

Meeting: UUTF

Location: Chambers

Start: 8:58

Date: 03/07/17

Adjourn: 1:41

-- MEETING ACTION SHEETS --

ROLL CALL: Mr. Parker / Mr. Gulbrandsen / Mr. Ross / Mr. Smith / Ms. Gary / Mr. Dowell / Mr. Bottorff / Mr. Wolin

Notes for Follow-Up:

Item: III / AgendaMotion: Approve - Approve as Amended - Defer - Deny - Other:

Mr. Bottorff	Mr. Dowell	Ms. Gary	Mr. Gulbrandsen	Mr. Parker	Mr. Wolin	Mr. Ross	Mr. Smith
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Item: V / MinutesMotion: Approve - Approve as Amended - Defer - Deny - Other:

Mr. Bottorff	Mr. Dowell	Ms. Gary	Mr. Gulbrandsen	Mr. Parker	Mr. Wolin	Mr. Ross	Mr. Smith
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Item: VI / Election V.C.Motion: Approve - Approve as Amended - Defer - Deny - Other:

Mr. Bottorff	Mr. Dowell	Ms. Gary	Mr. Gulbrandsen	Mr. Parker	Mr. Wolin	Mr. Ross	Mr. Smith
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Item: VII / Peer ReviewMotion: Approve - Approve as Amended - Defer - Deny - Other:

Mr. Bottorff	Mr. Dowell	Ms. Gary	Mr. Gulbrandsen	Mr. Parker	Mr. Wolin	Mr. Ross	Mr. Smith
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Item: VII / Mr. Dowell Intro. Candidate for UUTFMotion: Approve - Approve as Amended - Defer - Deny - Other:

Mr. Bottorff	Mr. Dowell	Ms. Gary	Mr. Gulbrandsen	Mr. Parker	Mr. Wolin	Mr. Ross	Mr. Smith
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Item: VIII / TW Status Underground Rep.Motion: Approve - Approve as Amended - Defer - Deny - Other:

Mr. Bottorff	Mr. Dowell	Ms. Gary	Mr. Gulbrandsen	Mr. Parker	Mr. Wolin	Mr. Ross	Mr. Smith
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* Bottorff Reg. Change to MM. Amend. (7:49:58)

Can they
agree

to Add

Item: VIII /

Motion: *Approve - Approve as Amended - Defer - Deny - Other:*

✓ Gulbrandsen (7:12:59)

Mr. Bottorff

Mr. Dowell

Ms. Gary

Mr.
Gulbrandsen

Mr. Parker

Mr. Wolin

Mr. Ross

Mr. Smith

Item: /

Motion: *Approve - Approve as Amended - Defer - Deny - Other:*

Mr. Bottorff

Mr. Dowell

Ms. Gary

Mr.
Gulbrandsen

Mr. Parker

Mr. Wolin

Mr. Ross

Mr. Smith

Item: /

Motion: *Approve - Approve as Amended - Defer - Deny - Other:*

Mr. Bottorff

Mr. Dowell

Ms. Gary

Mr.
Gulbrandsen

Mr. Parker

Mr. Wolin

Mr. Ross

Mr. Smith

Item: /

Motion: *Approve - Approve as Amended - Defer - Deny - Other:*

Mr. Bottorff

Mr. Dowell

Ms. Gary

Mr.
Gulbrandsen

Mr. Parker

Mr. Wolin

Mr. Ross

Mr. Smith

Item: /

Motion: *Approve - Approve as Amended - Defer - Deny - Other:*

Mr. Bottorff

Mr. Dowell

Ms. Gary

Mr.
Gulbrandsen

Mr. Parker

Mr. Wolin

Mr. Ross

Mr. Smith

Item: /

Motion: *Approve - Approve as Amended - Defer - Deny - Other:*

Mr. Bottorff

Mr. Dowell

Ms. Gary

Mr.
Gulbrandsen

Mr. Parker

Mr. Wolin

Mr. Ross

Mr. Smith

Item: /

Motion: *Approve - Approve as Amended - Defer - Deny - Other:*

Mr. Bottorff

Mr. Dowell

Ms. Gary

Mr.
Gulbrandsen

Mr. Parker

Mr. Wolin

Mr. Ross

Mr. Smith

COMMUNICATIONS FROM CITIZENS:

Any citizen is entitled to be heard concerning applicable matters under the section(s) entitled "Communications from Citizens," subject to the three-minute limitation.

OTHER AGENDA ITEMS:

Any citizen is entitled to be heard on any official agenda item when the Task Force calls for public comments, subject to the three-minute limitation.

Task Force Meetings are public business meetings and, as such, the Task Force retains the right to limit discussion on any issue.

Memo

To: Underground Utilities Task Force (UUTF) Board Members

From: Thomas G. Bradford, Town Manager

CC: Jay Boodheshwar, Deputy Town Manager; H. Paul Brazil, P.E., Director of Public Works; Jane Struder, Director of Finance; Patricia Strayer, P.E., Town Engineer; Kevin Schanen, P.E., Kimley-Horn; Rick Asnani, Cornerstone Solutions

Date: 03/05/2017

Re: UUTF Agenda Items for the March 7, 2017 UUTF Meeting

This memorandum and its attachments serve as the written backup material associated with the agenda for your UUTF meeting on March 7. It follows the order of the items appearing on the UUTF agenda for the meeting.

The substantive items on this agenda are as follows:

V. MINUTES

The minutes for the February 7, 2017 UUTF meeting (**Exhibit A**) are ready for your review and approval. If you find there is an error or omission, please feel free to ask for a correction at the meeting. Your requests will be noted in the minutes of this meeting and the requested changes to the minutes will be made by staff.

VI. ELECTION OF VICE CHAIR FOR THE TASK FORCE

Thomas G. Bradford, Town Manager

Vice-Chair Wilbur Ross has been confirmed as the new Secretary of Commerce. Therefore, his resignation from the UUTF became effective upon his appointment. I am of the opinion the Task Force should elect from among its members a Vice-Chair to chair the meetings in the absence of the Chair. Also, I will move immediately to solicit for a person to fill the seat vacated by Mr. Ross.

VII. CONSIDERATION OF PEER REVIEW OF KIMLEY-HORN OPINION OF PROJECT COST

Jeffery W. Smith, Chair, Underground Utilities Task Force

Chairman Smith wishes to discuss with you the merits of the Task Force recommending to the Town Council a peer review of the Opinion of Cost prepared by Kimley-Horn for the Townwide Underground Project.

VIII. TOWNWIDE UNDERGROUND PROJECT STATUS REPORTING

A. Review of Project Dashboard, a Synopsis of Project Status

Jane Struder, Director of Finance

Ms. Struder's dashboard, attached hereto as **Exhibit B**, continues to indicate that the GO bond schedule is off-track, that the lawsuits trial date has not yet been set and provides a rave to those that found savings when walking the Phase 1 project area and to Jay Boodheshwar and our office staff for the help provided in securing easements in the Phase 1 South project area in a timely manner.

B. Kimley-Horn Monthly Status Report

Kevin Schanen, P.E., Kimley-Horn

Mr. Schanen's written monthly project status report begins on **page 3** of the Dashboard materials attached as **Exhibit B**.

C. Update on Cost Saving Efforts with FPL and Legacy Telecoms

Kevin Schanen, P.E., Kimley-Horn

Most of what Mr. Schanen may speak to is referenced in the PowerPoint presentation he plans to review at the meeting with you. It is attached hereto as **Exhibit C**.

D. Master Plan Draft Document – UUTF Feedback

Kevin Schanen, P.E., Kimley-Horn

At this point we will ask for your feedback about the draft Master Plan document provided to you last month. For reference, the digital Master plan is online and can be accessed at the following link:

<https://www.joomag.com/magazine/palm-beach-undergrounding-master-plan/M0608550001486733829>

A toolbar on the left edge of the master plan digital online document allows you to download the masterplan as a PDF to have your own digital document should you choose and manipulate it as you may wish.

E. Nightingale Trail/La Puerta Way Neighborhood Underground Project Update
Patricia Strayer, Town Engineer

Ms. Strayer's report is attached as **Exhibit D**. There were some questions about this project last month the Task Force asked which can be answered by Ms. Strayer.

IX. CORNERSTONE SOLUTIONS COMMUNICATIONS UPDATE
Rick Asnani, Cornerstone Solutions

Mr. Asnani will give you a report on the presentations to the public we have scheduled along with information about other related communication activities. There is no report to attach in this regard although Mr. Asnani may have a PowerPoint to aid in presenting the report at the meeting.

If you have any questions, staff will be happy to attempt to answer the same before or during the UUTF meeting.

**MINUTES OF THE UNDERGROUND UTILITY TASK FORCE MEETING
HELD ON FEBRUARY 7, 2017**

I. CALL TO ORDER AND ROLL CALL

The Underground Utilities Task Force Meeting was called to order on Tuesday, February 7, 2017 at 9:04 a.m., in the Town Council Chambers. On roll call, all members were found to be present, with the exception of Vice Chairman Wilbur Ross, and Task Force Member Dennis Bottorff who arrived at 9:36 a.m.

II. PLEDGE OF ALLEGIANCE

Chair led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

On call for a vote, the agenda was approved 6-0, with Vice Chair Ross and Task Force Member Bottorff absent.

IV. COMMUNICATIONS FROM CITIZENS- (For Matters Not on the Agenda; 3 Minute Limit, Please)

There were none.

V. MINUTES

- A. UUTF Meeting Minutes of January 5, 2017
- B. Special UUTF Meeting Minutes of January 23, 2017

On call for a vote, the Underground Utility Task Force Meeting Minutes of January 5, 2017 were approved 6-0, with Vice Chair Ross and Task Force Member Bottorff absent.

On call for a vote, the Special Underground Utility Task Force Meeting Minutes of January 23, 2017, were approved 6-0, with Vice Chair Ross and Task Force Member Bottorff absent.

VI. TOWNWIDE UNDERGROUND PROJECT STATUS REPORT

1 A. **Review of Project Dashboard, a Synopsis of Project Status**

2 *Jane Struder, Director of Finance*

3
4 Finance Director Jane Struder introduced presenters, Kimley-Horn
5 Professional Engineer Kevin Schanen and Town Engineer Patricia
6 Strayer, for the overview of the Undergrounding Dashboard and Monthly
7 Report Schedule for Draft Master Plan.

8
9 B. **Update on the Nightingale Trail/ La Puerta Way Neighborhood**
10 **Underground Project**

11 *Patricia Strayer, P.E., Town Engineer*

12
13 Town Engineer Patricia Strayer provided an overview of Nightingale Trail
14 and La Puerta Way Neighborhood Underground Project. Discussion
15 ensued regarding the project area, communication to citizens with regards
16 to construction impact, services used to avoid impact of roadways to North
17 of Nightingale and South side of La Puerta, and special assessment costs.
18 Special assessment costs were noted as charged to future Town-wide
19 Undergrounding. Town Manager Tom Bradford estimated costs for these
20 unrelated assessments at \$600,000.

