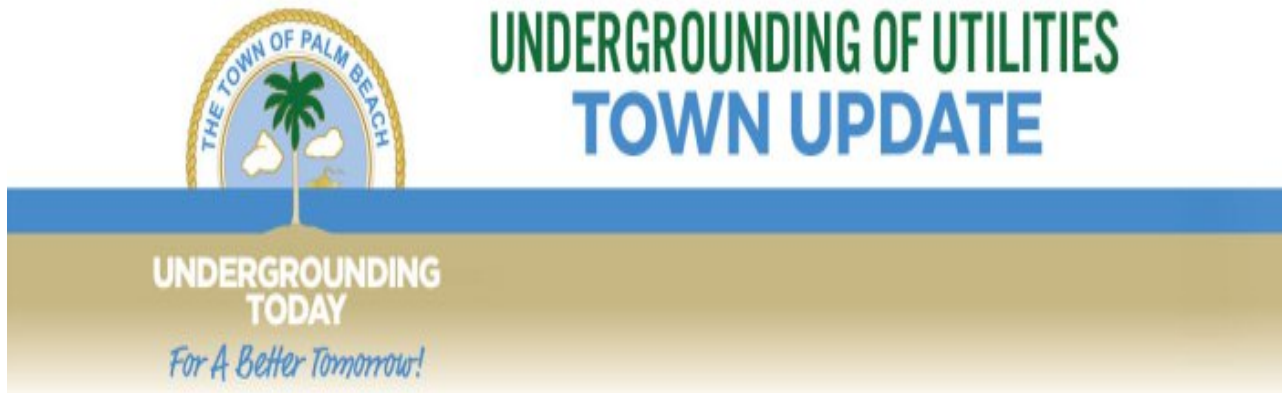


TOWNWIDE UNDERGROUNDING OF UTILITIES UPDATE

January, 2018

In this update read about:

- [Commercial Paper Issued](#)
- [Construction Progress Update for Phase 1 North](#)
- [Construction Progress Update for Phase 1 South](#)
- [Engineering Design Update for Phase 2 & 3](#)
- [Outreach & Community Events](#)
- [Assessment Information](#)
- [Peer Review of the Underground Utilities Master Plan](#)



COMMERCIAL PAPER ISSUED

PROJECT FUNDED FOR INITIAL PHASES

On Dec 20th, the Town issued \$9 million in Commercial Paper to finance the initial phases of the Underground Utility Project at an interest rate of 1.40%. Commercial Paper ("CP") is issued by local governments for a number of reasons, including interim construction financing. CP is secured for liquidity purposes by a dedicated source of immediately available funds; the Town's CP structure, utilizes a Direct-Pay Letter of Credit from Citibank.

The full text of the press release is posted here:

<http://townofpalmbeach.com/civicalerts.aspx?AID=680>

Visit the Undergrounding Web Site at: <http://undergrounding.info/>

Contact Us: underground@TownofPalmBeach.com | (561) 227-7077 | 360 South County Road, Palm Beach, FL 33480

CONSTRUCTION UPDATES

PHASE 1 NORTH

Phase 1 North of the Undergrounding of Utilities Project runs from Onondaga Avenue north to Annie's Dock, North Ocean Blvd & East Inlet Drive. The construction phase of this area also commenced in July 2017, the Construction Manager, Burkhardt Construction and their subcontractors remain on schedule supporting horizontal drilling of underground electrical conduits, placement of electrical equipment bases, electrical cable installation and limited deployment of equipment throughout the area. During the month of January residents will see undergrounding crews working along Caribbean & Arabian Roads. A separate public works project supporting water main replacement is also in progress on East Inlet.

PICTURE OF PHASE 1 CONSTRUCTION AREA



PHASE 1 SOUTH

The Undergrounding of Utilities Project Phase 1 South consists of the area from the southern limits of the Town north to Sloan's Curve. Since the construction phase of the project commenced in July 2017, the Construction Manager, Whiting Turner and their subcontractors remain on schedule supporting horizontal drilling of underground electrical conduits, placement of electrical equipment bases, electrical cable installation and deployment of equipment throughout the area. During the month of January there will be crews working within the Right-of-Way on the East and West sides of South Ocean Boulevard. The construction crews will be digging drill pits and directionally drilling new electrical conduits. At the locations of the new electrical equipment, support bases will be set and electrical cable will be deployed within the new conduits.

