# Utility Undergrounding



Frequently Asked Questions

When considering a major project such as the undergrounding of electric, cable and other utility lines, the Town of Surfside seeks to provide information to residents so that informed decisions can be made while contemplating the conversion.

#### Q: What is this undergrounding project about?

A: There are currently 23 miles of above ground electric cable, 537 poles and 278 overhead transformers in Surfside. There are also miles of above ground AT&T and Atlantic Broadband cables and related devices. All of this will be gone when the project is complete.

#### Q: What will replace all this?

A: Fifty miles of electric cable, 24 waterproof electric switching devices, 307 transformers and 22 splice boxes. There will also be boxes for cable and telephone. All cables will be underground and any above ground boxes or switches will be located at lot lines to the best of our ability.

### **Q:** Why must some of the equipment in an underground system remain above ground?

A: Conduit and cable can be placed underground, which eliminates poles, wire and transformers. Switch cabinets need to be accessible to utility crews at ground level for timely maintenance, outage repairs, rerouting power and other functions.

#### Q: Can I landscape around of these boxes?

A: Yes, as long as the landscape does not deny access to the box.

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#### Q: Why go to all this trouble?

A: First and foremost is reliability. Our above ground system is 50 years old and has been depreciated to \$104,000 on FPL's books. Similar low numbers exist for cable and telephone.

Second, there is broad consensus that hurricane wind damage to below ground systems is much less than above ground systems. Flood surge recovery has less consensus. That is why this project includes waterproof switch gear boxes. The transformers on the ground are relatively easy to replace compared to replacing a pole particularly if that pole is in a backyard.

#### Q: Have there been any studies by independent groups on the speed of recovery issue or the cost effectiveness of these underground projects?

A:There have been a number of studies and all reach different conclusions. These studies are available on the Town website and you are invited to draw your own conclusions.

#### Q:What will this project cost?

A:The project will cost \$8.2 million including FPL, Atlantic Broadband and AT&T. Negotiations are underway with the cable and telephone providers to lower their costs. FPL has reduced its costs by 25 percent due to the "hardening" of this system as required by Florida law and the Public Service Commission.

#### Q: How will the Town pay for this?

A: Depending on the cost reductions available from the cable and telephone companies, the cost will be funded with a \$12 per month surcharge on electric bills for residents and a \$20 - \$50 per month surcharge for commercial businesses if the debt is paid off in 15 year. If it is paid off in 20 years, the cost will be \$10 per month.

## **Q:** How many customers of FPL are there in Surfside?

A: There are 3501 residential customers and 230 commercial customers.

#### **Q:** Is it fair that folks who are already underground should help pay for this project?

A: Yes. The underground areas today were not paid for by the builders of the projects along Harding and Collins Avenues so the underground cost was not included in the price of the original units. These undergrounding costs were funded by the FDOT when Collins and Harding Avenues were upgraded so everyone's gas taxes paid the cost including non Surfside residents. Further, we are a community where everyone will benefit by the aesthetic and reliability benefits and our downtown will be much improved.

### **Q:Will my property value increase when the project is complete?**

A:Most likely, however, property values are governed by many complex factors including investment in the property itself and the market factors for real estate in general.



A digitally altered photograph (right) shows a streetscape after undergrounding of utilities would result in the removal of poles and overhead wires.



### Town of Surfside

### **Q:** Okay, enough with the big picture. What will be in front of my house?

A: A six square foot transformer box painted green, located to the best of our ability on property lines. You may also have a small telephone or cable box, however, these appear much less frequently then the transformer boxes.

#### Q:You just replaced a portion of my driveway for the water/sewer/storm drainage project. Here we go again.

A: We understand. We will bore under your driveway and it will not need to be replaced.

#### Q: What about the street, you just repaved it?

A: The Town spent \$300,000 to install the conduits in any location where the former above ground wires cross the street. FPL provided the conduit at no cost to the Town. The undergrounding project will not need to break the new asphalt.

#### Q: Will my yard have to be dug up again?

A: Yes. The wires that go to your house above ground will come in below ground. Just as we did with the water service, there will be an individual plan to bring the wires on your property. We will work with every impacted property to minimize the impact.

#### Q: That sounds expensive. Do I have to pay?

A: Just like the water service, the project absorbs that cost from the easement to your house.

### **Q:** My house is very old. Will I have to pay to upgrade my wiring and my panel?

A: Possibly. There are perhaps 100 homes in Surfside with very old electric service which is unsafe and does not meet current codes. We will work closely with every home in this condition to minimize the cost to improve safety related issues and you will have better service as a result.

> An advantage of undergrounding utilites is evident after a hurricane or powerful wind event.

### Q: Wait a minute, I am on a fixed income and can't afford the monthly cost plus the upgrade.

A: There will be a program where truly fixed income people without assets will have the upgrade funded by the Town with the loan to be repaid when you sell the house.

#### **Q:** We just suffered through a year of water/ sewer/storm drainage construction. Here we go again.

A: We feel your pain. The construction for the underground project will not start for at least a year. It also goes quickly since the new wires go in the 5 foot easement the Town controls and the entire road does not have to be replaced. The Town will be divided into three areas which will require 4-6 months each. We will start on the South side again.

### **Q:** Do you energize one home at a time with the new system? Will I have a break in service?

A: No. An entire group of homes must be energized with the new system and then the poles can be removed. Every home or business in a defined area must be connected before the area is converted. Not one home or business will be left out and the downtime is very brief and you will be notified well in advance.

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### IMPORTANT INFORMATION REGARDING THE COST OF UNDERGOUNDING YOUR UTILITIES

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### **Q:** Times are tough and this is not a necessity. Why not wait?

A: There are a number of reasons to move forward. The first is that we have a time limit of the end of March, 2013 to decide. This time limit is established by the laws and policies which govern FPL undergrounding programs. Second, the cost of construction is about as low as it will get. The building industry is starting to recover and interest costs are very low. The loan necessary for this project is projected to carry a 3 percent interest rate.

### **Q:** Will we lose any money if the project does not move forward?

A: We spent \$58,000 for the FPL study. That will be lost. There is also \$300,000 worth of conduit in the ground that could be used if the project is done in the future.

#### FOR MORE INFORMATION: www.townofsurfsidefl.gov

# Q: Okay, you convinced me that this is a good thing. Is there any other way to pay for it?

A: Yes. A voted assessment district which requires a 50 percent plus one majority. The assessment would go on your tax bill.

### **Q:** What if I am opposed to the project? How do I express that opposition?

A: Come to any or all of the five public meetings and express your opinion. You will also have an opportunity in the final decision making discussion at the February 12, 2013 and March 12, 2013 Town Commission meetings to express your opinion. This is and will continue to be a very open process and your input is welcome and encouraged.

#### Q: One final question. Can I get AT&T U-verse if this project occurs and will the Town Commission meetings be broadcast?

A: We are working on that with AT&T and the answer looks good.