that any damage will occur because of the depth (approximately 3 ft.) and the preciseness of the horizontal boring technique that will be used. However, should a driveway be damaged, there will be a provision in the project to address this concern.

Q: Can the work continue in the wet months?

A: Yes

Q: What about insurance?

A: All contractors and sub-contractors will be required to be bonded and insured.

Q: Will there be any consideration to the amount/maximum number of FPL and Comcast equipment on one lot?

A: FP&L and Comcast will determine the placement of their equipment based on their technical requirements.

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Q: Have soil borings been done to avoid cost overruns?

A: Not at this time.

Q: Votes in May 2016 and Dec 2014 resulted in favorable results for putting in underground wiring. What method was used to inform property owners of these votes?

A: The 2014 vote was among BSIA members to determine if a committee should be formed to investigate the possibility or feasibility of taking down the overhead power and cable lines and placing them underground. This vote did not involve the commitment of funds or the broader community to any obligation. It was publicized on websites, e-newsletters and was covered by the local press.

The 2016 vote was managed by the City of Punta Gorda to approve the \$75 assessment to fund the FPL engineering study. It was conducted after a series of all-community mailings, group discussions and a highly publicized, well attended, public community meeting. The results were publicized by the local and regional press, the city council and government newsletters, on the BSIA website and social media.

Q: Of the \$75 assessment collected to pay for the FPL engineering study, how much was spent? Are there any remaining funds and if so what happened to the money?

A: All the funds collected were spent on the study.

Q: Will additional easements be required or needed from any BSI property owners to accommodate the location of the transformers and switch cabinets?

A: Estimated easement costs, if any, are included in the overall project costs unveiled at the community meeting.

Q: Who paid for the lines on Madrid Court to be placed underground? Will they be required to pay the assessment?

A: The property owners paid the cost. The definition of assessment unit, number of units, and apportionment per unit will be determined based on the methodology/feasibility report if the project is approved.

Q: If the current light poles are taken down how is street lighting provided? What will the new street lights look like? Do we have a choice of designs? What kind of street lights do we get?

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A: This will be determined in future meetings with FPL if the project is approved.

PROPERTY VALUES/IMPACT ON BSI

A: Have there been any studies done to determine the impact on property values after underground utilities have been installed? Will underground wiring add value to my house or condo? How will having a big box on someone's front yard increase the home's value?

A: None that we are aware of at this time.

Q: Will we be able to re-coup our investment?

A: No one can predict the movement of property values with precision. But, we have clearly seen that property prices continue to rise as BSI is built out. We believe that eliminating the unsightly overhead distribution system will increase the desirability of property in BSI, further separate BSI from other neighborhoods that do not make this improvement and allow BSI to keep pace with new developments in the area that are being constructed with underground utilities.

Q: If my property value goes up because of this project won't I have to pay more in property taxes?

A: While your taxable assessed value may go up, your final tax bill will be determined by the millage rate that each governing body imposes for that given year.

Q: Will there be a property tax reduction if you have a switch cabinet on your property?

A: None that we are aware of.

Q: Will BSI realize any benefit from residual materials such as copper, poles, etc.?

A: No.

ALTERNATE CABLE/INTERNET/TV PROVIDERS

Q: Have you looked into or considered a second cable provider to get competitive bids?

Q: Comcast is an ISP and unregulated. Installation charges are paid by the users and not the City government. Recommend competition with other ISP companies such as Century Link to get a better price.

Q: Why not add “Hotwire” capability as another cable competitor?

Q: What about the coming implementation 5G by cell companies and the need to install small antennas on poles every 300 feet throughout the neighborhood? How will we do this with the power poles removed?

Q: Was FIOS from Verizon considered?

A: No. Comcast has an agreement with FPL to utilize their poles to carry their distribution system and so they must be included in the project to have the poles removed. Comcast has a non-exclusive agreement with the City so another company is free to request authorization to install a competitive system at any time.

FLORIDA POWER & LIGHT

Q: Would the work be done in phases?

A: Yes, the work would be accomplished in three phases as indicated on this map. (This response from the material provided by FPL for the Community meeting)



Q: What will the equipment look like? How big are they? How many are required per household?

A: The following types of equipment will be installed: (This response from the material provided by FPL for the Community meeting)

Single Phase Transformer



Typical dimensions of equipment (pictured): 40 inches long by 36 inches wide by 26 inches tall

Typical concrete foundation dimensions for transformer: 55 inches long by 48 inches wide and 6 inches tall

Required easement for equipment's installation and operation: 10 feet by 10 feet

Typically if you have a power pole today this will likely take its place.



Underground Feeder Splice Box

Typical dimensions of equipment 120 inches long by 60 inches wide by 41 inches deep

Required easement for equipment's installation and operation: 22 feet by 7 feet

Q: "I was surprised to see a photo of an FPL "Underground Feeder Splice Box" in the BSIA presentation (page 32) last night. I had known that we would be getting ground slab mounted transformers (351 of them); 10 Vista switchgear boxes (although the BSIA map shows 11) and now 22 Underground Feeder Splice Boxes. These boxes are 10 feet by 5 feet and 41 inches deep. They would be installed with the top flush with existing ground elevation. Look at the photo in the presentation. There will be 21 more of these located in BSI. Since these were not shown on the BSI map at the meeting, why are we just learning about these now? Where are they located on the plans submitted to the City?"

