

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, Jonathan Cooper, Cornerstone Solutions
Date: 06/7/2017
Re: UUTF Agenda Items for the June 9, 2017 UUTF Meeting

This memorandum and its attachments serve as the written backup material associated with the agenda for your UUTF meeting on June 9. 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 May 2, 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. TOWNWIDE UNDERGROUND PROJECT STATUS REPORTING

A. Review of Line of Credit RFP Results

Jay Glover, Managing Director, The PFM Group

The results of the LOC RFP initiated and overseen by Mr. Glover is attached hereto as **Exhibit B**. Three proposals were received in response to the RFP; Citigroup Global Markets, SunTrust Bank and Wells Fargo Bank. Mr. Glover is going first today as he has an important conference call he must participate in at 10:00 AM. He will review the proposals and answer any questions that you may have.

prepare for the future. I am not necessarily saying this for the provision of a revenue stream to help offset the cost of undergrounding, although that might be possible. In fact, I do not even think a conduit backbone or town-wide conduit system if we could afford it should even be a cost of the underground project. Likewise, I am not suggesting it for the provision of fiber based high-speed internet service for our residents and business owners, although that too might be possible. Instead, I think it should be contemplated for the future of your Town government.

The world is on the cusp of tremendous technological changes that most of us cannot even begin to contemplate that will alter the socio-economic fabric of our society. Many among us will want nothing to do with the changes that are coming, but it is inevitable. This coming change has significant ramifications for municipalities and other forms of government too. Consider the concept of Smart City.

Smart City is a concept that entails integration of information and communication technology (ICT) and the Internet of things (IoT) technology in a secure fashion to manage a city's assets. These assets include information systems, transportation systems, including traffic and traffic signals, utilities, water supply networks, pumping stations, waste management, law enforcement, and other community services. A smart city uses urban informatics, the study of people in the context of cities and urban environments, and technology to improve the efficiency of services. ICT allows city officials to interact directly with the community and the city infrastructure to monitor what is happening in the city, how the city is evolving, and how to enable a better quality of life. Through the use of sensors integrated with real-time monitoring systems, data are collected from citizens and devices, including infrastructure, then processed and analyzed. The information and knowledge gathered are keys to tackling inefficiency. Information and communication technology (ICT) is used to enhance quality, performance and interactivity of services, to reduce costs and resource consumption and to improve contact between citizens and government¹.

Simply put, if you want to have maximum operational efficiency of Town assets such storm water and sanitary sewer system pumping stations, traffic signals, security cameras, enhanced internal communications and a real time communications interface with the public, you have to have state of the art communications systems and that begins with underground conduit strategically placed throughout the island.

VIII. PROCEDURE FOR TOWN ACCOUNTS PAYABLE

Jane Struder, Director of Finance

Per the request of the UUTF, Ms. Struder will review the Town's accounts payable policy, which is attached as **Exhibit D**.

IX. UNDERGROUNDING PROGRAM MANAGEMENT STRUCTURE

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

¹ Smart City comments were sourced from Wikipedia.

N: 2017/Town Manager/ TGB/ MISC/ UUTF / Agenda Backup 060917 Meeting

**MINUTES OF THE UNDERGROUND UTILITIES TASK FORCE MEETING
HELD ON TUESDAY, MAY 2, 2017**

I. CALL TO ORDER AND ROLL CALL

The Underground Utilities Task Force Meeting was called to order on Tuesday, May 2, 2017, at 9:00 a.m., in the Town Council Chambers. On roll call, all members were found to be present; Mr. Wolin arrived at 9:02 a.m.

II. PLEDGE OF ALLEGIANCE

Chair Smith led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

Motion was made by Task Member Dowell, and seconded by Task Member Gulbrandsen to approve the Agenda. On call for a vote, the motion passed unanimously.

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

Lew Crampton, 2335 S. Ocean Blvd, Chair of the Citizen's Association, requested that the Task Force alleviate the communication issues by hiring a field project coordinator.

John O'Neill, 44 Cocoanut Row, spoke regarding the Undergrounding Utility Project, Resolution 201-2015 ballot language, project budget, easement acquisition, resurfacing issues, and final cost of the project.

V. MINUTES

A. UUTF Meeting Minutes of April 4, 2017

Motion was made by Task Force Member Wolin, and seconded by Task Force Member Parker, to approve the minutes. On call for a vote, the motion passed unanimously.

MINUTES OF THE UNDERGROUND UTILITIES TASK FORCE MEETING HELD ON TUESDAY, MAY 02, 2017

1 providers, meetings with the Civic Association and the Citizen's
2 Association, and Broadband RFI interest. In addition, FP&L agreed to a
3 credit of up to \$6 million on the project, subject to PSC approval.
4

5 Planning Schedule: Mr. Shanen provided an update on the Master Planning
6 Schedule; the Master Plan was not provided to Town Council due to the
7 forthcoming peer review.
8

9 May Tasks: Mr. Shanen provided the tasks for May include discussions with
10 utility providers to refine program costs, Broadband RFI, and Peer Review
11 RFQ.
12

13 Detailed Design Phase: Mr. Schanen provided an overview on the detailed
14 design phase, which included updates on approved CMAR pre-construction
15 services, GMP status, North and South Phase binding cost estimates, bid
16 process and easement acquisition activities, FDOT utility permit
17 application, and easement acquisitions.
18

19 Easement Acquisition Update: Mr. Schanen provided an overview on the
20 easement acquisitions for the Phase 1 North and Phase 1 South. Eleven (11)
21 fully executed easements have been received for Phase 1 North, and eight
22 (8) fully executed easements have been received for Phase 1 South. Staff
23 continues to meet with property owners to obtain easements.
24

25 Town Manager Bradford reiterated that FP&L is offering up to a \$6 million
26 reduction in project costs, subject to PSC approval.
27

28 Discussion ensued regarding project cost reduction, easement acquisitions,
29 project timeline, utility box placement on private property and in the right
30 of way, milestones and requirements for hiring the underground utility
31 coordinator, project achievements, budget milestones, and ideas for
32 presenting the Master Plan to Town Council once peer review is complete.
33

34 **Motion was made by Task Force Member Gulbrandsen, and seconded by Task**
35 **Force Gary, to approve the Master Plan as drafted and presented to the Task**
36 **Force in April. On call for a vote, the motion passed unanimously.**
37

38 **Motion was made by Task Force Member Gary, and seconded by Task Force**
39 **Member Gulbrandsen, to send the Draft Master Plan to Town Council for**
40 **review and feedback. On call for a vote, the motion passed unanimously.**
41

42 Task Force Members, Mr. Dowell and Mr. Wolin, commented on the
43 esthetics of landscaping easements on and around the utility boxes. Mr.
44 Dowell suggested contacting the Garden Club to seek assistance with the

MINUTES OF THE UNDERGROUND UTILITIES TASK FORCE MEETING HELD ON TUESDAY, MAY 02, 2017

1 Task Force Member Gulbrandsen reinforced moving forward with
2 undergrounding with confidence if the CMAR bids come in "on or below"
3 budget.
4

5 Task Force Member Bottorff addressed Ms. Gary's concerns and
6 recommended waiting for the contractor's bids and financing terms before
7 moving forward.
8

9 Task Force Member Wolin agreed with Mr. Bottorff's comments and spoke
10 about undergrounding project milestones and concerns.
11

12 Town Manager Bradford and Finance Director Struder confirmed financing
13 figures, construction costs and analysis will be available for consideration
14 during the June 9, 2017 UUTF Meeting.
15

16 Mr. Gulbrandsen recommended adding Phase 2 North and South to the
17 Gantt Chart in the Master Plan.
18

19 Lew Crampton, Citizen's Association, commented on the town's
20 commitment to hire a specialized project coordinator to assist with the day-
21 to- day efficiency of the undergrounding project.
22

23 Mr. Zachary Shipley, 228 Seaspray Avenue, addressed concerns he
24 considered normal, about all large projects, and spoke in support of the Task
25 Force moving forward.
26

27 Susan Watts, 44 Cocoanut Row, expressed concern about project oversight
28 and control and urged the Task Force to consider caveat and constraints
29 moving forward.
30

31 Lew Crampton, 2335 S. Ocean Blvd, commented in favor of waiting until
32 the financing figures are final and the analysis is complete before making a
33 motion to move forward.
34

35 Robin Weeks, 210 Jamaica Lane, addressed concern regarding easement
36 design and placement as the project moves forward.
37

38 Town Manager Bradford provided overview of the wireless industry moving
39 forward to deploy 5G technology; the Town's adopted moratorium; "smart city"
40 concept; and, the convenience of "backbone" conduit installation in conjunction
41 with undergrounding. The Town of Palm Beach was successfully "carved out" of
42 the new state law, through approval of moratorium, due to the efforts of our Mayor,
43 Town Council, and lobbyists.
44

MINUTES OF THE UNDERGROUND UTILITIES TASK FORCE MEETING HELD ON TUESDAY, MAY 02, 2017

IX. **COMMUNICATIONS FROM CITIZENS** (For Matters on the Agenda; 3 Minute Limit, Please)

Mary-Ann Bale, 2840 S. Ocean Blvd, spoke briefly in support of Task Force Member Gary's comments regarding the importance of Task Force financial oversight with project invoicing.

Howie Murray, 3475 S. Ocean Blvd., spoke regarding planning for the future of technology, project cost concerns, and peer review focus to lower project cost.

Susan Watts, 44 Cocoanut Row, spoke briefly regarding the adversarial role of the NAPB with the undergrounding project.

Rick Asnani, Cornerstone Solutions, responded to Ms. Watts comment, to clarify Cornerstone did not create answers they compiled information from a variety of resources such as The Town Manager's Office, Public Works, and Kimley-Horn.

X. **ANY OTHER MATTERS**

Task Force Member Bottorff requested the underground management firm for communications, Kimley-Horn/Cornerstone, to provide a one-page communication objective to the Task Force for review.

XI. **ADJOURNMENT**

There being no further business, the Underground Utilities Task Force Meeting of Tuesday, May 2, 2017, was adjourned at 11:53 a.m.