21
22 Discussion ensued regarding highlighted roles and responsibilities of
23 construction project management with Danella, Kimley-Horn, and utilities.
24 Danella is working with FP&L to handle utilities conduit and trunk-line
25 installation, electric meter box converting to overhead line and restoration.
26 Comcast and AT&T handling their own cable pulling and installation of
27 service connections. FP&L, AT&T, and Comcast will remove poles and
28 cables. Town Engineers are managing overall project with emphasis on
29 Danella pace and attention to detail, and Kimley-Horn response to resident
30 complaints.

31
32 Discussion ensued regarding scope, schedule, and status of project
33 undergrounding.

34
35 Scope: Construction noted as only 1 week behind schedule due to
36 Matthew, paving and drainage with La Puerta Way in progress, and
37 Nightingale Paving and Drainage successfully completed a couple years
38 ago.

39
40 Schedule: First milestone mid-March for conduit installs, paving, grading,
41 and drainage. Asphalt down, full paving will be complete near end of
42 project. March-June utilities conduit to be pulled with ATT & equipment
43 installed. Danella installing FP&L equipment. June-August transfer
44 residents from overhead utility to energizing of undergrounding. August-
45 October removing poles and the final restoration of paving.

1 Status: All drainage infrastructure has been installed (about 15 structures)
2 and conduit, cable, and equipment in progress (approximately 1500 linear
3 ft. on conduit installed). 11 service boards on private property complete.
4 Next steps- easement (7 transformer pads projected in March), utility
5 coordination & installation.
6

7 Nightingale had 4 bidders for the project. Danella was the lowest bid and an
8 outlier which in came in low to demonstrate they can do the work. Hypower,
9 Danella and Mears were all certified FP&L contractors.
10

11 Professional Engineer Patricia Strayer responded to questions regarding
12 cost per property by Task Force Member Mr. Bottorff, and will further
13 address next meeting.
14

15 Task Force Member Susan Gary expressed concern with low bid being over
16 budget, abuse of rules with construction laydown area, and requested a list
17 of bidders to compare numbers and specifics regarding low bid choice for
18 next meeting.
19

20 Task Force Chairman Jeffery Smith requested specifics on complaints from
21 residents. Town Engineer Patricia Strayer responded: exhaust burns/burn
22 marks, broken water irrigation, and roadway flooding with an emphasis that
23 complaints have been fairly low and that moving forward they will be re-
24 evaluating laydown area to keep resident complaints minimal.
25

26 **C. Master Plan Draft Document – Brief Introduction and Review**
27 *Kevin Schanen, P.E., Kimley-Horn*
28

29 Professional Engineer Kevin Schanen provided an overview of the Master
30 Plan Draft for Town-Wide Undergrounding and noted a full presentation of
31 the Master Plan Draft will be presented after costs and schedules are
32 complete.
33

34 Discussion ensued regarding the Master Plan Draft for Town-Wide
35 Undergrounding. Project Manager Kevin Schanen complimented the
36 teamwork of over 100 people who assisted with the completion of the Draft
37 Master Plan within 7-8 months. Further discussion ensued regarding
38 technical accomplishments and improvements, coordination of
39 infrastructure, and overview of the Contents of the Master Plan Chapters 1-
40 12.
41

42 **Clerk's Note: Chapter 12 packet handout was supplied to Task Force**
43 **Members for review and feedback regarding probable construction**
44 **costs which were not included in print of the Master Plan Draft due to**
45 **print deadlines. Mr. Schanen will use Task Force feedback to**
46 **complete updates to the Master Plan Draft for further discussion**
47 **during Task Force Meeting in April.**

1 Task Force Member Thomas Parker mentioned concerns regarding
2 aesthetics, safety, and reliability of the project.
3

4
5 Task Force Member Susan Gary requested a full presentation of the Master
6 Plan Draft at the next meeting for Task Force members and the community.
7

8 Task Force Member Susan Gary requested options to speed up scheduling
9 due to over budget concerns. Discussion ensued regarding the
10 aggressiveness of the current schedule, sequencing, and phasing of the
11 project. Town Manager Tom Bradford commented the need to let Phase 1
12 get underway to allow time to re-evaluate and assist with speeding up the
13 project.
14

15 **D. Kimley-Horn Monthly Status Report**

16 *Kevin Schanen, P.E., Kimley-Horn*
17

18 Project Manager Kevin Schanen provided an overview of the Monthly
19 Status Report for January and February. Discussion ensued regarding
20 January and February broadband costs and schedules, RFI, and revenue.
21 Broadband revenue and cost comparisons are estimated to be presented
22 during the April Task Force meeting.
23

24 Discussion ensued regarding detail design phase advertisements for Phase
25 1 North and Phase 1 South, construction management, pre-proposal
26 meetings, CMAR bids, easement acquisitions status, CMAR procurement
27 process, sub trades bidding process, and GMP negotiation and approval
28 process. Financing will proceed and will not impact schedule to meet mid-
29 June construction due to overlapping of phases due to weather, etc.
30

31 Task Force Member Anthony Dowell suggested the use of a notary in the
32 field to assist with easement acquisition. Mr. Schanen responded it is rare
33 to execute an easement agreement on the spot, and further added town
34 engineers and Deputy Town Manager Jay Boodheshwar will be contacting
35 residents via correspondence and/or phone to assist with easement
36 acquisition before legal representation is used.
37

38 Discussion ensued regarding Saves and Raves. Mentioned were AT&T's
39 agreement to modify design standards to assist the Town with savings for
40 conduit installation which will save the town over \$500-\$600,000, "and"
41 AT&T delivered conduit design 2 days prior to deadline.
42

43 **E. Current Conceptual Opinion of Probable Cost for the Undergrounding
44 Program**

45 *Kevin Schanen, P.E., Kimley-Horn*
46

1 Mr. Schanen presented an overview on his "Opinion of Probable Costs".
2 Discussion ensued regarding assumption and qualifications, comparison
3 costs, cost/revenue refinement, and process description.
4

5 Discussion ensued regarding costs with contingency vs. no contingency,
6 inflation vs. no inflation for Phase 1- through Phase 8 with CMAR, conduit
7 installations, utilities ownership, utility services restoration/repair/replace
8 lines, switch gear standard vs. vista style, value engineering, "Optionality"
9 approach, winter and summer phases, overlap and grant opportunities with
10 FEMA.
11

12 Task Force member Jeffery Smith requested imagery of the switches for
13 the next Task Force Meeting. Task Force Member Susan Gary
14 recommended Task Force input to get project costs under \$90 million.
15

16 Task Force Member Dennis Bottorff commented on milling total
17 adjustments at \$25M with the need to get numbers closer to reality, bond
18 issuance vs. creative financing, and Task Force obligation to adhere to
19 resident's agreement to terms of project and costs.
20

21 Town Manager Bradford recommended sales tax stay on hold.
22

23 Task Force Member Donald Gulbrandsen commented on milling budget
24 and contingency.
25

26 Task Force Member Susan Gary recommended an "Industry Day" to
27 receive recommendations for the Task Force.
28

29 Professional Engineer Kevin Schanen confirmed after finalized master plan
30 an Industry Day is in the scope to receive input from contractors into the
31 process, and to find out techniques or approach to receiving proposal for
32 preconstruction services.
33

34 Director of Public Works Paul Brazil gave a brief overview of the RFP
35 process and added everything with the process is public record -nothing is
36 proprietary.
37

38 FP&L Representative, Sophia Eccleston, confirmed FP&L original non-
39 binding estimate of \$35 million from 2014 which included standard
40 equipment (vista switches are not part of the estimate), FP&L's
41 transparency with the Undergrounding Project, and due to regulations FP&L
42 cannot provide binding estimate until paid to do so. She added she is not
43 aware of the \$43 million communicated by Kimley-Horn.
44

1 FP&L Representative, John Lehr, commented on easements, transformer
2 design, field modifications, binding cost estimates for each project phase,
3 annual re-estimates, and ballpark estimate.

4
5 Task Force Member Jeffery Smith requested FP&L binding estimate on
6 each Phase of the project.

7
8 Task Force Member Thomas Parker commented on FP&L relationship as
9 partnership sharing cost, operating transparently with good communication,
10 and requested phase cost estimates.

11
12 Chairman Jeffery Smith requested an updated non-binding budget from
13 FP&L for Task Force review and consideration, and recommended using
14 Preservation Foundation to institute a fundraising drive to preserve town
15 street light fixtures.

16
17 Task Force Member Susan Gary addressed concerns regarding no street
18 lighting in the North-end is a deficit in basic infrastructure and safety.

19
20 Town Manager Tom Bradford responded with details regarding town policy
21 for decorative and standard street lighting.

22 23 VII. TOWN-WIDE UTILITY UNDERGROUNDING FINANCING OPTIONS

24 *Jay Glover, PFM*

25
26 ***Clerk's Note: Task Force Member Mr. Thomas Parker left the meeting due***
27 ***to employer request.***

28
29 Professional Financial Management (PFM) representative, Jay Glover, provided
30 an overview report of financing options for undergrounding utilities town-wide
31 based on Phase 1 and Phase 2, line of credit options (LOC), Hedge Fund interest
32 rates and volatility, and interest rate models for long term vs. short term.

33
34 Mr. Glover suggested that as more definitive answers on the assessment
35 methodology, the costs, and the lawsuits were clarified, the consideration of
36 financing could be more specifically addressed. Mr. Glover suggested building a
37 point into the interest rates for assessment methodology, clearly communicating
38 to citizens the maximum annual assessments, including a payment upfront option
39 for those who would like to prepay and not be involved in financing, and if lawsuits
40 are not resolved and town would like to move forward to use alternative financing
41 non ad valorem for short term financing.

42
43 Task Force Member Donald Gulbrandsen questioned Town Manager Tom
44 Bradford to inquire when Town Council would be requesting recommendation
45 from Task Force with regards to financing.

Town Manager Tom Bradford responded with:

- March Town Council Meeting, Town Council will be considering assessment methodology
- April Town Council consideration of Initial Assessment Resolution
- May Town Council Adoption of Assessment Methodology along with estimated project cost for first half of project
- April/May Task Force Meeting recommendation for financing

Task Force Member Donald Gulbrandsen recommended LOC for \$10M, watch as lawsuits provide clarity, then set the GO Bond at that moment and not do Hedge.

Town Manager Tom Bradford commented that assessments in Florida are very clear in case law where the Courts give great credence to the deliberations in the decisions of the governing body related to the efficacy of the methodology.

VIII. COMMUNICATIONS FROM CITIZENS

Harris Fried, 212 Oleander Ave, Palm Beach, FL addressed concerns regarding the vote on referendum of bond issuance and undergrounding costs, value engineering technique, contingency, paving concerns, and easement property owner compensation.

Chairman Jeffery Smith responded with Task Force exploring ways to bring project into budget.

Task Force Member Harry Wolin responded with Task Force role in assisting with finding interim financing is to carry the project forward since inflation can affect the project; Task Force is trying to get project going with the lowest cost interest rate that the voters did approve.

