Florida Power & Light Company, 7200 NW 4 St, Plantation, FL 33317

FPL

December 7, 2020

Sarita Shamah
Project Manager
City of Hollywood
Public Works
2600 Hollywood Blvd Rm 308
Hollywood, FL 33020

Re: City of Hollywood
Overhead to Underground Conversion Project
A1A from Sheridan St to Hollywood Blvd
Binding Cost Estimate
WR #6412974

Dear Ms. Shamah:

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 A1A from Sheridan to Hollywood Conversion. 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 $1,507,094. 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 $ 764,340 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 all of the underground work.
- All work will be performed during the daylight hours, 8 A.M. to 5 P.M., Monday through Friday. Any after hours work, e.g. disconnect / reconnect service appointments, would be an additional expense for the County.

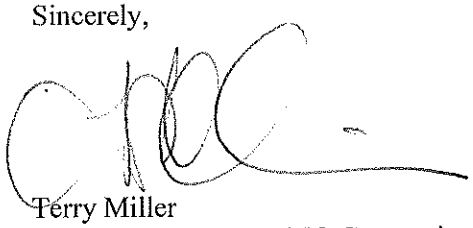
This binding cost estimate is valid for 180 days and a response must be received within that timeframe. Should you agree to move forward with the project, please sign and return the enclosed documents. Once we receive the acceptance package (e.g. partially executed documents), we will commence the construction process (i.e. initiate bid requests and material purchasing). Any deposits that you have already paid will be applied towards the CIAC and you must pay the remaining difference of $ 1,393,724. Failure to execute the applicable Agreement and pay the CIAC 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.

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, sub-surface compaction, 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.
- Trenching/backfilling for service laterals.
- 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 the city as this project progresses. If you have any questions, please contact me at 954-327-3124.

Sincerely,



Terry Miller
Project Manager, OH/UG Conversions
Power Delivery
FPL

cc: Chanda Young-Brown – FPL
Maria Betancur – FPL
Ben Wesley - FPL

Attachments

Overhead to Underground Conversion - Customer Cost Sheet

Project: City of Hollywood A1A from Sheridan to Hollywood **Date Estimate Provided to Customer:12/1/2020**

Customer Performs ALL UG Work

Underground Cost		
New UG Installation (+)	$957,713	Cost for FPL to install new underground facilities
Equivalent OH Installation (-)	($658,339)	Cost to install an overhead system at current hardening standards
Existing Overhead Cost		
OH Removal Cost & Make ready (+)	$468,675	Cost for FPL to remove existing overhead facilities
Existing OH Value (+)	$949,834	Net Book Value of existing OH facilities to be removed
Operational Costs Differential (+)	($210,789)	30-year Net present value of the est. operational OH / UG Diff. cost
Salvage Value (-)	$0	Credit for re-usable items
Subtotal*	**$1,507,094**	Total customer contribution as specified in Tariff 12.2.3
	($106,001)	ASRC - Tier 3 - 5%
CIAC	**$1,401,093**	
Engineering Deposit (-)	($7,369)	Engineering deposit previously collected
Subtotal*	$1,393,724	
Net Due FPL	**$1,393,724**	Total customer contribution owed

Cost Breakdowns for Customer Contributions

	Total	Labor/Vehicle	Material	Direct Engineering, Supervision, and Support
New UG Facilities (+)	$957,713	$0	$749,087	$208,626
Credit for equivalent OH (-)	($658,339)	($271,242)	($291,070)	($96,027)
OH Removal Cost & Make ready (+)	$468,675	$407,453	$10,489	$50,733
Total	**$768,049**	**$136,211**	**$468,506**	**$163,332**

Net Book Value (+)	$949,834	
Operational Costs Differential (+)	($210,789)	1.2 miles
Salvage Value (-)	$0	
Subtotal*	**$1,507,094**	
GAF	**($106,001)**	
CIAC	**$1,401,093**	
Engineering Deposit (-)	($7,369)	Engineering deposit previously collected
Subtotal*	$1,393,724	
Net Due FPL	**$1,393,724**	

Major Material Breakdown

	Quantity	Item
Install	84,868	Primary UG Cable (feet)
	14	UG Switch Cabinet (13 Vista Sw's)
	24	UG Transformer (each)
	3	Splice box for UG feeder (each)
Remove	19,299	OH Primary Conductor (feet)
	64	Poles (each)
	39	OH Transformer (each)
	6,210	Primary UG Cable (feet)