APPROVED:

Jeffery Smith
Chair

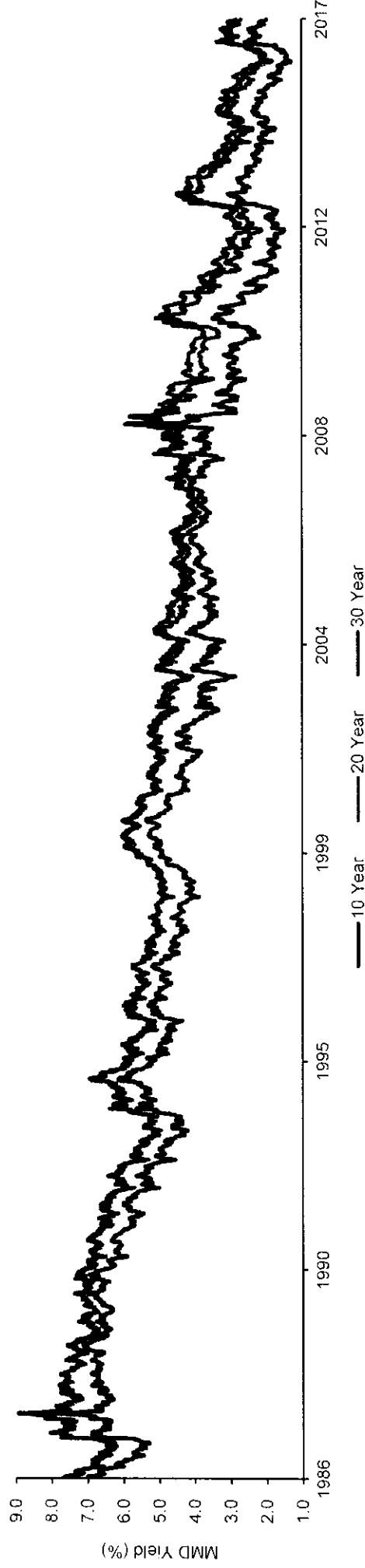
ATTEST:

Sue Eichhorn
Acting Town Clerk

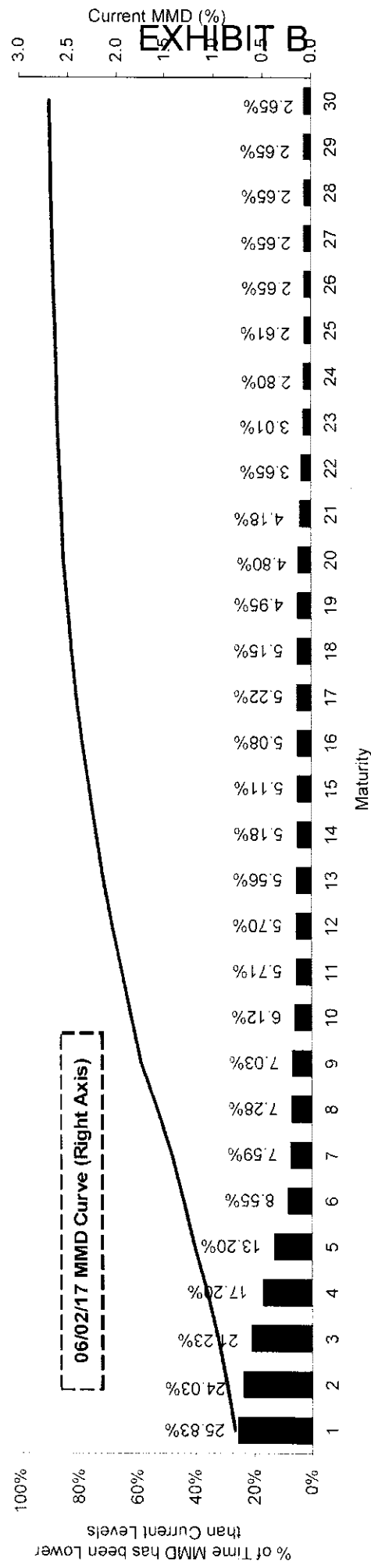
Date

Historical and Current Interest Rates

AAA G.O. MMD Yields (June 1, 1986 – June 2, 2017)



% of Time MMD has been Lower Since 1986



Summary of Proposals – Citigroup

- Citigroup Global Markets provided two (2) options for the Town to consider
 - Drawdown Loan:
 - Maturity Date: up to 3 years from closing date
 - Interest on drawn amount accrues at SIFMA (short term tax exempt index) + 40 basis points (based on rates as of June 1 this equates to 1.16%)
 - Fee on undrawn funds of 20 basis points
 - Contains provision that would allow for increased cost in the event of a decrease in the maximum corporate tax rate
 - Commercial Paper Program:
 - Secured by Letter of Credit from Citibank with a term up to 3 years from closing date
 - Interest accrues on amount of commercial paper issued at SIFMA (based on rates as of June 1 this equates to 0.76%)
 - Fee on full amount of letter of credit (approximately \$23 MM) of 15 basis points
 - Placement agent fee of 5 basis points on amount of commercial paper issued
 - Based on feedback from multiple commercial paper dealers, the interest rate impact for a change in the maximum corporate tax rate would be minimal
 - Estimated cost of issuance would be \$120,000 (includes bond counsel, bank counsel and financial advisor)

EXHIBIT B

Summary of Proposals – Wells Fargo

- Wells Fargo Bank offered the Town a direct purchase draw down loan
 - 1 Year Option:
 - Interest on drawn amount accrues at 70% of LIBOR + 30 basis points -- (based on rates as of June 1 this equates to 1.06%)
 - Fee on undrawn funds of 15 basis points
 - 2 Year Option:
 - Interest on drawn amount accrues at 70% of LIBOR + 32.5 basis points -- (based on rates as of June 1 this equates to 1.08%)
 - Fee on undrawn funds of 17.5 basis points
 - 3 Year Option:
 - Interest on drawn amount accrues at 70% of LIBOR + 35 basis points -- (based on rates as of June 1 this equates to 1.11%)
 - Fee on undrawn funds of 20 basis points
 - Contains provision that would allow for increased cost in the event of a decrease in the maximum corporate tax rate
 - Estimated cost of issuance would be \$77,500 (includes bond counsel, bank counsel and financial advisor)

EXHIBIT B

Estimated Cost – Citigroup

- Provided below is table that estimates the total cost of 3 year facility under current market conditions

Year 1 Draws	13,650,000	Year 1 Payments	94,204	
Year 2 Draws	4,000,000	Year 2 Payments	162,430	
Year 3 Draws	5,000,000	Year 3 Payments	199,217	
SIFMA	0.76%	Total Payments	455,851	
LOC Fee	0.15%			
Remarketing Fee	0.05%			
LOC Amount	22,876,500			

Interest Rate Adjustment Language

- The proposal submitted by Wells Fargo contains language that would allow the bank to increase the % of LIBOR in the event the maximum corporate tax rate decreases during the term of facility

	Current Level		
Corporate Tax Rate	35%	30%	25%
Applicable Spread	70%	75%	81%
			86%

- Provided below is an illustration of how a change in maximum corporate tax rate would affect the interest rate based on current level of LIBOR
 - Current Rate (as of June 1 assuming 35% corporate tax rate): 1.11%
 - Assuming 30% corporate tax rate: 1.16%
 - Assuming 25% corporate tax rate: 1.22%
 - Assuming 20% corporate tax rate: 1.28%

EXHIBIT B



Town Of Palm Beach Undergrounding Project

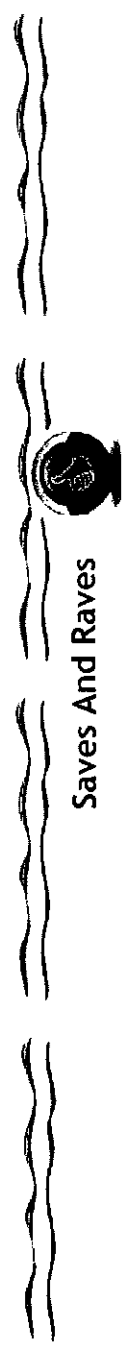
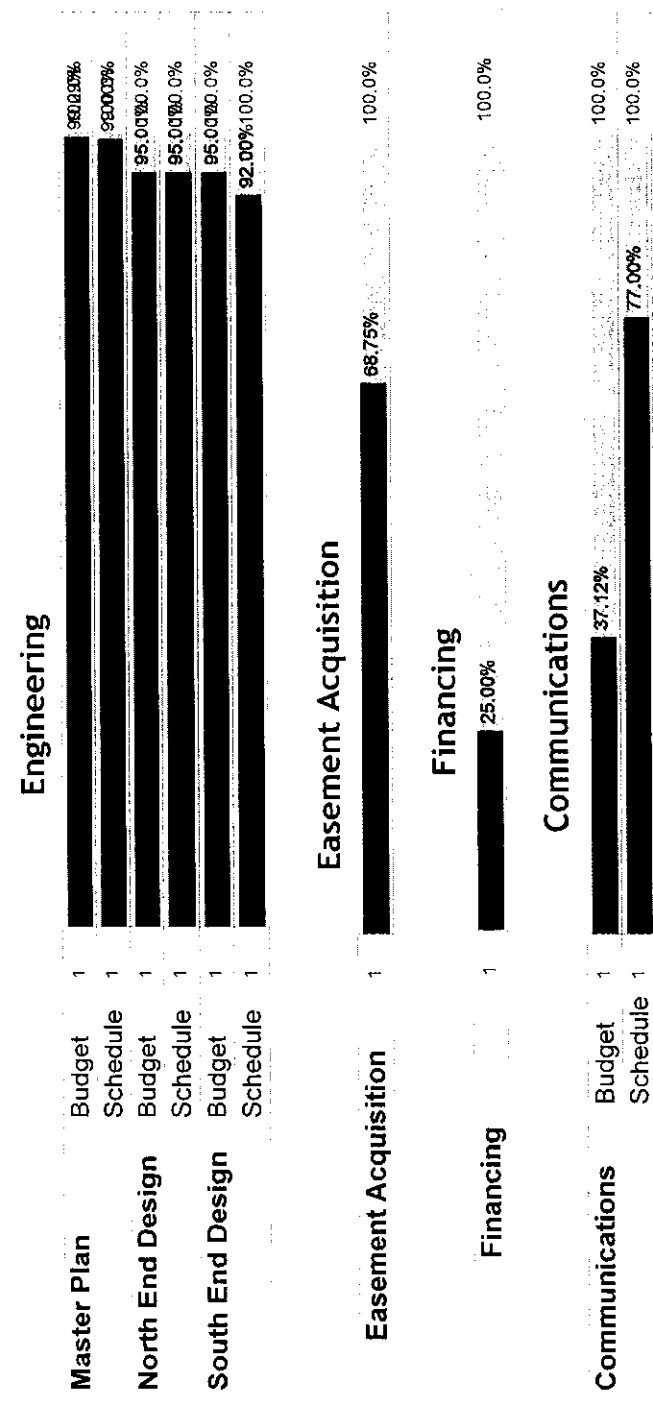
Report: May 2017

Updates

GO Bond is delayed. Results for LOC will be presented at the UUTF and TC meeting.
The Goldmacher lawsuit has been dismissed.