Task Force Member Susan Gary requested a final report on what caused the explosion at Sun & Surf 130 Association along with additional work conducted.

IX. ANY OTHER MATTERS

There were none.

X. ADJOURNMENT

There being no further business, the February 7, 2017 Underground Utility Task Force meeting was adjourned at 1:16 p.m.

APPROVED:

Jeffery Smith
Chairman

ATTEST:

Susan A. Owens, MPA, MMC
Town Clerk

Date



Town Of Palm Beach Undergrounding Project

Report: February 2017

Updates

GO Bond schedule is delayed
The Goldmacher lawsuit is proceeding

Status Legend

Green (1) - On Task
Yellow (2) - Caution
Red (3) - Not On Task

Engineering

Master Plan	Budget	1		89.19%	100.0%
	Schedule	1		94.00%	100.0%
North End Design	Budget	1		85.32%	100.0%
	Schedule	2		83.00%	100.0%
South End Design	Budget	1		80.22%	100.0%
	Schedule	2		78.00%	100.0%

1
100.0%

Easement Acquisition

Easement Acquisition	1		35.00%	100.0%
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Financing

Financing	2		0.00%	100.0%
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Communications

Communications	Budget	1		20.27%	100.0%
	Schedule	1		83.00%	100.0%

Saves And Raves

Jay Boodheshwar and his staff have set up easement meetings in south end to expedite process
Several street front drops were discovered that will save \$18k in Phase 1 North

2.73%
Overall
Budget

**Underground Utility Task Force
Monthly Progress Report
February 2017**

Table of Contents

Dashboard Cover Page

1. Kimley-Horn Progress Report
2. Master Plan Gantt Chart
3. Project Design Gantt Chart
4. Budget Report
5. Financing Schedule – not included, in process of being updated
6. Interest Rate Forecast as of February 24, 2017

The following reports will be provided when applicable in future reporting:

- Easement Acquisition Report
- Communication Report
- Construction Updates and Status Report
- Safety and Reliability Reports
- Completion Milestones

Dashboard Notes:

- Overall Budget represents the percentage encumbered to date versus the total project budget of \$90 million.
- Amounts on dashboard are percentages of total budget and design completed related to master planning, north and south end design.
- We will be making additional changes in future dashboards to reflect a new section with monthly highlights, including UUTF and Town Council decisions affecting the project, and other format changes.

Prepared by the Finance Department
February 3, 2017

EXHIBIT B

Kimley»Horn

Town-Wide Undergrounding Project Progress Report Period: January 28, 2017 to February 27, 2017

I. Scope Update

A. General

- **Schedule:** Project schedule progress is shown below.
 - Master Planning is 94% complete
 - North End Design is 83% complete
 - South End Design is 78% complete
- **Budget:** Project is on budget as of February 15, 2017
 - Master Planning is at 89% of total task budget
 - North End Design is at 69% of total task budget
 - South End Design at 70% of total task budget

B. Master Planning Phase

- Presented draft master plan document to UUTF and requested their review comments.
- Provided 20 hard copy draft master plan documents to the Town.
- Developed web based version of the master plan for posting on the internet.
- Work performed and an all-day staff workshop held to refine overall opinion of probable cost for the program based on value engineering activities and discussions with Town staff and utility owners.
- Meetings and discussions occurred with Town staff, consultant team members and AT&T and Comcast regarding the draft opinion of probable communication costs for the program. Discussions focused on value engineering opportunities and ways that AT&T and Comcast can financially participate in the program to offset costs.
- The Broadband Request for Information was publicly advertised. Responses are due March 15, 2017.
- Broadband Infrastructure Assessment draft report received by staff and is under review.

C. Detailed Design Phase

- Subconsultant/utility owner coordination towards submittal of the Bid Documents.
- Bid Documents were submitted on January 31, 2017 for Town review.
- Coordination meetings occurred between AT&T/Comcast and the design team to clarify and coordinate elements of the network designs received.

- Coordination with Town Attorney, Brannon & Gillespie, Waypoint Engineering and FPL related to equipment locations and easement requirements.
- Development of north and south end easement exhibits for Town Attorney use in the easement acquisition process.
- Numerous field meetings with residents, businesses, and condominiums to discuss easement requests were performed. Coordination with surveyor to develop legal sketches and descriptions for agreed upon easements.
- The Town received submittals for Construction Management at Risk services for Phases 1 North and South. The submittals are currently under evaluation by the Town's selection committee.
- Secondary service conductor design for commercial services (south end) in progress.
- Progress meetings occurred to coordinate various elements of the project.

II. Upcoming Activities (February 28, 2017 – March 27, 2017)

A. Master Planning Phase

- Incorporation of staff and UUTF comments into the master plan. Meetings will continue with consultant team, Town staff, utility providers and potential broadband providers to finalize program costs, revenue projections, and schedule. It is anticipated that these activities can be completed for a master plan presentation in April 2017.
- Receipt of responses from the Broadband RFI advertisement to gauge the interest of the broadband community (beyond the incumbents) in providing service to the Town. RFI results will help better define a recommended broadband option to proceed and will refine cost and revenue projections. RFI results will be incorporated into the final Broadband Infrastructure Assessment Report.

B. Detailed Design Phase

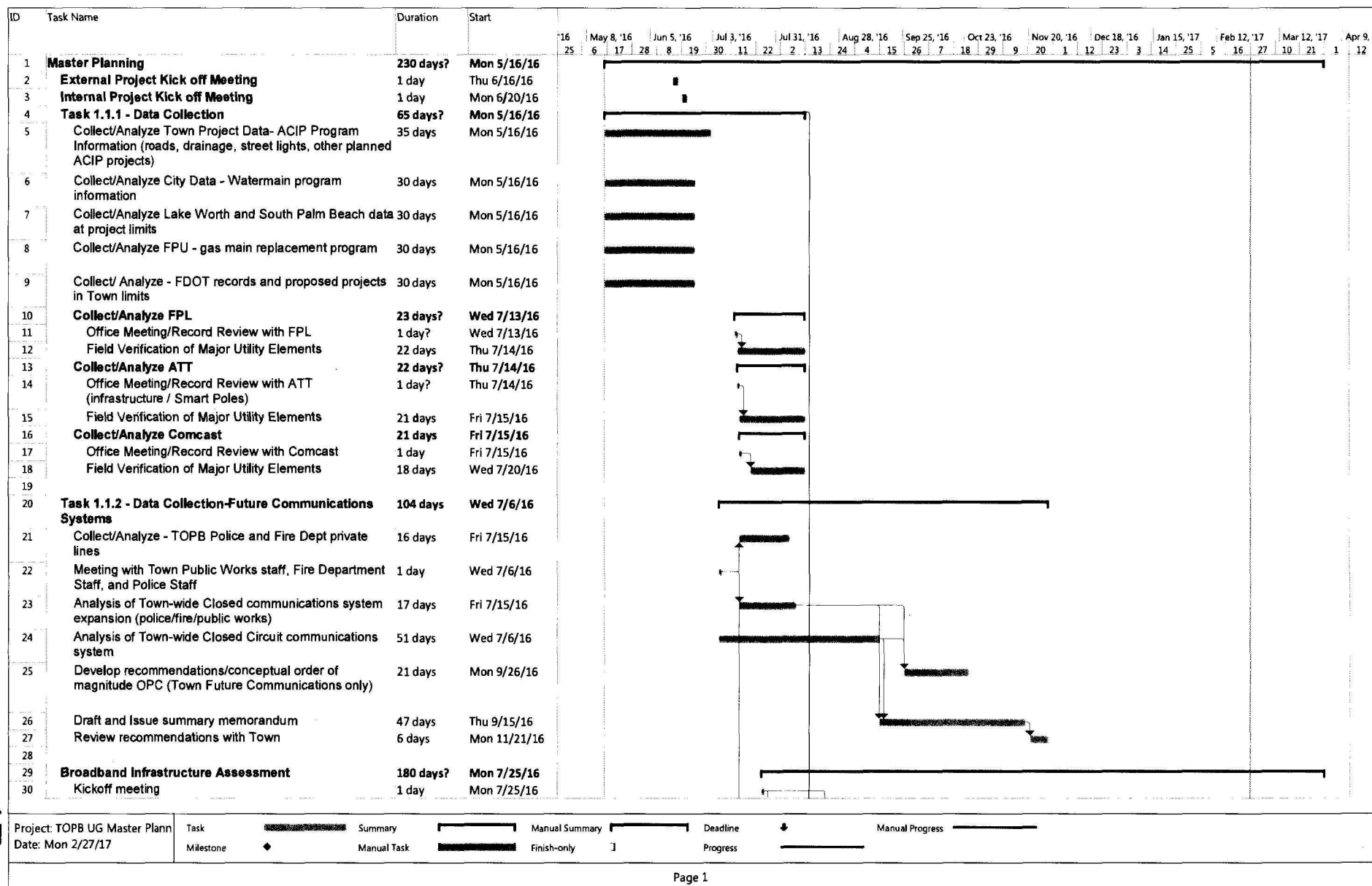
- We anticipate that we will continue to refine the bid documents based on progress with the easement acquisition process, coordination with the utility owners, value engineering activities and various other minor design elements. These final coordination items are anticipated to be complete by the time the Construction Managers are selected.
- Continued coordination with FPL / AT&T / Comcast to work out final coordination issues.
- The easement acquisition process will continue through the Town Attorney's office including field meetings with affected residents, businesses, and condominiums.
- The Construction Manager at Risk proposal packages will be evaluated. Award recommendations will be presented to the Task Force and Council in March. A separate Construction Manager will be selected for the north and south phases.
- Design Progress Meetings will continue to be held with the Design