A: (This response from the material provided by FPL for the Community meeting)



Vista Switch Cabinet

Typical dimensions of equipment (pictured): 68 inches long by 79 inches wide by 40 inches tall

Typical concrete foundation dimensions for transformer: # inches long by # inches wide

Required easement for equipment's installation and operation: 20 feet by 20 feet

Q: Using the Vista cabinet information, an easement requirement of 20 ft. x 20 ft. is needed for installation and operation. Does that mean an area of 20x20 cannot be landscaped so as to hide the 5'8" x6'5" x 40" equipment?

A: Response to come from FPL

Q: Will the FPL transformers and switches be at ground level on concrete pads or built up from the flood plain level?

A: On concrete pads at ground level.

Q: Will the lines be installed by trenching or horizontal boring?

A: Response to come from FPL

Q: Will any of the new pad mounted transformers or switches contain PCB or the latest replacement oil?

A: Response to come from FPL

Q: Are the lines that are currently underground from the pole to the houses up to the latest code? I understand that hundreds of homes in BSI will require new underground service lines because FPL will have moved the locations of transformers and handholds. This work will include trenching, laying of conduit and landscaping or paving. Who pays for this work?

A: Response to come from FPL

Q: How many FPL boxes will go in one yard? One street? Who determines the number and placement?

A: Response to come from FPL

Q: What about the FPL pilot program we heard about to put power lines underground at no charge to the customers?

A: Response to come from FPL

Q: What about the new Florida law (HB 797/796) requiring utilities to include underground power in their storm hardening plans?

A: Response to come from FPL

Q: What is the Life expectancy of underground utilities?

A: Response to come from FPL.

Q: Will the underground utilities result in fewer power outages?

A: Response to come from FPL

Q: Can't underground utilities be affected by many of the same problems that affect overhead systems?

A: Response to come from FPL

Q: At the original meeting we were told that with underground utilities after any major hurricane power would be restored in under 3 hours. Is this still the case? If not how long will the power be out? As long a time as with overhead wires?

A: Response to come from FPL

Q: What is the possibility of losing power if the feeder system along Rt. 41 goes down? Are there plans to harden the lines along Rt. 41? If the feeder system goes down what happens to the BSI underground power?

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A: Response to come from FPL

Q: Has FPL reduced their cost estimate to take into consideration the benefits of installing new equipment that is more efficient, less likely to fail and no more overhead line losses?

A: Response to come from FPL

Q: Given all the new equipment, will our power bills go down because of increased efficiency and lower maintenance costs to FPL?

A: Response to come from FPL

Q: What will be done to harden the lateral lines, substations and distribution systems to prevent them being damaged in a Super Storm Sandy type of event where they were flooded and destroyed?

A: Response to come from FPL

Q: In a storm surge will the new pad mounted transformers and switches short out and have to be replaced?

A: Response to come from FPL

Q: Who is responsible for repairing damage from whatever source (accident, storm , rodents) to a part of the underground system?

A: Response to come from FPL

Q: Is this project considering the increase in electricity demand as the result of development such as larger houses with AC units and more all electric cars coming into the BSI community?

A: Response to come from FPL

Q: When the weather gets cool we seem to have a number of water main/service lateral breaks in BSI. Why will FPL locate their buried primary wiring adjacent to the city water main, especially along the entire length of Macedonia? Will water main breaks necessitate the shutdown of electric service before repairs can be made?

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A: Response to come from FPL

Q: Will the underground power include 3 phase?

A: Response to come from FPL

Q: Why can't some of the FPL equipment be installed in the cul-de-sacs?

A: Response to come from FPL

Q: How many transformers have failed or exploded in BSI in the last year, last 5 years, last 10 years?
How many power outages were caused by fallen trees due to a storm?

A: Response to come from FPL

Q: Will we be renting our equipment from FPL? If so, how much are they paying?

A: Response to come from FPL

Q: How is the FPL Solar Renew program factored into the proposal?

A: Response to come from FPL

Q: Are the existing lines that are underground from the pole to the houses in BSI up to current codes?

A: Response to come from FPL

Q: What happens if all of Florida goes to underground power? How will that impact this project and the cost we are paying?

A: Response to come from FPL

Q: Will the new equipment eliminate the need for the surge protectors that we currently pay for?

A: Response to come from FPL

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Q: If I have questions who can I contact at FPL?

A: Please contact the following individuals:

FPL:

Charlotte Miller

FPL Area Manager, SW Florida External Affairs

Phone: 239-332-9103

E-mail: Charlotte.R.Miller@fpl.com

COMCAST

Q: if I have questions who can I contact at Comcast?

A: Comcast:

Jen Boyett

Senior Manager, External Affairs

Comcast – Florida Region – Southwest

Phone: 239-318-1549

E-mail: Jen_Boyett@cable.comcast.com

Q: What type of equipment will Comcast install in BSI? How many boxes per yard?

A: Pedestals would be installed approximately one in-between every other house. Utility boxes would be installed approximately one per street. Here is a photo of the type of equipment that would be installed. (This response is from the material provided by Comcast for the Community meeting.)



Comcast Field Equipment

Q: Every other house will have a Comcast pedestal or utility box on the property. How big are these units are and how much clearance will they require?

A: Response to come from Comcast

Q: Will there be any change or improvement to the services offered by Comcast?

A: This is a relocation of wires. There will be no change to current service. (This response is from the material provided by Comcast for the Community meeting.)

Q: Does the Comcast estimate include a conversion to fiber optic cable? If not, why not?

A: Response to come from Comcast

Q: Will the lines be installed by trenching or horizontal boring?

A: Response to come from Comcast.

Q: Why wasn't a system map provided that shows the equipment locations like FPL?

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A: Response to come from Comcast.