Status Legend

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



Saves And Raves

AT&T is exploring opportunities to reduce program costs and are expecting positive results
Thanks to FPL for delivering the binding cost estimate ahead of schedule.

273%
Overall
Budget

Kimley»Horn

Town-Wide Undergrounding Project Progress Report Period: April 28, 2017 to May 26, 2017

I. Scope Update

A. General

- Schedule: Project schedule progress is shown below.
 - Master Planning is 99% complete
 - North End Design is 95% complete
 - South End Design is 92% complete
- Budget: Project is on budget as of May 15, 2017
 - Master Planning is at 99% of total task budget
 - North End Design is at 87% of total task budget
 - South End Design at 89% of total task budget
- Easement Status
 - Phase 1 North: 71% of easements approved
 - Phase 1 South 60% of easements approved

B. Master Planning Phase

- Incorporated review comments into the master plan document. Prepared electronic version of master plan for online posting.
- Development of Future Fiber Optic Communications Alternatives as well as associated opinions of costs for two alternatives.
- Meeting held with Comcast to further the discussion of overall program cost refinement for the Comcast elements.
- Meeting held with AT&T to further the discussion of overall program cost refinement for the Comcast elements.
- Presentations to the Garden Club and Greater South County Road Association to provide a project update and master plan overview.
- Meetings have been coordinated and set with Broadband RFI respondents to discuss interest in more detail. One meeting was held with ITS to discuss their potential interest.

C. Detailed Design Phase

- Subconsultant/utility owner coordination regarding completion of various equipment location revisions due to the easement acquisition and value engineering process. Incorporation of these changes in the bid documents.
- Design coordination with FPL, AT&T, and Comcast conduit plans after receipt of their revised network designs for the north and south ends.
- Coordination with Town Attorney, Brannon & Gillespie, Waypoint Engineering, and FPL related to equipment locations and easement needs.
- Numerous field meetings and follow up coordination with residents, businesses, and condominiums to discuss easement requests were performed. Coordination with surveyor to develop legal sketches and descriptions for agreed upon easements.

ID	Task Name	Duration	Start	Finish	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	1	2	3	4	5	6	7	8	9	10	11	12
1	Master Planning	230 days?	Mon 5/16/16	Fri 3/31/17																												
2	External Project Kick off Meeting	1 day	Thu 6/16/16	Thu 6/16/16																												
3	Internal Project Kick off Meeting	1 day	Mon 6/20/16	Mon 6/20/16																												
4	Task 1.1.1 - Data Collection	65 days?	Mon 5/16/16	Fri 8/12/16																												
5	Collect/Analyze Town Project Data- ACIP Program Information (roads, drainage, street lights, other planned ACIP projects)	35 days	Mon 5/16/16	Fri 7/1/16																												
6	Collect/Analyze City Data - Watermain program information	30 days	Mon 5/16/16	Fri 6/24/16																												
7	Collect/Analyze Lake Worth and South Palm Beach data at project limits	30 days	Mon 5/16/16	Fri 6/24/16																												
8	Collect/Analyze FPU - gas main replacement program	30 days	Mon 5/16/16	Fri 6/24/16																												
9	Collect/Analyze - FDOT records and proposed projects in Town limits	30 days	Mon 5/16/16	Fri 6/24/16																												
10	Collect/Analyze FPL	23 days?	Wed 7/13/16	Fri 8/12/16																												
11	Office Meeting/Record Review with FPL	1 day?	Wed 7/13/16	Wed 7/13/16																												
12	Field Verification of Major Utility Elements	22 days	Thu 7/14/16	Fri 8/12/16																												
13	Collect/Analyze ATT	22 days?	Thu 7/14/16	Fri 8/12/16																												
14	Office Meeting/Record Review with ATT (Infrastructure / Smart Poles)	1 day?	Thu 7/14/16	Thu 7/14/16																												
15	Field Verification of Major Utility Elements	21 days	Fri 7/15/16	Fri 8/12/16																												
16	Collect/Analyze Comcast	21 days	Fri 7/15/16	Fri 8/12/16																												
17	Office Meeting/Record Review with Comcast	1 day	Fri 7/15/16	Fri 7/15/16																												
18	Field Verification of Major Utility Elements	18 days	Wed 7/20/16	Fri 8/12/16																												
19																																
20	Task 1.1.2 - Data Collection-Future Communications Systems	104 days	Wed 7/6/16	Mon 11/28/16																												
21	Collect/Analyze - TOPB Police and Fire Dept private lines	16 days	Fri 7/15/16	Fri 8/5/16																												
22	Meeting with Town Public Works staff, Fire Department Staff, and Police Staff	1 day	Wed 7/6/16	Wed 7/6/16																												
23	Analysis of Town-wide Closed communications system expansion (police/fire/public works)	17 days	Fri 7/15/16	Mon 8/8/16																												
24	Analysis of Town-wide Closed Circuit communications system	51 days	Wed 7/6/16	Wed 9/14/16																												
25	Develop recommendations/conceptual order of magnitude OPC (Town Future Communications only)	21 days	Mon 9/26/16	Mon 10/24/16																												
26	Draft and issue summary memorandum	47 days	Thu 9/15/16	Fri 11/18/16																												
27	Review recommendations with Town	6 days	Mon 11/21/16	Mon 11/28/16																												
28																																
29	Broadband Infrastructure Assessment	180 days?	Mon 7/25/16	Fri 3/31/17																												
30	Kickoff meeting	1 day	Mon 7/25/16	Mon 7/25/16																												
Project: TOPB UG Master Plan		Task	Summary	Manual Summary	Deadline	Manual Progress																										
Date: Fri 5/19/17		Milestone	Manual Task	Manual Progress	Progress																											

ID	Task Name	Duration	Start	Finish	Summary	Task	Milestone	Manual Summary	Manual Progress	Deadline	Manual Progress
62											
63	Task 1.2.4 - Engineers Opinion of Probable Construction Cost	63 days	Mon 9/5/16	Wed 11/30/16							
64	Development of Overall OPC and year-by-year cost projection	63 days	Mon 9/5/16	Wed 11/30/16							
65											
66	Task 1.3 - Project Sequencing and Phasing	125 days	Mon 5/16/16	Fri 11/4/16							
67	Task 1.3.1 - Schedule Collection - Outside Projects (ACIP, City, Town, FPU, FDOT, etc.)	35 days	Mon 5/16/16	Fri 7/1/16							
68	Task 1.3.2 - Master Schedule Development	60 days	Mon 8/15/16	Fri 11/4/16							
69											
70	Task 1.4 - Assessment of Traffic Impacts	78 days	Mon 8/15/16	Wed 11/30/16							
71	Develop Traffic Control Notes/Overall Plan	35 days	Mon 8/15/16	Fri 9/30/16							
72	Develop General Project Zones	32 days	Thu 9/1/16	Fri 10/14/16							
73	Develop GIS Map for MOT Plan	43 days	Mon 10/3/16	Wed 11/30/16							
74											
75	Task 1.5 - Project Delivery Methods	45 days?	Wed 8/17/16	Tue 10/18/16							
76	Meeting with Town to review delivery method criteria	1 day	Wed 8/17/16	Wed 8/17/16							
77	Develop general selection criteria based on project phase complexity, phasing, etc.	26 days	Fri 8/19/16	Fri 9/23/16							
78	Develop delivery method recommendations for each Phase of Project	15 days?	Mon 9/26/16	Fri 10/14/16							
79	Review recommendations with Town	1 day	Tue 10/18/16	Tue 10/18/16							
80											
81	Task 1.6 - Master Plan Document	90 days	Mon 9/5/16	Fri 11/6/17							
82	Develop master plan document to describe process undertaken, present design criteria, public vetting process and recommendations	74 days	Mon 9/5/16	Thu 12/15/16							
83	Submit to Town Staff	1 day	Fri 12/16/16	Fri 12/16/16							
84	Town Staff Review	15 days	Mon 12/19/16	Fri 1/6/17							
85											
86	Refine Master Plan based on Town Comments	60 days	Mon 1/9/17	Fri 3/31/17							
87	UUTF Meeting to Present MP	1 day?	Tue 4/4/17	Tue 4/4/17							
88	Town Council Meeting to Present MP	1 day?	Tue 4/11/17	Tue 4/11/17							