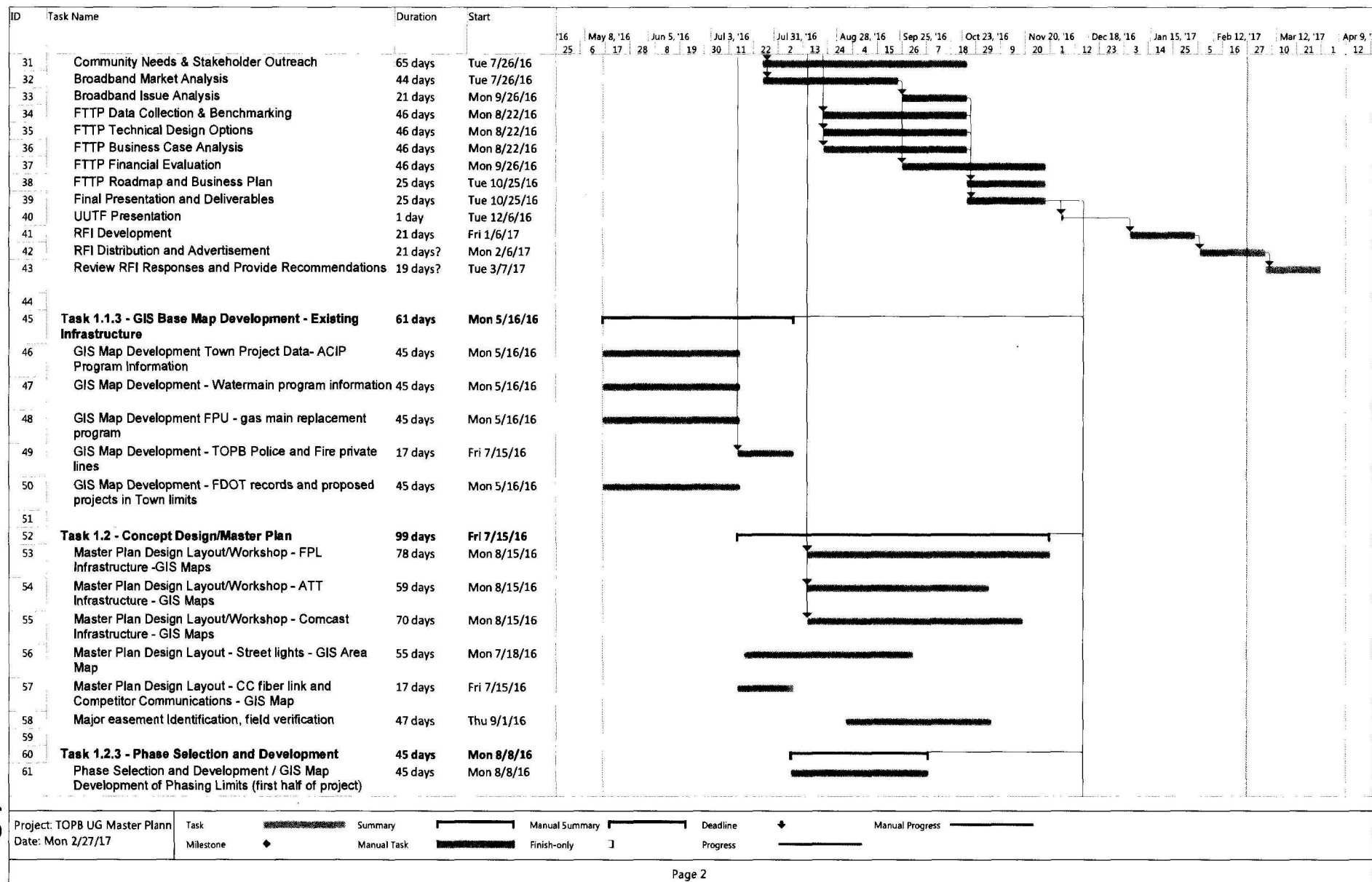
Team and Utility Owners.

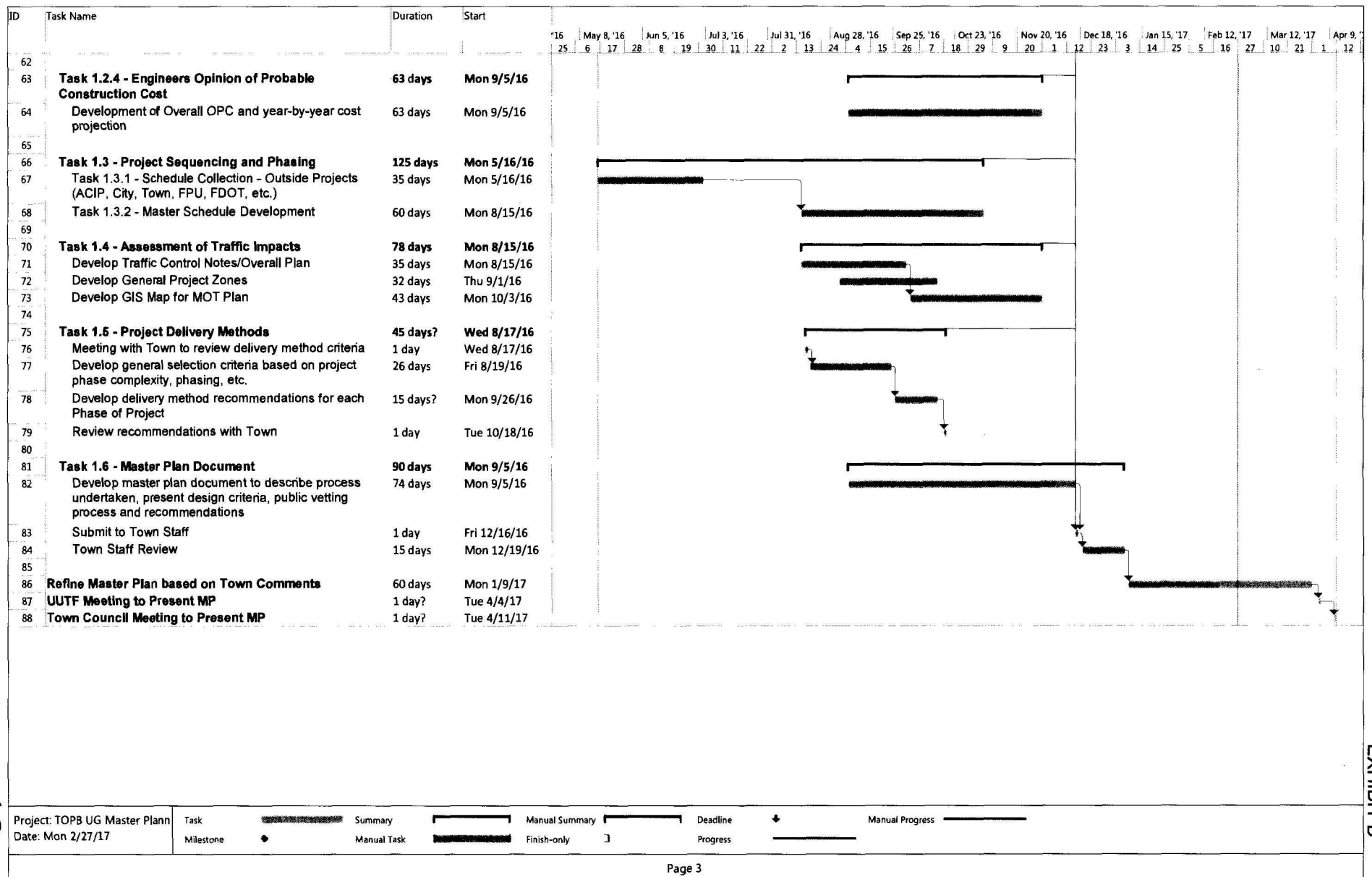
III. Saves and Raves

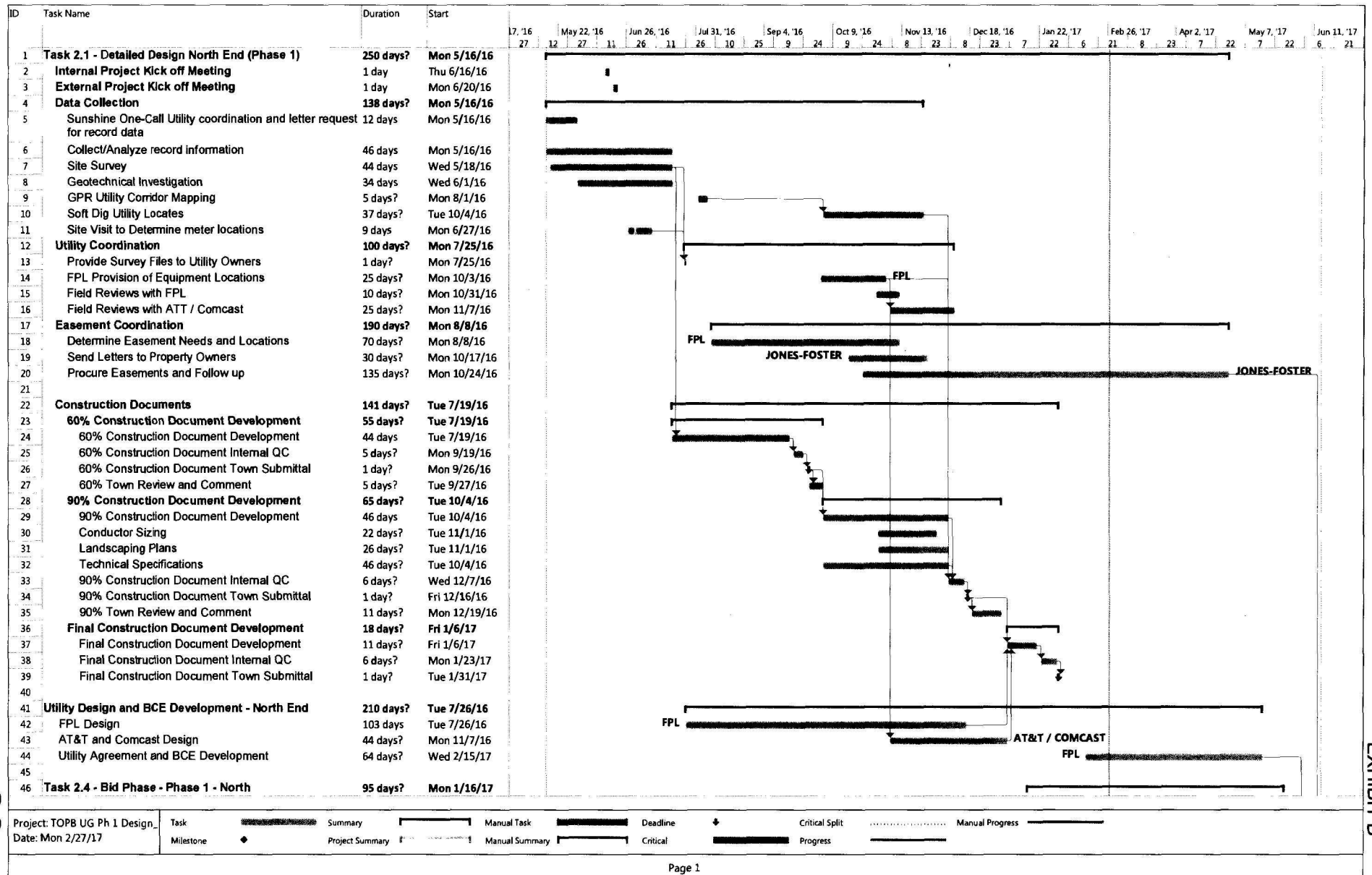
- A. *Saves*: A walk through of the north end was conducted to determine if service drops could be intercepted at street front pole locations. Several street front drops were discovered and this will save approximately \$18,000 for Phase 1 North.
- B. *Raves*: Jay Boodheshwar and his staff have worked very hard to set up a great number of meetings with businesses and condominiums on the south end. This is helping us expedite the easement acquisition process in that area.