PICTURE OF PHASE 1 CONSTRUCTION AREA



For **PHASE 1 NORTH & SOUTH**, there are no planned outages of electrical services at this time. The construction managers will always attempt to contact property owners and property managers if adjustments to Right of Way landscaping are required. Right of Way areas are typically partially restored after the immediate work is completed with full restoration including landscape occurring at the conclusion of the construction phase.

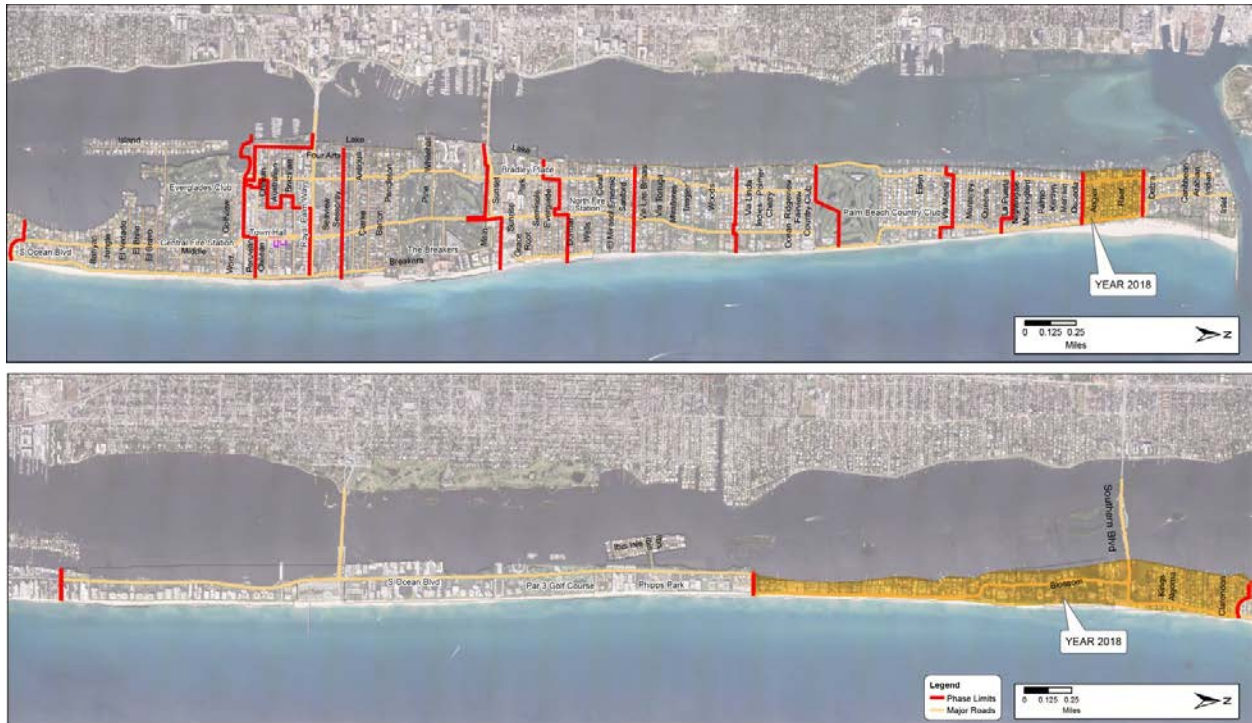
DESIGN UPDATES

PHASE 2 DESIGN

Phase 2 design is presently underway with construction scheduled to begin in September 2018. This next area of construction will encompass properties in the North *between Onondaga Avenue to Osceola Way* and in the South *from Sloan's Curve to the South County Road/South Ocean Blvd. intersection*.

We are now in the process of finalizing the design for the Phase 2 area to the point of identifying potential utility locations. By the time we get to your street you may have begun your spring or summer '18 travel activities but we may need to talk to you or your representative about impacts to your specific property while you are away. To that end we are requesting property owners in Phase 2 provide Town staff with contact information permitting us to deliver regular Phase 2 updates via email and/or discuss utility placements, if necessary, with you or your authorized designee.

Please send an email to underground@townofpalmbeach.com or call 561-237-7077 to provide your contact information or to ask additional questions about this upcoming phase.