Project: TOPB UG Master Plan

Date: Fri 5/19/17

Task

Milestone

Summary

Manual Task

Manual Summary

Finish-only

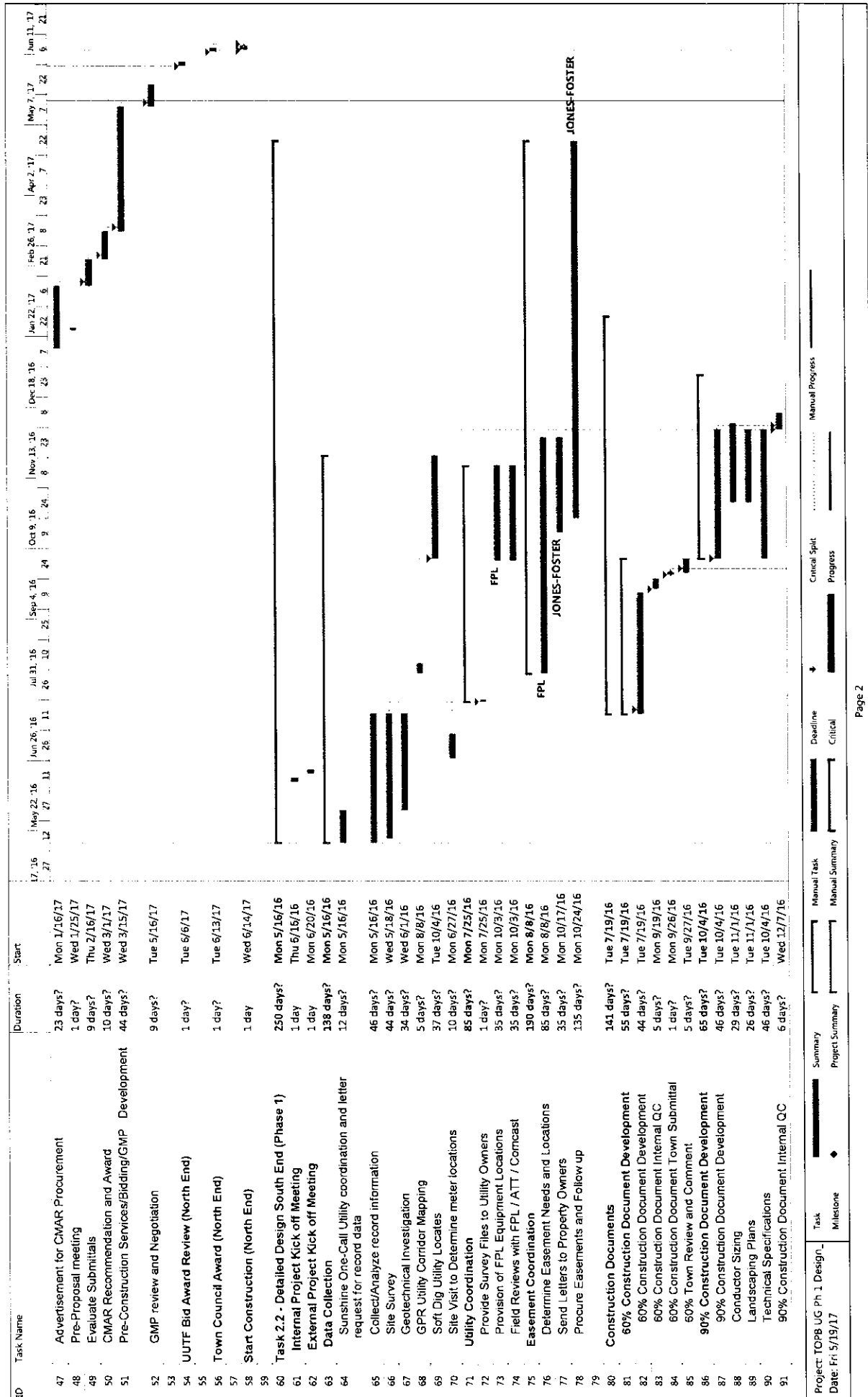
Deadline

Progress

Manual Progress

Progress

Page 3



Town of Palm Beach
Underground Utility Project
Budget and Actual Expenditures
As of May 31, 2017

Project Engineering						
Survey Costs						
Task 1.1 - Data Collection & GIS Base Mapping	\$ 88,021	\$ 88,021	100.00%			
Task 1.1a Data Collection for Future Communications	23,511	23,511	100.00%			
Task 1.2 - Conceptual Design and Master Plan	161,756	161,756	100.00%			
Task 1.3 - Project Sequencing and Phasing	31,244	31,244	100.00%			
Task 1.4 - Assessment of Traffic Impacts	77,660	77,660	100.00%			
Task 1.5 - Project Delivery Methods	17,448	17,448	100.00%			
Task 1.6 - Master Plan Document	45,053	42,800	95.00%			
Task 1.7 - Meetings Master Planning Phase	113,135	113,123	99.99%			
Task 1.8 - Master Plan Phase 2	40,067	38,064	95.00%			
Subtotal Master Planning	\$ 597,895	\$ 593,627	99.29%			
Task 2.1 - Detailed Design North End Project (Onondaga to East Inlet)	472,063	448,460	95.00%			
Task 2.2 - Detailed Design South End (Sloan's Curve to Southern Boundary)	619,411	588,440	95.00%			
Task 2.2A - Ibis Way PGD Improvements	14,583	13,854	95.00%			
Task 2.3 - Permitting Assistance	17,790	13,343	75.00%			
Task 2.4 - Bid Phase Assistance	42,166	21,083	50.00%			
Task 2.5 - Meetings - Design Phase	125,399	52,702	42.03%			
Legal Sketch and Description - Easements	34,000	11,015	32.40%			
Subtotal Design Phase	\$ 1,325,412	\$ 1,148,896	86.68%			
Task 3.1 - Public Outreach	282,519	104,870	37.12%			
Total Engineering and Survey Costs	\$ 2,205,826	\$ 1,847,394	83.75%	27.86%	33.26%	
CM Project Management	\$ 1,415,000					
Utility Conversion Costs (FPL)	\$ 1,277,923					
FPL Engineering for Binding Cost Estimate	\$ 117,873					
North End Design		\$ 14,645				
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	\$ 192,773	\$ 192,773	100.00%	0.71%	0.71%	
Utility Conversion Costs (AT&T and Comcast)	\$ 61,454					
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%	0.69%	0.69%	
Conversion of FPL Service Connections	\$ 10,000,000					
Landscape/Hardscape Restoration Costs	\$ 15,000,000					
Asphalt Milling and Resurfacing Costs	\$ 15,000,000					
Legal Costs/Easement Acquisition*	\$ -	\$ 175,186	0.00%	4.09%	4.09%	
Sub-Total Project Budget	\$ 21,845,122					
Contingency @ 20%	\$ 4,369,024					
Total Estimated Project Budget	\$ 26,214,146					

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

Accounts Payable

Policy:

It is the policy of the Town of Palm Beach ("Town") to fully comply with all Federal, State and Town laws, statutes, and ordinances relating to their accounts payable system. Consistent with this commitment, the following Accounts Payable (AP) Procedures have been developed.

Personnel are required to review and approve invoices and purchase orders, generate and distribute checks, and other AP activities. It is expected that certain objectives are accomplished by this process and evidentiary materials are created and retained to support this process. Those objectives are to validate that AP transactions are appropriately authorized and properly recorded, and that adequate reviews are performed and documented.

This document is meant as an overview of the AP process and is meant to be used to document the Town's internal controls relating to their AP system. For detailed step by step instruction for any step or phase of the AP process, reference the detailed documentation manuals from EDEN. These manuals can be found in the Town's Finance Department.

Checks are processed every Friday and mailed the following Monday.

Procedure:

1. Invoice Entry and Preparation

The majority of invoices are entered into the EDEN AP System by the AP clerk, with the exception of:

- Parking ticket and alarm refunds which are entered by the Accounting Assistant
- Other assistance is provided by the Purchasing Technician, including entering of warehouse invoices

Invoices are entered following the instructions in the EDEN "AP Invoice Operations" manual. Each invoice will automatically be entered into a pre defined approval queue. The approval queue will route the invoice to the appropriate person(s). Email notifications are sent to approvers that invoices are waiting for their approval.

Each approval queue has multiple approval levels, with multiple persons at each level. The routing and approval history is recorded on the invoice. After reviewing the invoice, the approver can approve it, reject it, or return it for corrections and add appropriate comments and requests for information or action. The final approver on all approval queues is the Accounting Supervisor who reviews the attachment for consistency with the entered information. At every step of the invoice approval process, the notes and comments of others are available for viewing in the approval process.

Invoice images are attached to the invoice form in the EDEN system. These images are used for review and approval.

Original invoices are kept in the Finance Department at the AP Clerk's desk in a pending payment file drawer.

- c. A voucher list is printed as part of the backup associated with an AP check run. The order of printing checks, voucher forms and voucher listing is established in the AP Controls screen in EDEN by the Finance Department.
 - i. Voucher forms are attached to the hard copies of invoices. Vouchers are printed forms that contain the accounting information from the invoices. There is typically one voucher per check
 - ii. The voucher listing shows the accounting detail of all the vouchers. The AP Clerk uses this list as a check register.
 - iii. The report is printed and saved to Laserfiche. The printed copy is routed with the check basket for review and signature by the Finance Director and Deputy Town Manager.
- d. Final Check Listing - This report has been replaced by the voucher listing as a check register instead.
- e. The Departmental Expenditure Report is an optional report that is run, printed, saved to Laserfiche and distributed to the departments after printing checks. This report prints a list of expenditures for each department on the current check run.
- f. EFT Export - Currently not set up for use
- g. The positive pay files are created, exported and saved to the network drive, with a hard copy printed. This creates the file of issued checks that is submitted to the bank by the AP Clerk via the Wells Fargo SAFE Transmission website which is password and token protected.
- h. The check run is posted following the instructions in the EDEN "AP Check Operations" manual. This step posts the accounting transactions to the General Ledger. Posting can only occur after checks have been printed. This report is saved to Laserfiche and no hard copy is printed.

5. Check Run Review/Approval

The invoices that are being paid are placed in a basket, along with the voucher listing (check register), and routed to the Finance Director and then to the Deputy Town Manager for review and approval. They indicate their approval by signing the voucher listing.

6. Distribution of Checks/Reports

Checks are retained by the A/P Clerk until approved, and then mailed out by the Payroll Specialist. Checks are mailed unless otherwise approved by the Director of Finance or the Deputy Town Manager.