17









21

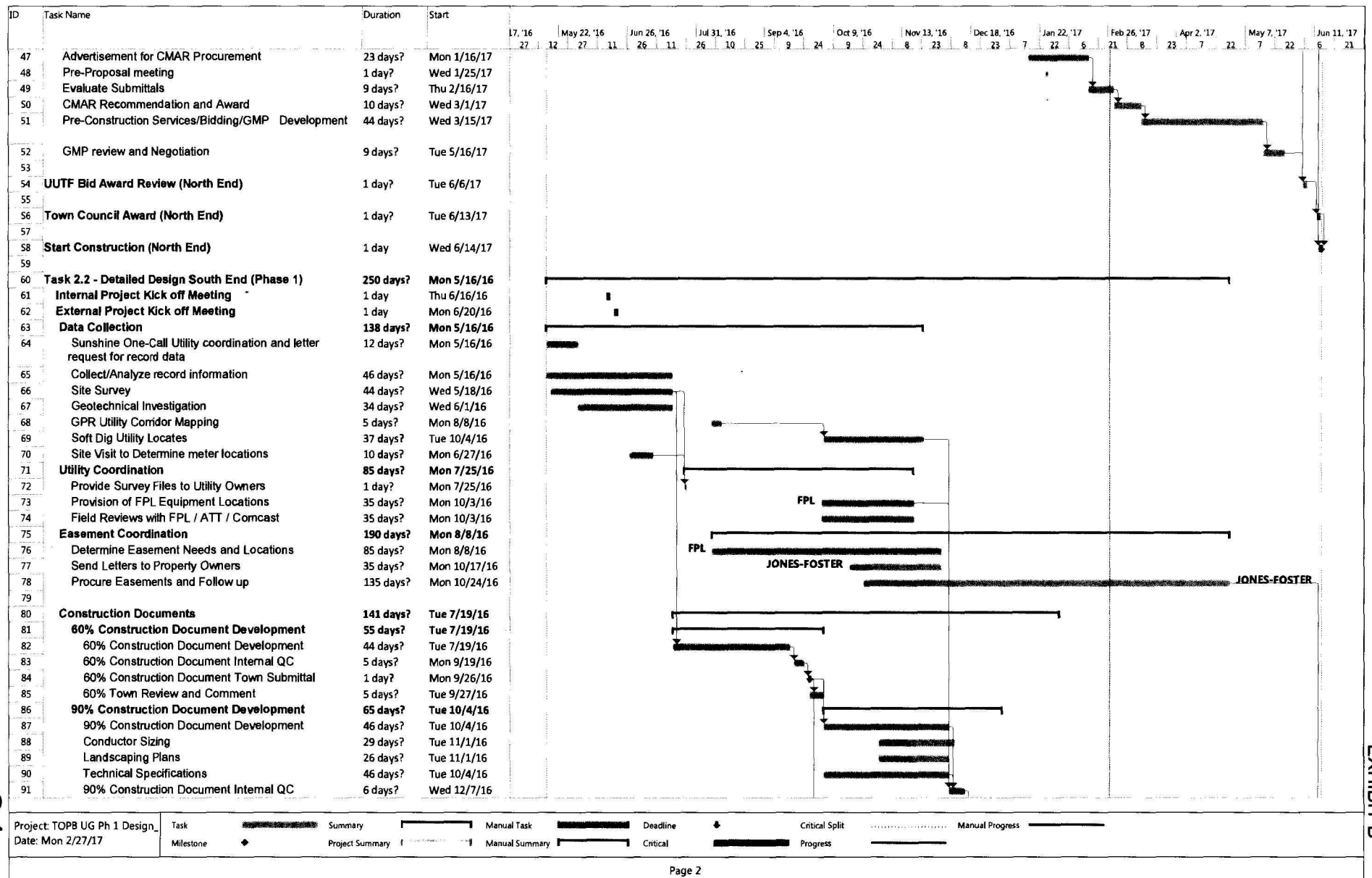


EXHIBIT B

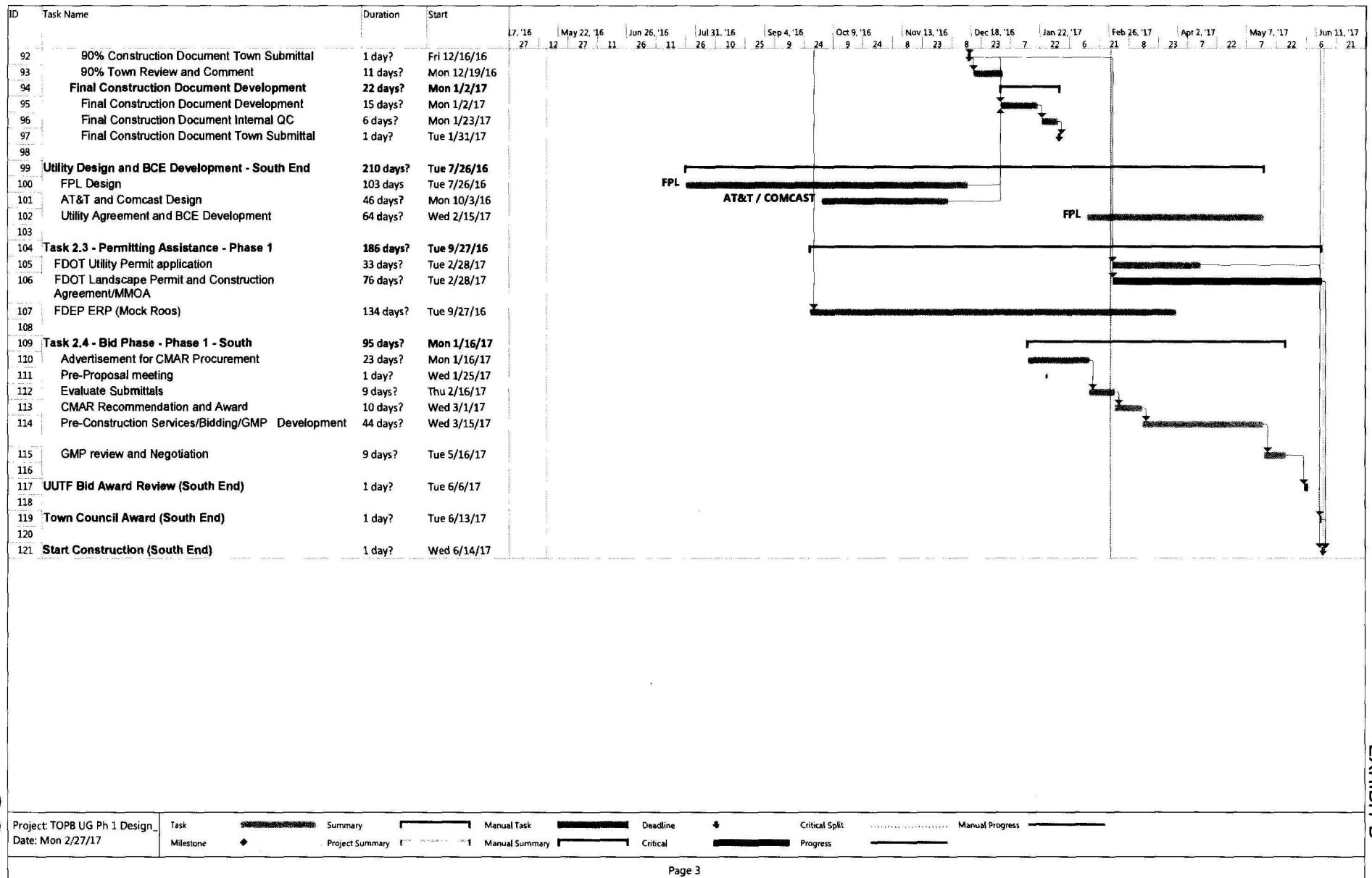


EXHIBIT B

Town of Palm Beach
Underground Utility Project
Budget and Actual Expenditures
As of February 28, 2017

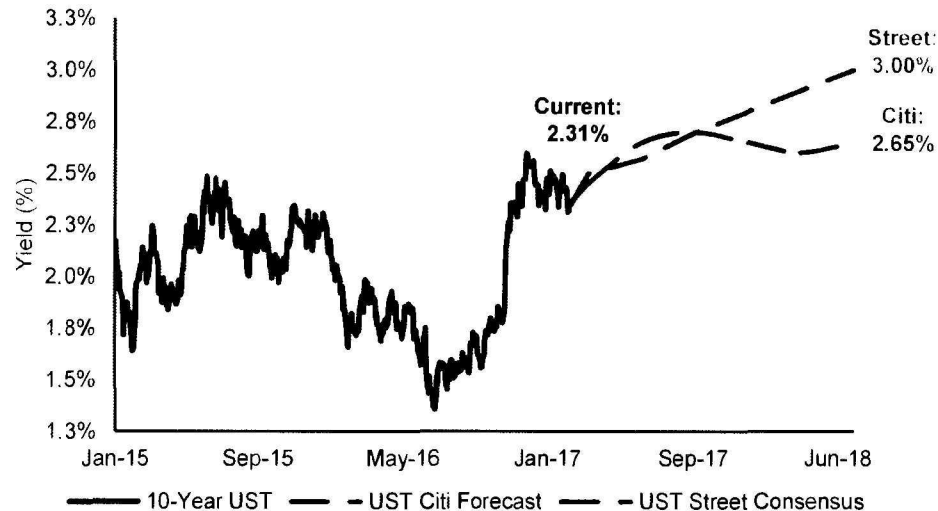
Task	Approved Estimated Project Budget	Phase 1 Engineering Budget	Actual Expended to Date	% Complete of Phase 1 Engineering Budget	% Expended to Date of Original Budget	% Expended to Date of Original Budget
Project Engineering/Surveying	\$ 7,060,000					
Task 1.1 - Data Collection & GIS Base Mapping		\$ 88,021	\$ 83,620	95.00%		
Task 1.1a Data Collection for Future Communications		23,511	11,756	50.00%		
Task 1.2 - Conceptual Design and Master Plan		161,756	145,580	90.00%		
Task 1.3 - Project Sequencing and Phasing		31,244	28,120	90.00%		
Task 1.4 - Assessment of Traffic Impacts		77,660	69,894	90.00%		
Task 1.5 - Project Delivery Methods		17,448	16,576	95.00%		
Task 1.6 - Master Plan Document		45,053	40,548	90.00%		
Task 1.7 - Meetings Master Planning Phase		113,135	113,123	99.99%		
Task 1.8 - Master Plan Phase 2		40,067	24,040	60.00%		
Subtotal Master Planning		\$ 597,895	\$ 533,256	89.19%		
Task 2.1 - Detailed Design North End Project (Onondaga to East Inlet)		472,063	377,650	80.00%		
Task 2.2 - Detailed Design South End (Sloan's Curve to Touthern Boundary)		619,411	495,529	80.00%		
Task 2.2A - Ibis Way PGD Improvements		14,583	12,396	85.00%		
Task 2.3 - Permitting Assistance		17,790	4,448	25.00%		
Task 2.4 - Bid Phase Assistance		42,166	2,108	5.00%		
Task 2.5 - Meetings - Design Phase		125,399	7,692	6.13%		
Legal Sketch and Description - Easements		34,000	5,250	15.44%		
Subtotal Design Phase		\$ 1,325,412	\$ 905,072	68.29%		
Task 3.1 - Public Outreach	\$ 570,000	282,519	57,262	20.27%		
Total Engineering and Survey Costs	\$ 7,060,000	\$ 2,205,826	\$ 1,495,590	67.80%	21.18%	31.24%
CM Project Management	\$ 3,930,000					
Utility Conversion Costs (FPL)	\$ 32,070,000					
FPL Engineering for Binding Cost Estimate		\$ 113,823				
North End Design			\$ 10,595			
South End Design			\$ 28,013			
Phase 3			\$ 11,759			
Phase 4			\$ 12,850			
Phase 5			\$ 12,757			
Phase 6			\$ 13,330			
Phase 7			\$ 11,359			
Phase 8			\$ 13,160			
Nightingale/LaPuerta Conversion Townwide Portion		\$ 74,900	\$ 74,900			
Total FPL Engineering Costs for Design		\$ 188,723	\$ 188,723	100.00%	0.59%	0.59%
Utility Conversion Costs (AT&T and Comcast)	\$ 15,950,000					
AT&T North End Design		\$ 5,000	\$ 5,000			
AT&T South End Design		\$ 5,000	\$ 5,000			
AT&T Nightingale/LaPuerta - Townwide Portion		\$ 30,555	\$ 30,555			
Comcast Nightingale/LaPuerta - Townwide Portion		\$ 8,885	\$ 8,885			
Comcast Preplanning and Design		\$ 12,015	\$ 12,015			
Total Utility Conversion Costs (AT&T and Comcast)		\$ 61,454	\$ 61,454	100.00%	0.39%	0.39%
Conversion of FPL Service Connections	\$ 4,020,000					
Landscape/Hardscape Restoration Costs	\$ 15,110,000					
Asphalt Milling and Resurfacing Costs	\$ -					
Legal Costs/Easement Acquisition*	\$ 2,000,000	\$ -	\$ 70,598	0.00%	3.53%	3.53%
Sub-Total Project Budget	\$ 80,710,000					
Contingency and Inflation	\$ 17,870,000					
Total Estimated Project Budget	\$ 98,580,000					
Underground City of Lake Worth Section	\$ 200,000	\$ 200,000	\$ 26,827	13.41%		
Project Manager	\$ 130,000					
UU Funding - GF Allocation to Augment Program	\$ 430,200					
Total FY17 Budget Allocation	\$ 760,200	\$ 26,827		3.53%		
Other Projects and Other						
Telephone Services Contract	\$ 69,000	\$ 69,000	\$ 78,667	86%		
Public Access (Onondaga Lake County)	\$ 15,000	\$ 25,000	\$ 15,719	63%		
Total Additional Costs	\$ 104,000	\$ 114,000	\$ 94,386	81.04%	74.50%	81.94%