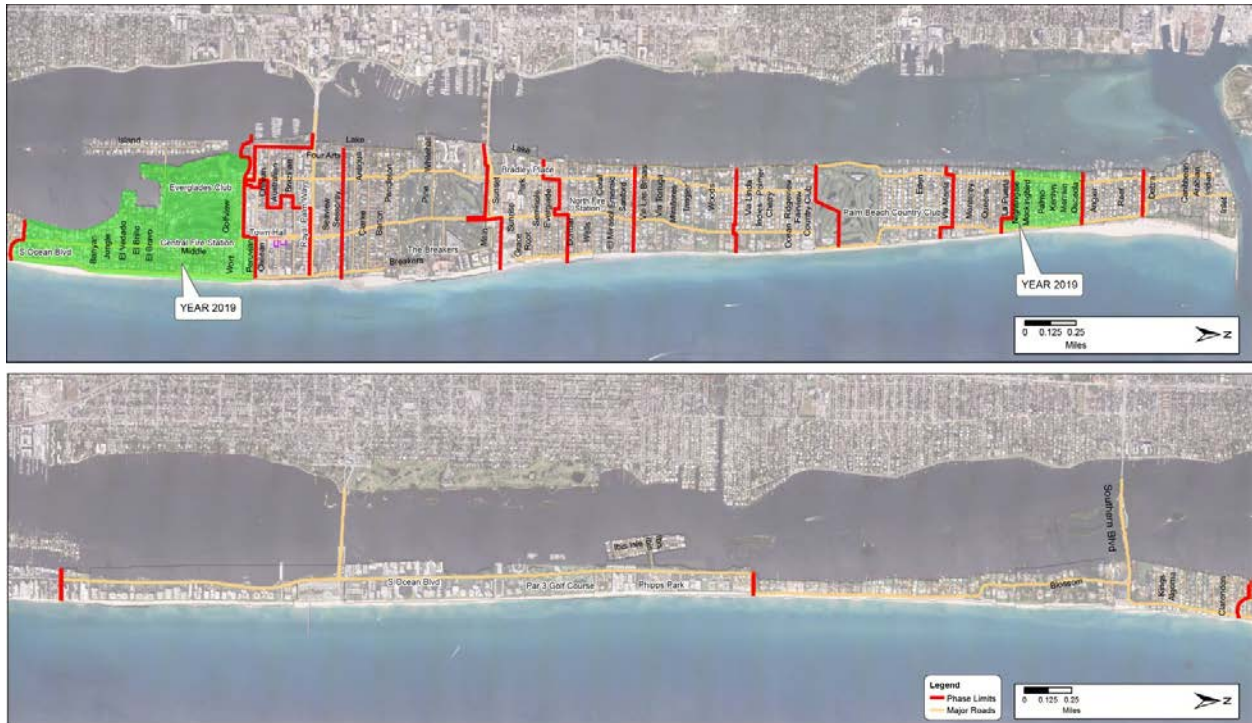
Phase 2 Project Area

PHASE 3 DESIGN

Town staff has recommended that the Town Council approve Resolution 02-2018 supporting the purchase order for Engineering Design Services to Kimley-Horn and Associates, Inc. (KHA) for Phase 3 of the Town-Wide Undergrounding Utilities Program.

With the Commercial Paper issued on December 20th to finance the initial phases of the Underground Utility Project, funding is available to ensure the program remains on schedule.

The Phase 3 project areas are from Osceola Way south to La Puerta Way and from the intersection of South Ocean Boulevard and South County Road to approximately Worth Avenue. It is anticipated that the design will be completed in time for a May 2019 start of construction.

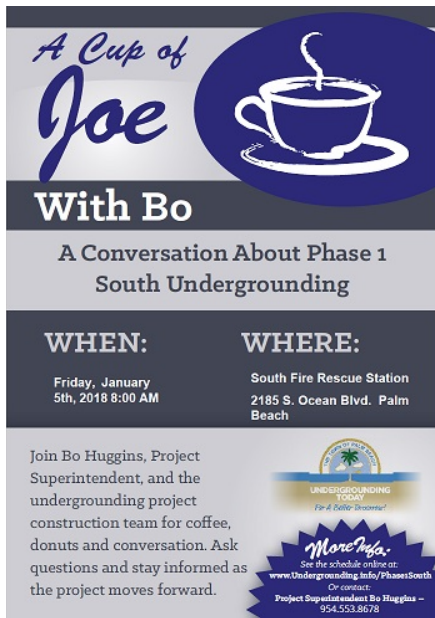


Phase 3 Project Area

OUTREACH & COMMUNITY EVENTS

UNDERGROUNDING INFORMATION & COFFEE

Two informative undergrounding of utility events are scheduled *on a recurring basis each month*. These meetings are targeted to property owners, residents and property managers within the active phase areas to meet and ask undergrounding questions with the Construction Managers and Town Staff. Separate meetings are occur in support of Phase 1 North and Phase 1 South.