Attached paper invoices and voucher forms are returned to the AP Clerk and filed along with a signed voucher listing (check register) in an accordion file for the week's run. Prior to filing the signed voucher listing is scanned to Laserfiche to A/P reports. All invoices and vouchers are kept chronologically.

Once the file is uploaded to the IRS website, it is renamed by the website. Print the page and cross-reference it to the type of 1099's that were reported in that file. You should also check the website after approximately two weeks to check on the file status.

9. Stale Dated /Unclaimed Checks

When stale dated checks are received, the Accounting Assistant will make several attempts to contact the vendor. If the vendor is contacted, new vendor information will be collected and the check will be voided and reissued. If contact with the vendor was not established, the stale dated checks are forwarded to the Assistant Finance Director to be processed as unclaimed funds.

Unclaimed funds are to be sent to the State along with the report containing the required information on the vendor according to the Florida Statute 717.117.

10. Stop Payments and Reversals / Reissue of AP Payable Checks

At infrequent times, the Finance Department encounters a situation where they must stop payment on checks that have been issued from EDEN AP. Since banks charge a fee to stop payment on checks, the use of this procedure should be exercised prudently. This policy does not specify when a stop pay must be issued. It is at the discretion of management, with the knowledge that a stop payment takes effect immediately and the bank assesses a stop payment fee for each check that is stopped.

- a. To replace a normal AP cycle check that has been lost, stolen or never received:
 - i. Verify that the check has not been paid.
 - ii. If the check being replaced was processed in the normal AP cycle and it is not in the Finance Department's possession, obtain a signed affidavit from the vendor and reprint the check.
- b. To replace a normal AP cycle check that is in the possession of the Finance Department or was torn during processing or delivery; use the EDEN AP system to reprint the check, by first preparing a Void/Reissue form.

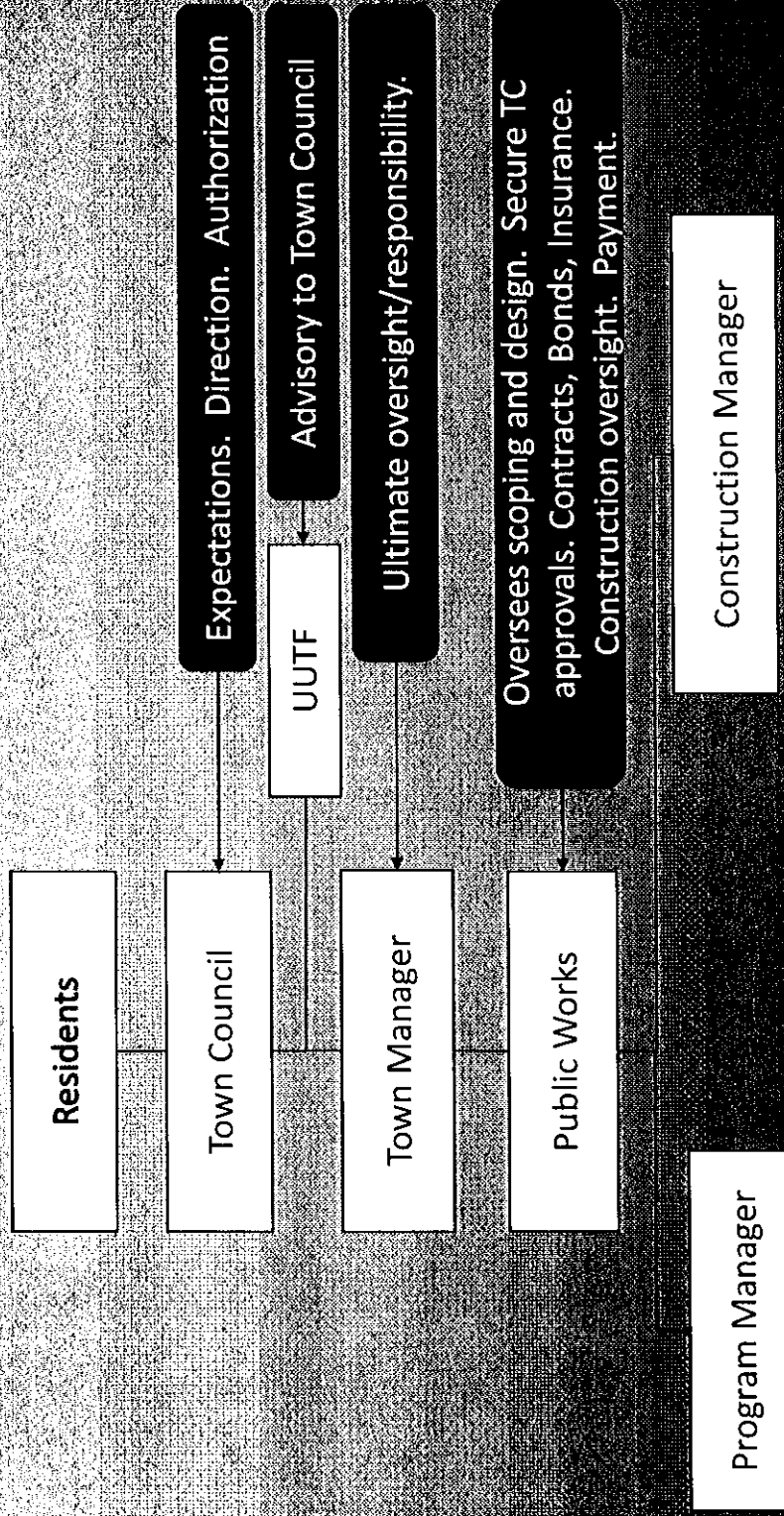
The process for voiding checks is as follows:

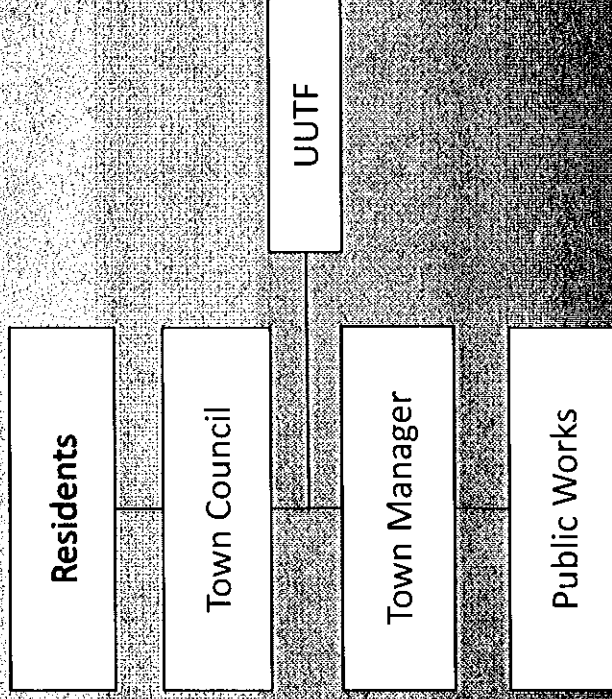
- a. Request to void a check is prepared, backup is attached and the package is routed to the Finance Director for approval.
- b. The approved request form is returned to the Accounting Supervisor who will issue stop payments and void the checks in the Eden as necessary.
- c. Completed forms are given to the Accounts Payable Clerk
 - i. Forms for checks that will be reissued will be filed in the open invoices folder and used as backup for the reissue of the check.
 - ii. Forms for checks that will not be reissued will be scanned and attached to the check record of the check that was voided.

11. Additional Information

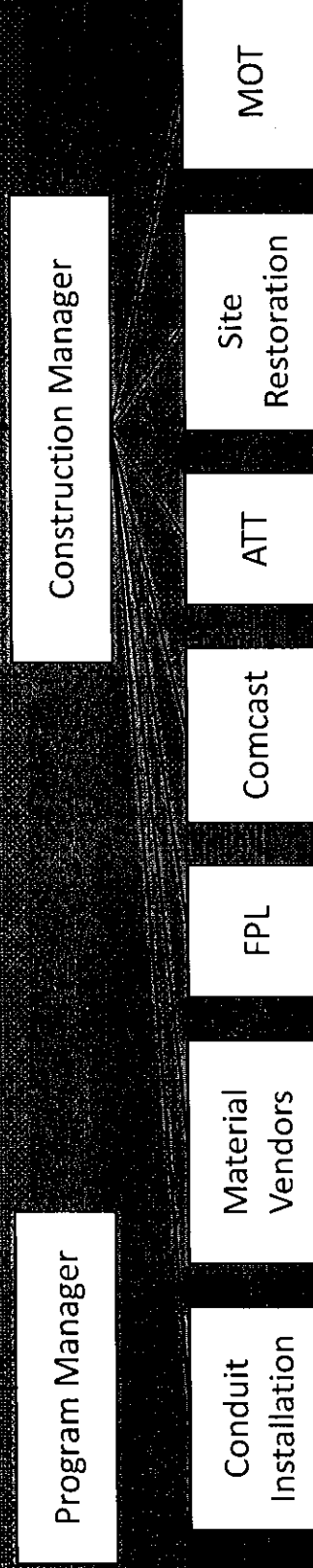
Procedures regarding access levels of employees for entering invoices, other AP transactions and password security for particular levels can be found in the Town's IT General Controls. Master maintenance and setup of the AP module's default information is performed under the IT function of the Town with input from the

