Florida Power & Light Company, 4000 Davie Rd Ext, Hollywood FL 33024

September 19th, 2023

Luis Lopez
Engineering Support Services Manager
City of Hollywood
Hollywood Community Redevelopment Agency
2600 Hollywood Blvd
Hollywood, FL 33020

Re: City of Hollywood
Electric Facilities Conversion – Binding Cost Estimate
City ROW extending East to West from A1A to Surf Road along the following roads, from Balboa St to Franklin St and from Freedom St to Douglas St.
WR # 10052835

Dear Mr. Lopez

FPL welcomes the opportunity to assist you in determining if underground service is right for your area. As per your request, we have completed the binding cost estimate for the project designated as the City of Hollywood Northbeaches. The binding cost estimate amount, known as the Contribution In Aid of Construction (C.I.A.C.), required for converting the area to underground is $156,933. The underground drawings for the project are being finalized and a full set will be sent to you once they are complete. In addition, the cost estimate includes a more than $459,205 adjustment credit for both FPL's ASRC (Avoided Storm Restoration Cost) waiver and as required in the CIAC formula, tariff Section 12.1, credit for an equivalent overhead system designed at the current hardened (i.e. extreme wind) standard. Further the cost assumes the following:

- Customer Performs Some Work – All of the underground work.
- All work will be performed during the daylight hours, Monday through Friday, 8 A.M. to 5 P.M.. Any after hours work, e.g. disconnect/reconnect service appointments or requiring construction at night, would be an additional expense for the Town.

This binding cost estimate is valid for 180 days and a response must be received within that timeframe. Should you agree to move forward with the project, please sign and return the enclosed documents. Once we receive the acceptance package (e.g. partially executed documents and C.I.A.C. payment), we will commence the construction process (i.e. initiate bid requests and material purchasing). Any deposits that you have already paid will be applied towards the C.I.A.C. and you must pay the remaining difference of $152,299 before we begin construction. Failure to execute the applicable Agreement and pay the C.I.A.C.

specified in the Agreement within the 180-day time limit, or termination of the Agreement, shall result in the expiration of the binding cost estimate. However, if you choose to cancel your request or not respond in time, your engineering deposit will not be returned and the estimate will be withdrawn.

This estimate only includes the charges to be paid to FPL. There are additional costs which are the customer's responsibility and should also be considered. These potential costs include:

- Site restoration (sod, landscaping, pavement, sidewalks, etc).
- Rearrangement of customer electric service entrances (requires electrician) from overhead to underground. Also, additional customer expense if local inspecting authorities require customer wiring to be brought up to current codes.
- Removal and burial of other utilities (e.g. telecom, CATV, etc.).
- Any project scope changes that modify the enclosed drawings.
- Acquiring, describing, securing and recording of easements for underground facilities.

We look forward to working with you and your staff as this project progresses. If you have any questions, please contact me at (305) 781-5817.

Sincerely,

Ozzie Alvarodiaz

Ozzie Alvarodiaz
Lead Project Manager
Overhead to Underground Conversions
FPL

Attachments

Overhead to Underground Conversion - Customer Cost Sheet

Project: Hollywood Norhtbeaches **Date Estimate Provided to Customer: 6/12/2023**

Customer Performs All UG Work

1)	$	290,216	The estimated cost to install the requested underground facilities
2)	$	140,528	The estimated cost to remove the existing overhead facilities and the installation of required overhead facilities to serve the new underground system.
3)	$	185,394	The net book value of the existing overhead facilities
4)	$	(228,908)	The estimated cost that would be incurred to install new overhead facilities, in lieu of underground, to replace the existing overhead facilities (the "Hypothetical Overhead Facilities")
5)	$	-	The estimated salvage value of the existing overhead facilities to be removed
6)	$	(150,537)	The 30-year net present value of the estimated non-storm underground vs overhead operational costs differential
7)	$	(79,760)	The 30-year net present value of the estimated average Avoided Storm Restoration Costs ("ASRC")

Total CIAC	$	156,933	Contribution-In-Aid-of Construction
Engineering Dep	$	4,633	Less the Engineering Deposit previously collected for this project.
Net Due to FPL	$	152,299	

Cost Breakdowns for Customer Contributions

	Total	Labor/Vehicle	Material	Direct Engineering, Supervision, and Support
New UG Install (+)	$ 290,216	$ -	$ 218,062	$ 72,154
Credit for equivalent OH (-)	$ (228,908)	$ (67,313)	$ (129,844)	$ (31,751)
OH Removal Cost & Make Ready (+)	$ 140,528	$ 116,029	$ 9,371	$ 15,128
Total	**$ 201,836**	**$ 48,716**	**$ 97,589**	**$ 55,531**
Net Book Value (+)	$ 185,394			
Operational Costs Differential	$ (150,537)	0.73 miles		$205,862 per mile
Avoided Storm Rest Costs	$ (79,760)			$109,074 per mile
Salvage Value (-)	$ -			
Total CIAC	**$ 156,933**			
Engineering Deposit (-)	$ 4,633	Engineering deposit previously collected		
Net Due FPL	**$ 152,299**			

Major Material Breakdown

	Quantity	Item
Install	12,609	Primary UG Cable (feet)
	0	UG Switch Cabinet (0 Vista Sw's)
	15	UG Transformer (each)
	0	Splice box for UG feeder (each)
Remove	3,193	OH Primary Conductor (feet)
	36	Poles (each)
	15	OH Transformer (each)
	386	Primary UG Cable (feet)