*These costs are currently being paid from the General Fund until they can be reimbursed through the financing.

U.S. Rate Forecasts

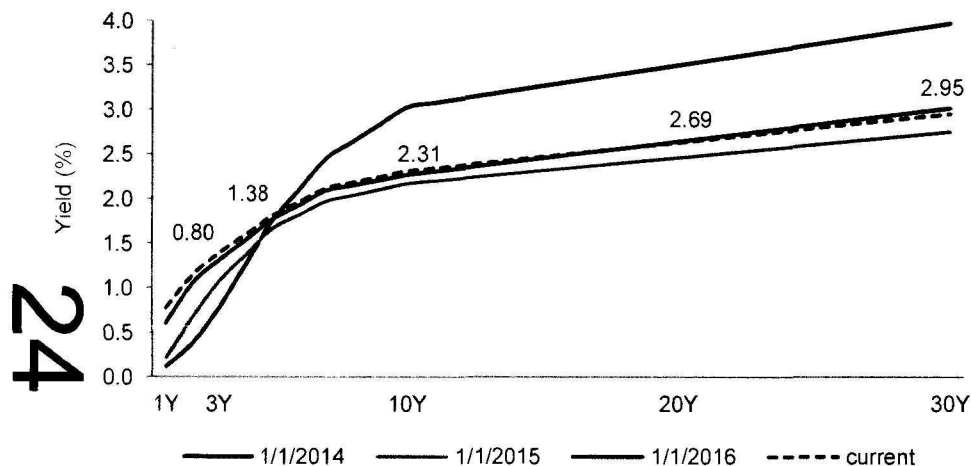
10-Year Treasury Yield Forecast

Citi and the Street forecast an elevated interest rate environment as we move into 2017



US Treasury Yield Curve

Rates are slightly higher than January 2016 levels on the short end of the curve, with long end rates virtually unchanged - mainly attributed to the post-election uptick



Rate Forecasts

5-Year Treasury	Current	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18
Citi's Forecast	1.80%	1.90%	2.10%	2.20%	2.20%	2.20%	2.25%

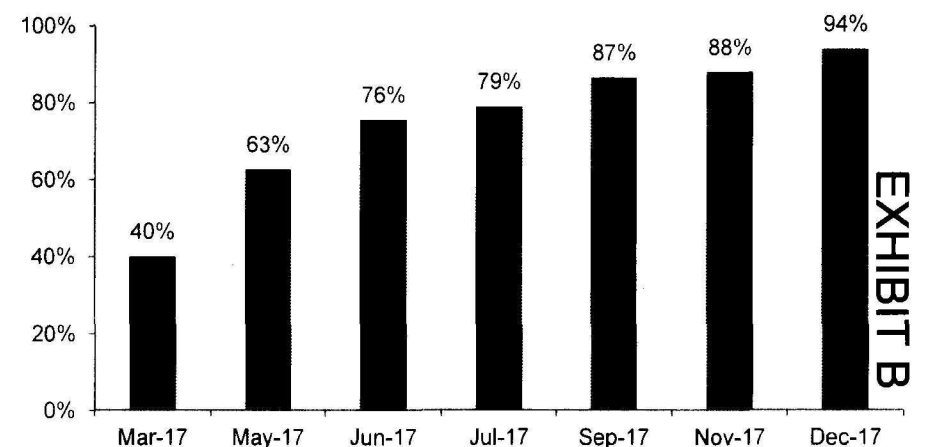
10-Year Treasury	Current	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18
Citi's Forecast	2.31%	2.45%	2.65%	2.70%	2.65%	2.60%	2.65%
Economists' Consensus		2.50%	2.57%	2.70%	2.80%	2.90%	3.00%

30-Year Treasury	Current	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18
Citi's Forecast	2.95%	3.10%	3.30%	3.35%	3.30%	3.25%	3.30%
Economists' Consensus		3.10%	3.19%	3.27%	3.34%	3.50%	3.60%

Fed Funds (upper limit)	Current	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18
Citi's Forecast	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%
Economists' Consensus		0.75%	1.00%	1.00%	1.25%	1.50%	1.50%

Expectations of Next Fed Increase in Rates

Fed Funds Futures predict a 40% implied probability that another rate increase will occur at the March meeting, with the probability of a hike elevated to 94% at the December 2017 meeting



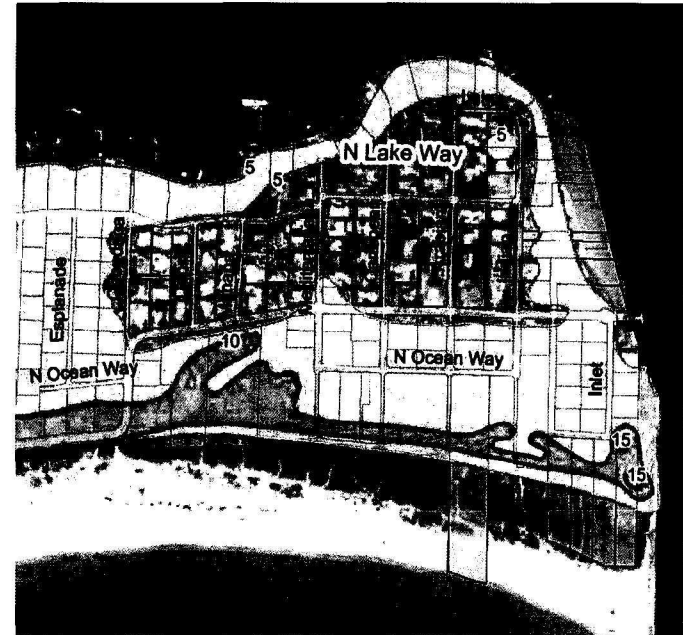
Source: Current rates and expectation of Fed hike as of February 24, 2017; Citi forecasts as of February 22, 2016; Bloomberg forecasts as of February 9, 2016.