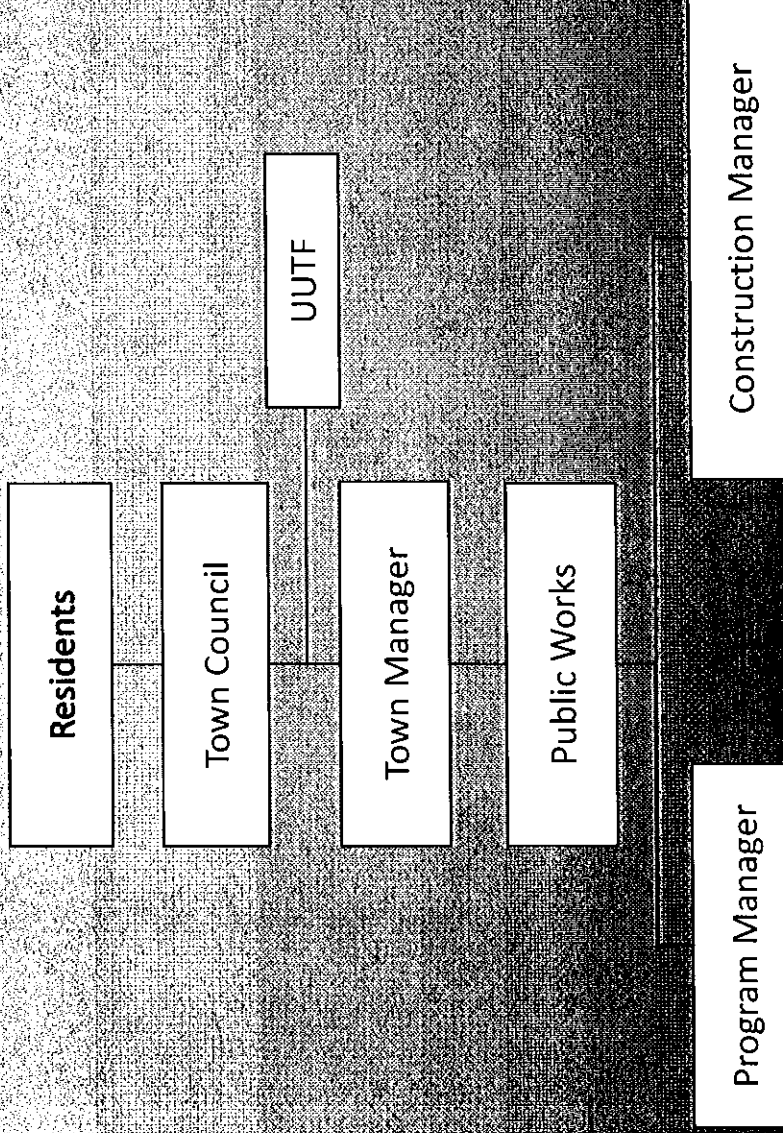
Project Team and Resources





Value
Engineering/constructability.
Oversight of all construction
activity, schedule, budget.
Construction coordination
with all utilities. Meet
resident expectations during
construction.





Coordination with residents, TC, UUTF, and PW before and during construction to facilitate the project and solve related problems. Leads easement acquisition working with Program Manager. Serves as Public Information Officer and coordinates mass communication. Audits budget for target compliance.

Underground Utilities Task Force
Communications Planning Recommendations – June 2017

EXHIBIT **CS!**

➤ **Overview / Objective:**

The Town of Palm Beach Underground Utilities Task Force has requested recommendations for future communications with residents and businesses about the undergrounding project to provide effective and timely information about the project status and impacts as undergrounding moves forward.

Here are our recommendations for consideration by the UUTF:

➤ **Website**

- The website serves as a dedicated and primary tool for project updates. The website is updated after each UUTF meeting or Council meeting when decisions are made or other new information is available.
- We recommend creating a dedicated page for each phase to track construction progress, photos and updates so it is easy to navigate and include street level search features and details when possible.
- Updates will be needed for the assessment costs for each property in the online cost search tool once the new cost updates are completed and approved.
- The project start will likely generate a variety of questions and answers that should be updated on the website, used for emails and archived for future phases.

➤ **Email Program**

- The email system in place is an effective tool. We have collected many sign-ups and have a high open rate for emails sent. Recipients are now used to getting these emails and rarely does someone opt-out. This is a low cost, effective form of communication that can be delivered quickly and reach residents no matter where they are located.
- There should be a weekly email that goes out with updates on the construction progress and these emails can be targeted to just sections of town impacted.

➤ **Direct Mail**

- We recommend three printed newsletters at the start of season, mid-point and the end of season. Direct mail is an effective tool to provide project updates and status reports. They were delivered town-wide during season and drove up traffic to the website as well as email sign-ups in the past year.
- The La Puerta/Nightingale project was a good case study to model future communications to residents. There was an interest in direct mail to target audiences in impacted areas so they could know about the timeline, road closures or other details.
- We suggest doing a direct mail postcard to residents in each section as the project is constructed in their neighborhood.
- One example is a standardized “what to expect mailer” with information about easements, meter reviews, timeline, construction methodology and important contact numbers and project manager details.

Underground Utilities Task Force
Communications Planning Recommendations – June 2017

EXHIBIT
CS!

➤ **Dashboard Updates**

- The dashboard that is used by the UUTF was created to provide a project overview for Phase One design. Our recommendation would be to create a dashboard for each future design phase and construction phase. Each unique document can be easily placed on the website or shared with people that want to look up that phase only. This item requires direction from the UUTF on formatting preference.

➤ **Project Tracking**

- We recommend that a counter be added to future dashboards, the website, and newsletters with a monthly tracking for: 1. Total miles completed (as a number or percentage); 2. Fires due to utility issues (this should decrease over time); 3. Utility Poles removed (this should decrease over time); and 4. Power outages (also should decrease). These numbers should be able to increase or decrease as the project move ahead.

➤ **Traffic App**

- There are traffic applications that the Town can invest into that would allow for information to come to anyone registered on the mobile tool. This app can be used to send alerts or notify people when they enter an area with road issues. The software should include the ability to use geo-fencing so it can be more customized.

➤ **Media News Releases**

- The UUTF received great coverage from the *Daily News* at meetings and for project updates. Providing regular updates to the media and pushing media content out via emails or providing an archive on the website is a practice that should be continued.

Submitted at M76 06/09/17

Master Planning Phase

Progress Update

- Meetings with Utility Providers to discuss potential cost reductions
- Meeting with Broadband RFI respondent



TOWN-WIDE
Undergrounding of Utilities
MASTER PLAN





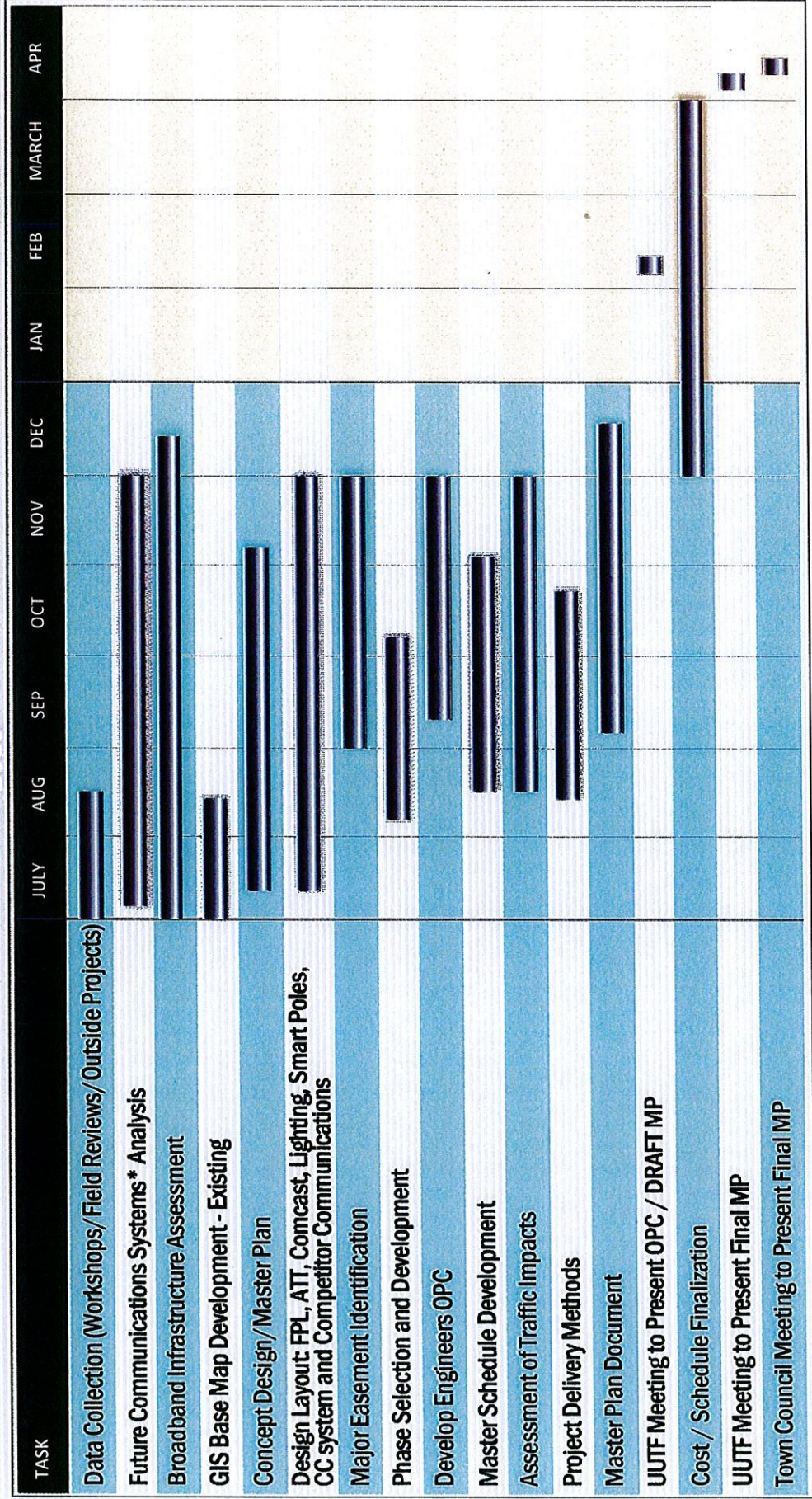
TOWN OF PALM BEACH

Town-Wide Undergrounding of Utilities Program

Master Planning Schedule

2016

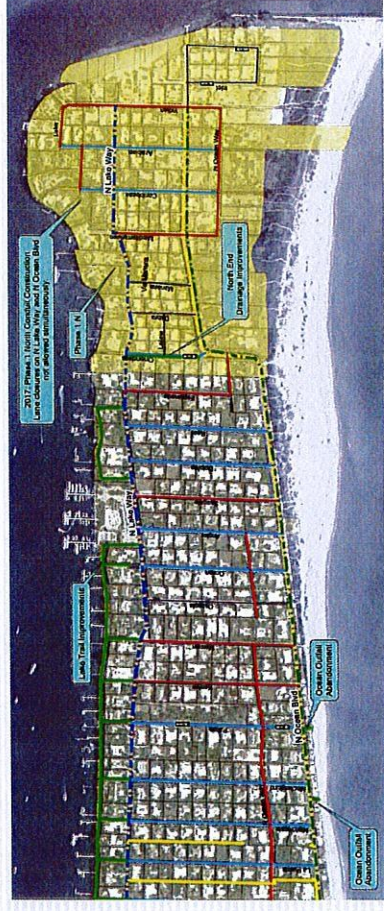
2017



Master Planning Phase

Moving Forward – June Tasks

- Continued discussions with Utility Providers to refine program costs
- Preparation for presentation of Master Plan at the July Town Council Meeting

