Title: Overhead to Underground Conversion Incentive Policy

Background

Florida Power and Light (FPL) does not currently have an overhead to underground conversion program. They do however have a "hardening" program mandated by the Public Service Commission, whereby existing older poles are being replaced with more substantial poles, and this has been in progress since 2006 following the effects of Hurricane Wilma.

The advantage of undergrounding overhead utilities (electric, cable and phone) includes greater resiliency in severe weather conditions such as lighting and wind and reducing power interruptions to our customers, especially due to tree and other vegetation issues. While undergrounding electric utilities also enhances the aesthetic appearance of the City, maintaining power, especially during emergencies, is in the best interest of the residents' health and safety. Several areas in the City have already been undergrounded (Pompano Beach Boulevard, Old Pompano, Briny Avenue, etc.) and there will be more areas completed in the future.

This policy is being developed for the City to participate in subsidizing the costs associated with overhead to underground conversions. The City will allocate a budget up to \$500,000 for undergrounding utilities match each fiscal year. These would be City dollars matched with private monies as an incentive to those private entities who are already engaged in modernizing their properties.

The City will review requests for eligibility based on the following criteria:

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Criteria:

- This will be on a first come first serve basis for each fiscal year, until the budgeted allocation has been exhausted.
- All private properties are eligible (commercial, residential, etc.) provided they are modernizing their properties as determined by City Manager or his/her designee.
- Precedence for undergrounding may be given to areas where hardening by FPL is scheduled or to major corridors in City.
- > FPL may first be required to approve area under consideration for undergrounding.
- City may subsidize up to 40% of total undergrounding based on estimate to be approved by City Manager or his/her designee.
- Private property owners will be responsible for advancing all necessary funds, coordinating the design, granting easements, permits, construction, etc., with the overhead utility companies. City will only be responsible for partial reimbursement following completion of project.
- Subsidizing will be completed through a "Reimbursement Agreement" requiring City Commission review and approval.

cc:

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