Master Planning Phase

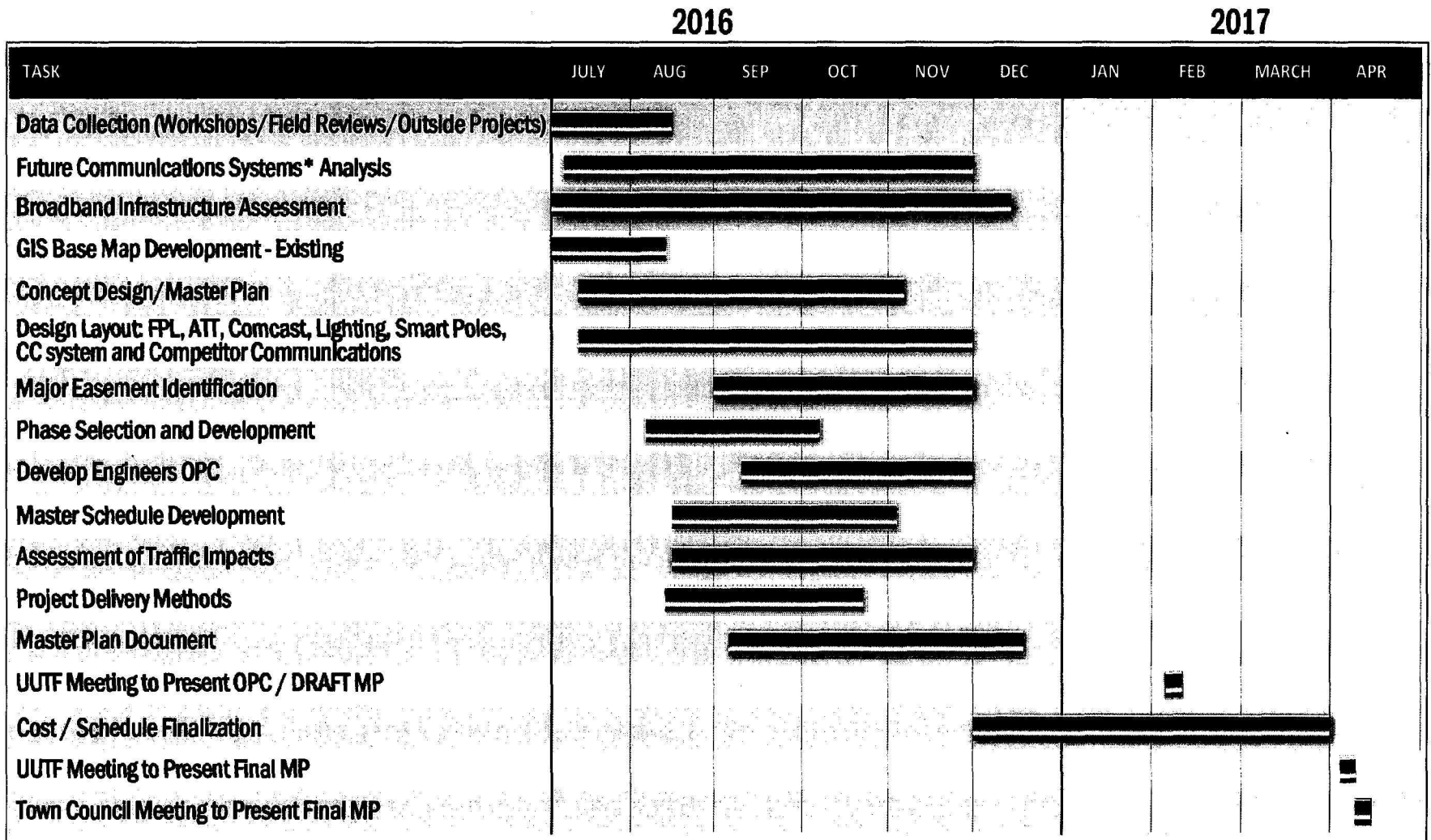
Progress Update

- Overall Cost/Master Schedule Refinement
- Draft MP Document for UUTF review and comment
- Meetings with Communications providers
- Broadband RFI finalized and publicly advertised





Master Planning Schedule

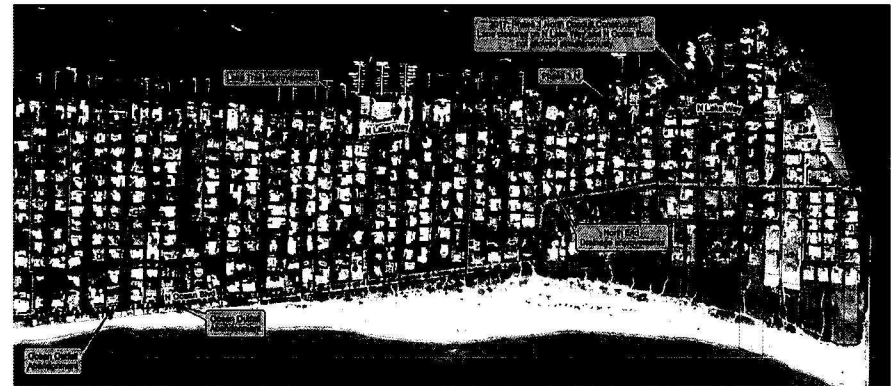




Master Planning Phase

Moving Forward – March Tasks

- Incorporation of comments received from the UUTF into the master plan
- Receipt of responses to the Broadband Infrastructure Assessment RFI Advertisement





Detailed Design Phase

Progress Update

- CMAR submittals received and evaluated.
- Process of obtaining BCE for North and South Phases underway
- Continued coordination with FPL, AT&T and Comcast related to requested Value Engineering design changes
- Easement Acquisition

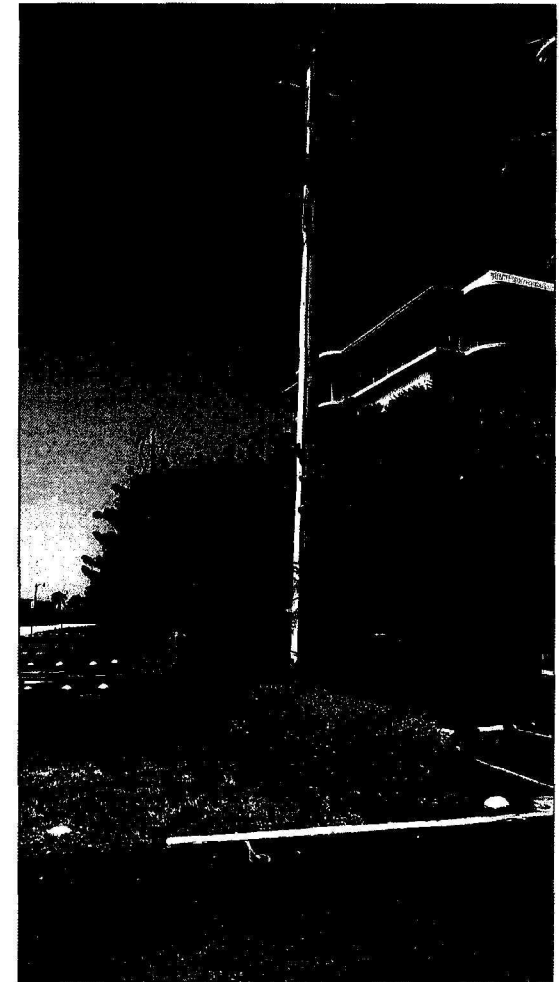


EXHIBIT C

time 4/8/16



Detailed Design Phase

Easement Acquisition Progress Update

Phase 1 North

Easements Required	48
Owners Contacted	39
Easements that have received Owner Approval and are in process	10
Fully Executed Easements Received	7



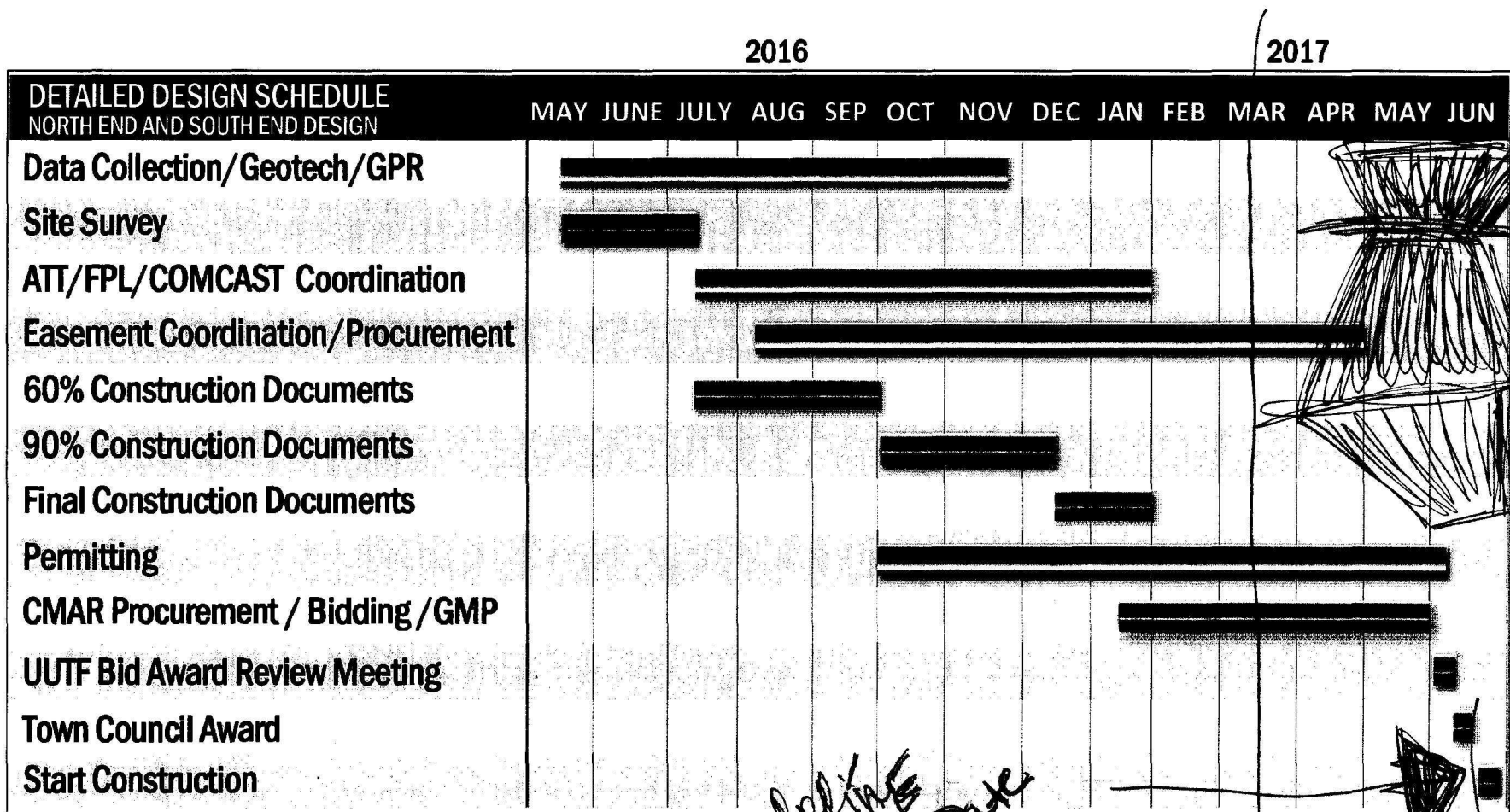
Phase 1 South

Easements Required	29
Owners Contacted	18 of 21
Easements that have received Owner Approval	10
Fully Executed Easements Received	0

~~19 to go~~



Detailed Design Schedule





Detailed Design Phase

Moving Forward – March Tasks

- FP&L/AT&T/Comcast final design detail coordination
- Easement Acquisition process continues
- Value Engineering continues
- CMAR recommendation for award
- Progress/Coordination Meetings





Saves and Raves

Saves: A walk through of Phase 1 North was conducted to determine if any existing service drops could be intercepted at street front locations. Several were discovered that will save approximately \$18,000.

Raves: Jay Boodheshwar and his staff for their assistance in helping us expedite the easement acquisition process in Phase 1 South.



Standard Switches vs. Vista Switches



Standard Switch

\$25,000



Vista Switch

\$85,000

5 ~~switch~~
30 on Savan end
based on load.

TOWN OF PALM BEACHInformation for Undergrounding Utilities Task Force Meeting on: March 7, 2017

TO: Undergrounding Utilities Task Force

VIA: Thomas G. Bradford, Town Manager

FROM: H. Paul Brazil, P. E., Director of Public Works

RE: Nightingale and La Puerta Way Utility Undergrounding Project
Low Bid versus CMAR Comparison

DATE: March 1, 2017

STAFF RECOMMENDATION

No action is required for this item. A presentation will be made during the Task Force meeting.

PROJECT HISTORY

At the February 7 Undergrounding Utilities Task Force meeting staff presented an update on the progress of the Nightingale and La Puerta Undergrounding Project. As a result of the discussion during that presentation, the Task Force requested staff to provide a comparison of the Construction Management at Risk (CMAR) cost proposal and the subsequent low bid proposals.