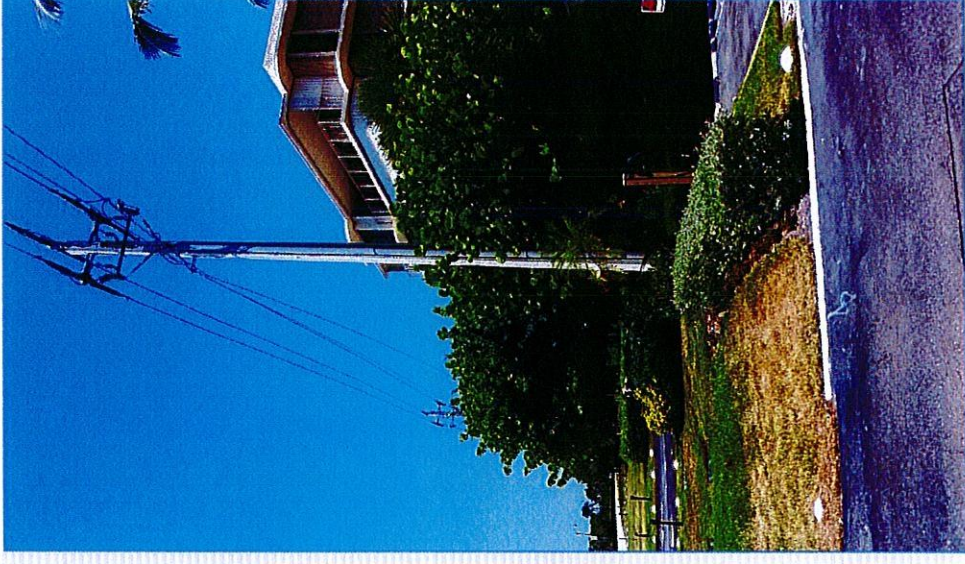




Detailed Design Phase

Progress Update

- CMAR pre-construction services and GMP Development
- Received FPL BCE for North and South Phases
- Construction Document finalization continued based on bid process and easement acquisition activities
- FDOT Utility Permit received
- Easement Acquisition





Detailed Design Phase

Easement Acquisition Progress Update

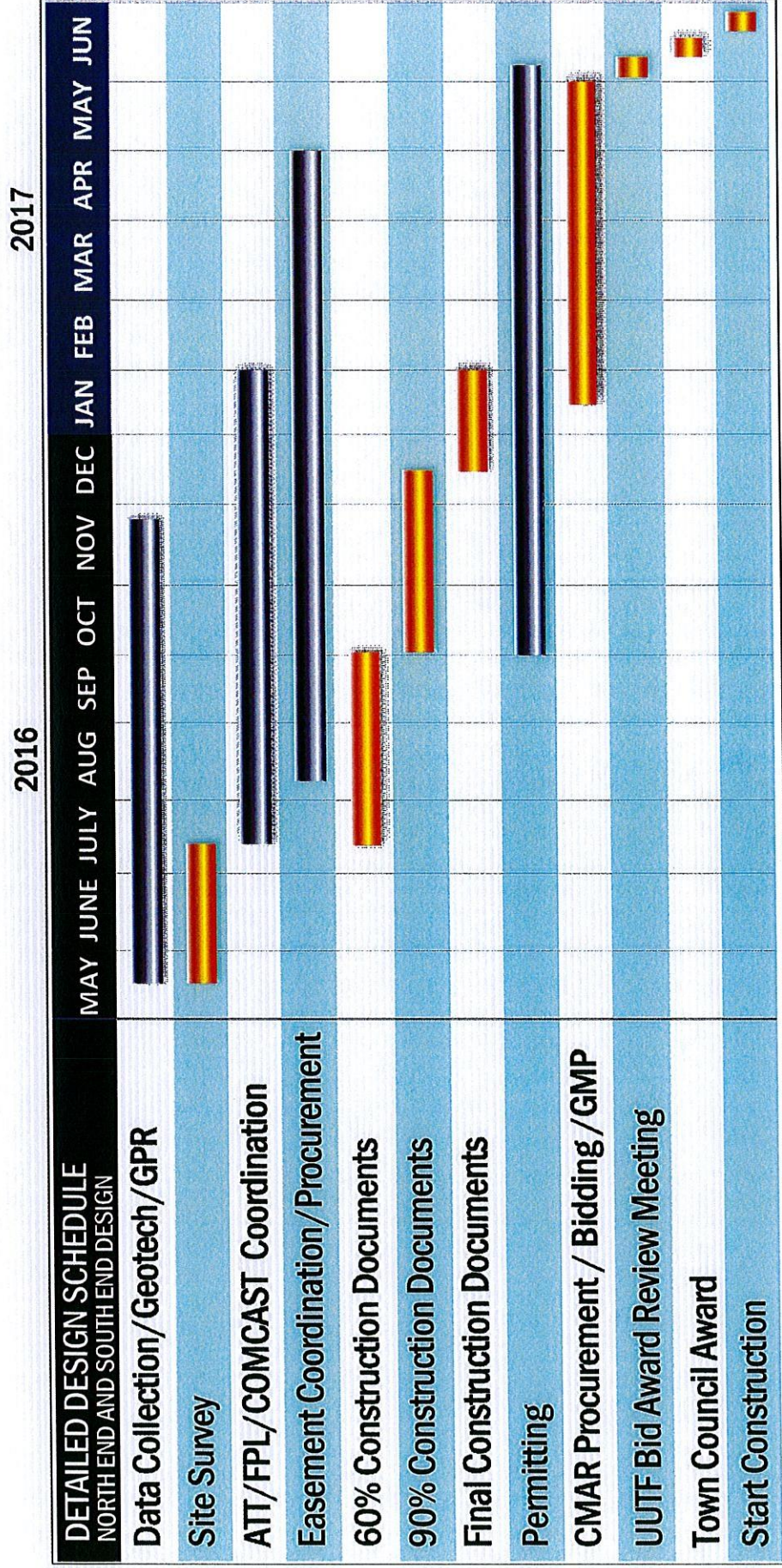
Phase 1 North	
Easements Required	39
Owners Contacted	39
Easements that have received Owner Approval and are in process	15
Fully Executed Easements Received	15
Phase 1 South	
Easements Required	25
Owners Contacted	17 (all)
Easements that have received Owner Approval	7
Fully Executed Easements Received	8



TOWN OF PALM BEACH

Town-Wide Undergrounding of Utilities Program

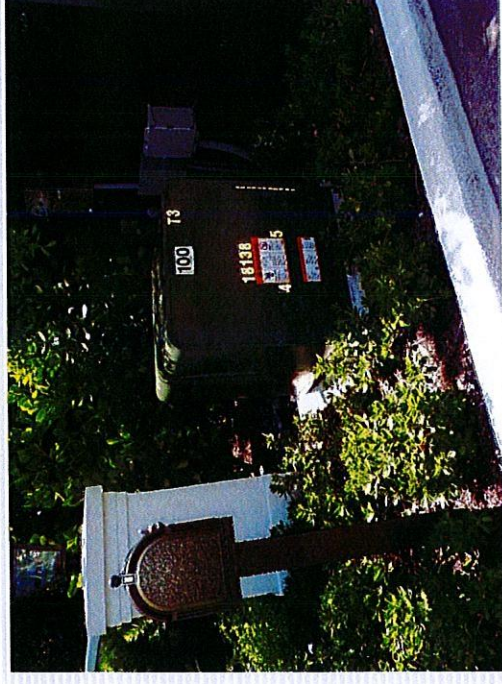
Detailed Design Schedule



Detailed Design Phase

Moving Forward – June Tasks

- FP&L/AT&T/Comcast final coordination, agreements
- Easement Acquisition process continues
- UUTF and Town Council action on GMPs
- Progress/Coordination Meetings
- Construction Phase Begins for Phase 1 if GMPs approved by Town Council





Saves and Raves

Saves: Recognition of AT&T for working internally to identify cost savings opportunities to bring back to the Town

Raves: Recognition of FPL for delivering the BCE ahead of schedule



Phase 1 Guaranteed Maximum Price (GMP)

Process

- Two Construction Managers
 - Phase 1 North – Burkhardt Construction
 - Phase 1 South – Whiting-Turner
- Sub-Trade Bidding Process
- GMP Assembly and Negotiation
- UUTF and Town Council action on GMPs



Phase 1 Guaranteed Maximum Price

Phase 1 GMP Summary

Phase 1 North and South Combined Opinion of Probable Construction Cost	\$10,930,000
Phase 1 North and South Combined GMP and Direct Utility Costs	\$10,385,506.12
Difference	\$544,493.88



Phase 1 Guaranteed Maximum Price

Phase 1 North GMP Summary	
Phase 1 North Opinion of Probable Construction Cost	\$3,960,000
Phase 1 North GMP and Direct Utility Costs	\$4,074,920.53
Difference	\$114,920.53



Phase 1 Guaranteed Maximum Price

Phase 1 South GMP Summary

Phase 1 South Opinion of Probable Construction Cost	\$6,970,000
Phase 1 South GMP and Direct Utility Costs	\$6,310,585.59
Difference	\$659,414.41