A Cup of Joe

With Bo

A Conversation About Phase 1
South Undergrounding

WHEN: Friday, January 5th, 2018 8:00 AM

WHERE: South Fire Rescue Station
2185 S. Ocean Blvd. Palm Beach

Join Bo Huggins, Project Superintendent, and the undergrounding project construction team for coffee, donuts and conversation. Ask questions and stay informed as the project moves forward.

More Info:
See the schedule online at:
www.Undergrounding.info/PhasesSouth
Or contact:
Project Superintendent Bo Huggins - 954.553.8678

Recurring on the 1st Friday of each month at 8:00 AM:

"Cup of Joe w/ Bo," hosted by Whiting Turner Construction at the South Fire Station across from Ibis Isle.



You Are Invited...
Coffee!

With The Crew

Phase 1 North Undergrounding Project

WHEN: Monday, January 8th, 2018 8:00 AM

WHERE: Annie's Dock, North Ocean Blvd & East Inlet Drive

Join the undergrounding project construction team for coffee, donuts and conversation. Ask questions and stay informed as the project moves forward.

More Info:
See the schedule online at:
www.Undergrounding.info/PhasesNorth
Or contact:
Blaise Decker, Resident Liaison - 561.728.1866

Recurring on the 1st Monday of each month at 8:00 AM:

"Coffee with the Crew," hosted by Burkhardt Construction at Annie's Dock, corner of N. Ocean and East Inlet Dr.

Additionally, one time meetings are occasionally scheduled to update a wider audience on the project's current status and future plans. You may review the presentation recently provided to the Palm Beach Civic Association on November 16, 2017 at: <http://undergrounding.info/civic-association-undergrounding-status-presentation-november-16-2017/>

To request a project status update or for your community contact us:
underground@TownofPalmBeach.com | (561) 227-7077 | 360 South County Road, Palm Beach, FL 33480.

ASSESSMENT UPDATE

PREPAYMENT & ANNUAL PAYMENT OPTIONS

Since the implementation of the Town-wide assessment, the Town has received over \$13.7 million in prepaid assessments representing 15.3% of the total assessments. These prepaid assessments will reduce the amount the Town will ultimately borrow for the underground utility project. Property owners may continue to prepay assessment obligation anytime until the project is funded by General Obligation Bonds. It is important to note that anyone who has prepaid for Undergrounding has no lien on their property now or in the future for the underground project.

The assessment program today is proposed to be a series of 30 annual assessments at which time the debt and associated project costs will be fully retired. For property owners who have elected to pay annually, each individual year's assessment is a lien on one's property for that assessment only that must be paid just as is the case with one's annual property taxes.

For properties which have not elected to prepay and being sold in a particular tax year, the parties typically prorate the year's taxes and assessments for that year only. Neither the seller nor the buyer are obligated via a lien for any future year's taxes or assessments because there is no lien on future taxes or assessments that have not yet been issued by the taxing or assessing authority. If anyone has written that assessments implemented in the summer of 2017 created liens lasting 30 years into the future they are at minimum misinformed of the assessment process.

Property owners may contact the Town of Palm Beach Finance Department or Underground Hotline by phone or email for information or to prepay an assessment.

- Finance Department: 561.838.5444
- Undergrounding Hotline: 561.227.7077
- <mailto:underground@townofpalmbeach.com>

Additional information regarding assessments may be found here:
<http://undergrounding.info/finances/>

PEER REVIEW OF THE TOWN-WIDE UNDERGROUNDING UTILITIES MASTER PLAN

The Town of Palm Beach engaged Patterson & Dewar Engineers, Inc. to develop an independent, technical peer review of the "Town-Wide Undergrounding of Utilities Master Plan" completed in April 2017 by Kimley-Horn and Associates.

Patterson & Dewar examined the project scope and identified the following areas of focus for evaluation:

- Program Management and Delivery Method
- Costing and Applicability of Opinion of Probable Cost
- Scheduling and Sequencing
- Planning and Engineering Design
- Traffic Impacts

Visit the Undergrounding Web Site at: <http://undergrounding.info/>
Contact Us: underground@TownofPalmBeach.com | (561) 227-7077 | 360 South County Road, Palm Beach, FL 33480

The peer review sought to address specific “charge questions” posed by the Town and examined the project’s approach and design consideration, the Master Plan, scheduling, sequencing, phasing, the probable cost of construction, and the overall plan for executing the project.

Patterson & Dewar's Final Peer Review Report, other associated documents including staff comments are available for the Public view and download her:

<http://undergrounding.info/project-status/peer-review/>