Burkhardt Construction, Inc. (BCI) is one of two vendors awarded Construction Management Services as a result of RFQ 2015-39 and was selected to perform as the Construction Manager for the Nightingale and La Puerta Undergrounding Project based on their extensive undergrounding conversion experience. BCI proceeded with the preconstruction services and developed a Guaranteed Maximum Price (GMP). The GMP was provided to Town staff in March of 2016. Since the GMP was significantly higher than the original engineer's opinion of cost, Town staff decided to advertise the construction of this project under the traditional design, bid, build method of procurement (low bid).

The Town received 4 bids ranging in cost from \$2,871,437.50 to \$2,140,140.50 including direct utility costs assessed by FPL, AT&T, and Comcast. Danella Utility Construction, Inc. was the apparent low bidder. The GMP prepared by BCI was \$2,996,901.22. In an effort to compare "apples to apples" the following elements that were included in the CMAR's GMP must be removed because they were not included in the bid proposals received under the low bid selection process:

1. Project contingency (\$220,000)
2. Installation of future AT&T conduits that were eliminated from the project (\$23,965.50). This was an alternate bid item during the low bid process that was never ultimately awarded by the Town.

3. Pole and Overhead Wire Demolition (\$34,464.00). FPL will perform this work.
4. AT&T Manhole Coring (\$2,350). AT&T will perform this work.
5. New Acorn Street lighting (\$3,800). This was eliminated from the project.
6. Watermain Insertion Valve (\$15,000). This was eliminated from the project.
7. AT&T Vault quantity revision prior to bidding which eliminated 7 vaults from the project (\$8,638).
8. Comcast Vault quantity revision prior to bidding which eliminated 4 vaults from the project (\$1,660).
9. Resident Liaison services (\$39,000). These services are not included in the low bid scope of work and are presently being performed Town staff.

Applying the above scope reductions yields an adjusted GMP value of \$2,648,023.72. Below is a comparison of the bids received through the low bid procurement process as compared to the CMAR GMP submitted by BCI.

Contractor	Total Bid	% of CMAR GMP
DBE Management, Inc	\$2,874,717.50	109%
Wilco Electric, LLC	\$2,687,245.64	101%
Mears Construction, LLC	\$2,670,422.50	101%
Danella Utility Construction, Inc.	\$2,143,420.50	81%

It is important to note that the GMP is a maximum guaranteed price while low bid is not. The GMP carried \$100,250 worth of allowance items to cover a number of potential unforeseen (i.e. correction of road rock thickness deficiencies, specialty signage that may be requested, etc.). Our general experience in working with CMAR's has demonstrated that these allowances are rarely exceeded and that the savings realized are returned to the Town at the end of the project.

Additionally, this comparison does not include the additional services provided through the CMAR process, which are not included in the low bid results. The Town is presently providing construction oversight by three of our Town Engineers plus the construction oversight services of our consultant engineer of record. In our experience, CMAR projects generally can be managed by one Town staff engineer and requires less services from our construction oversight services.

As reported last month the project is nearly back on schedule, but this has taken tremendous effort on the part of Town staff to bring it to this point. Danella has openly stated that they under bid this project in an effort to win and demonstrate their ability to perform undergrounding for the Town and better position themselves for future work. This statement is substantiated by the competitiveness of the bid proposals received by the three other low bid proposers and the GMP submitted by the original CMAR after the adjustments were made to create an equivalent scope of work.

Based on this analysis, we continue to agree with the original recommendation made by the UUTF to the Town Council to pursue CMAR as the project delivery method for the Town's Overall Undergrounding of Utilities Program.



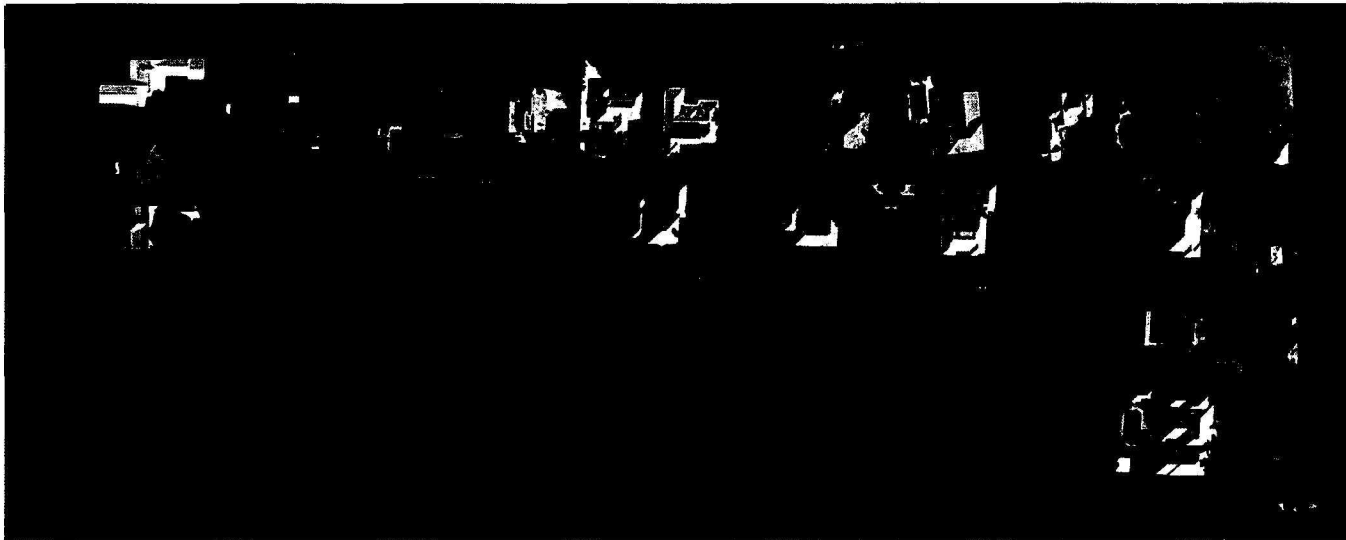
Nightingale Trail and La Puerta Way Undergrounding Bid vs CMAR Comparison

*Undergrounding Utility Task Force
March 7, 2017*



Project Area

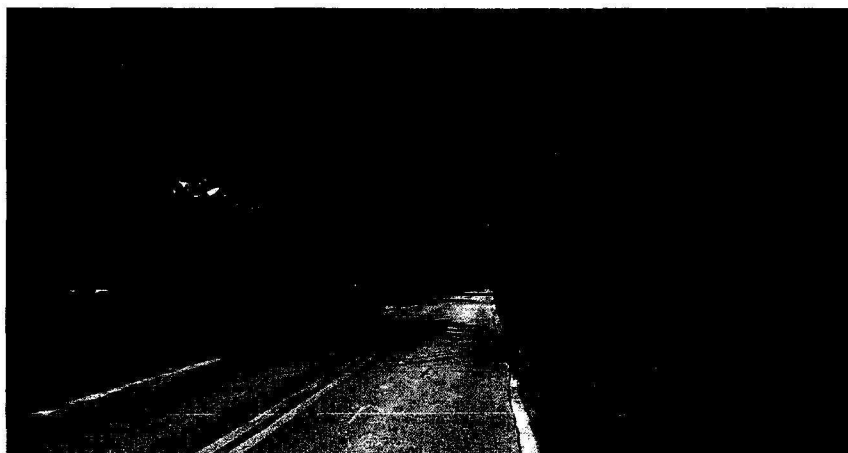
- South side of Nightingale Trail from the Intracoastal to North Ocean Blvd.
- North side of La Puerta Way from the Intracoastal to North Ocean Blvd.
- South of La Puerta Way and North side of El Pueblo Way between North Ocean Way and the Atlantic Ocean



CMAR - GMP

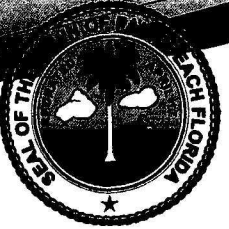


- Burkhardt Construction , Inc (BCI) was selected from existing continuing services contract
- BCI provided GMP March 2016
- GMP was higher than EOPC
- GMP adjusted to compare "Apples to Apples"



- GMP = \$2,996,901.22
- GMP included items not in low bid Scope of Work:
 - Project Contingency - \$220,000
 - AT&T conduits that were eliminated from the project - \$23,965.50
 - Pole and Overhead Wire Demolition - \$34,464.00
 - AT&T Manhole Coring - \$2,350
 - Acorn Street Lighting - \$3,800
 - Watermain Insertion Valve - \$15,000
 - AT&T Vault Quantity Reduction of 7 Vaults - \$8,638
 - Comcast Vault Quantity Reduction of 4 Vaults - \$1,660
 - Residential Liaison Service - \$39,000
- Adjusted GMP = \$2,648,023.72

EXHIBIT D



Bids Compared to GMP

Contractor	Total Bid	% of CMAR GMP
DBE Management, Inc.	\$2,874,717.50	109%
Wilco Electric, LLC	\$2,687,245.64	101%
Mears Construction, LLC	\$2,670,422.50	101%
CMAR GMP	\$2,648,023.72	100%
Danella Utility Construction, Inc.	\$2,143,420.50	81%





Conclusions

- GMP is a guaranteed maximum price while low bid is not
- GMP included Allowance Item Costs that historically would not be exceeded. Savings would be returned to Town.
- Cost comparison does not include the additional staff time and construction engineering services required due to low bid
- CMAR includes managing utilities to insure installation, connections and removal of poles in a timely manner – low bid does not
- This analysis confirms CMAR is not necessarily more expensive than low bid

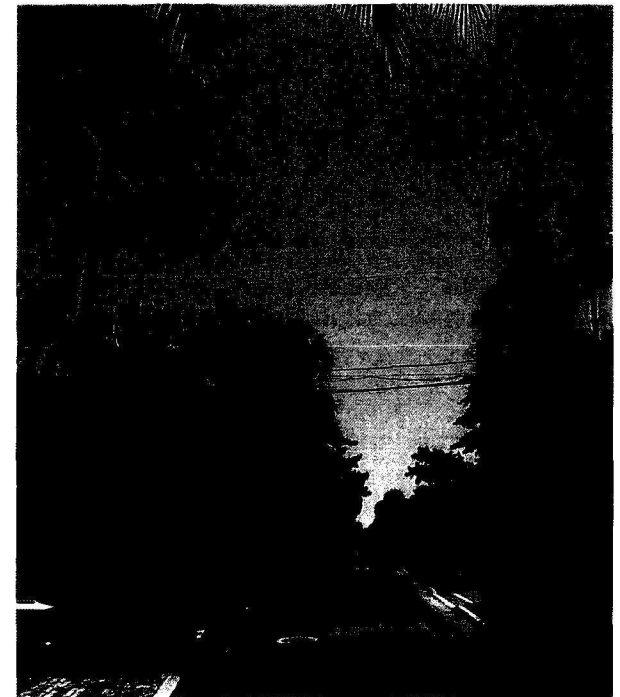


EXHIBIT D



Questions

EXHIBIT D