Phase 1 Guaranteed Maximum Price

Phase 1 Contingency Fund Summary

Phase 1 CMAR recommended contingency

\$445,466.33

Phase 1 Available Dollars for Contingency Fund

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Difference

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TOWN-WIDE *Undergrounding of Utilities* MASTER PLAN





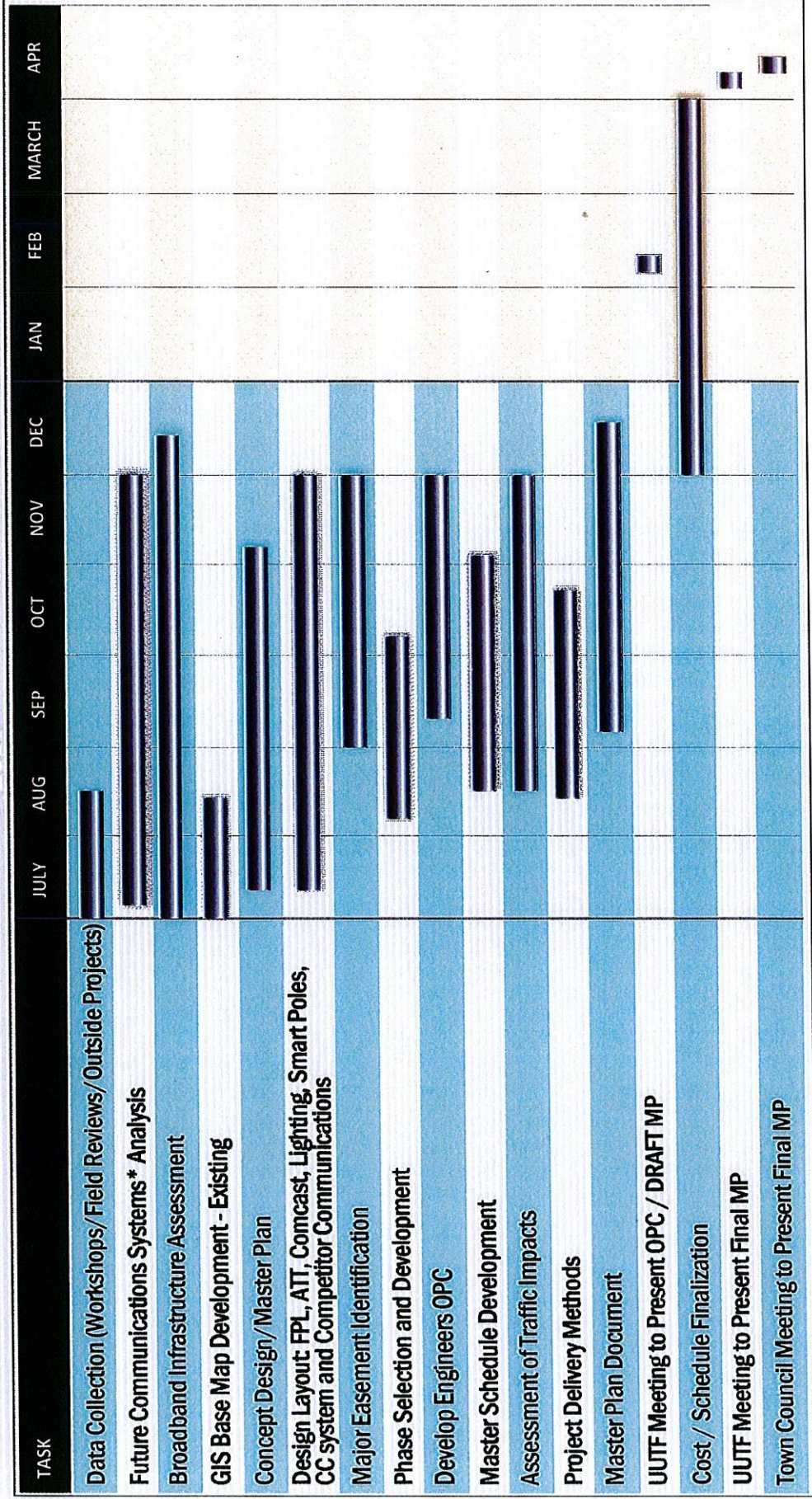
TOWN OF PALM BEACH

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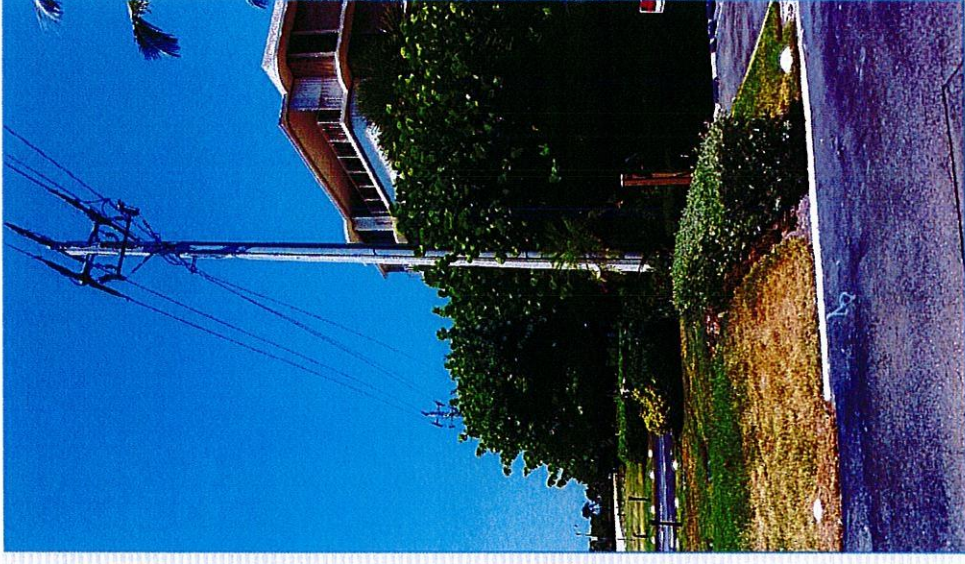




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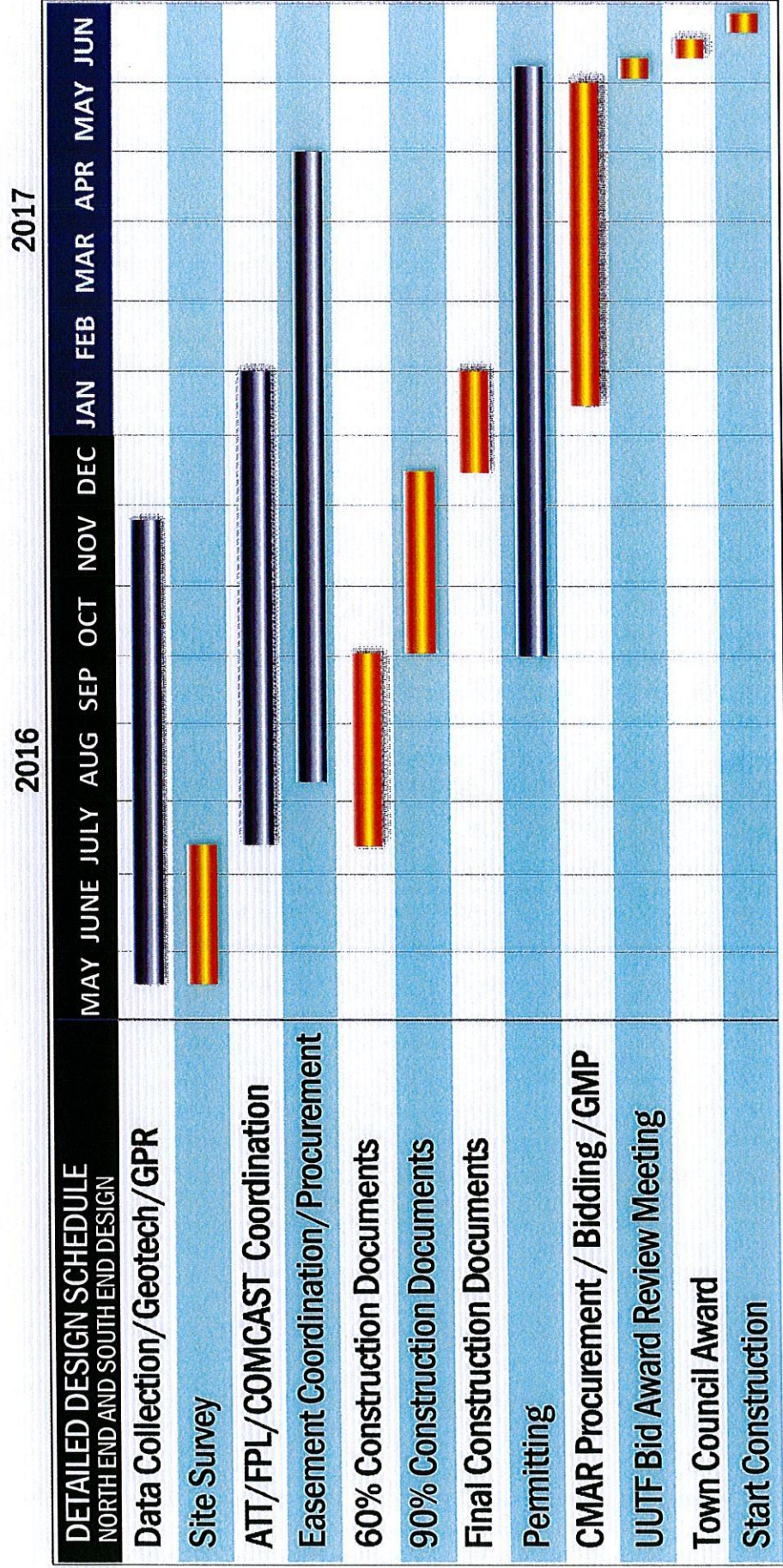
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TOWN OF PALM BEACH

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