

City of Coconut Creek InterOffice Memorandum

To: Karen M. Brooks, City Manager

Date: August 6, 2020

From: Sheila N. Rose, Deputy City Manager

Subject: Underground to Overhead Utilities

This item was tabled during the July 23, 2020 City Commission meeting. Additional historical background follows because the subject of converting overhead power lines to underground facilities has been complicated by several issues that warrant an explanation. The City first adopted an amendment to Chapter 13 of the City's Land Development Regulations in 2005 which required new development to convert existing overhead power lines to underground services in the rights-of-way immediately adjacent to property under development or redevelopment. This section of the Land Development Code was specifically designed to achieve the conversion of overhead power lines along major arterials to underground services as a condition of new development. The rationale for this requirement was based both on our desire to first improve reliability of electric and telecommunication services and second to improve aesthetics. To address unforeseen conditions and impractical construction obstacles, a waiver provision was provided wherein an applicant could request consideration that the construction obligation be waived and that a payment be made in lieu of the construction. **This distinction is critical to understand because the existing code section was adopted as a construction obligation and not as an impact fee.** As you are aware, impact fees have very detailed statutory requirements to show a direct connection, or rational nexus, between the fee and the benefit to the property paying the fee relative to the infrastructure proposed to be constructed. During this same time frame, the City was working on a major program to convert several miles of power lines from overhead to underground. This work was designed and implemented to minimize the cost to the City and the landowners by aggregating projects such as the Promenade and Paloma Lakes. This aggregation made the City eligible for cost savings from FPL in accordance with very detailed rules promulgated by the Public Service Commission.

Then along came Hurricane Wilma. The impacts from this storm were particularly bad as it related to power outages with a string of power poles knocked down like dominos along Lyons Road. FPL did an emergency repair in this section by replacing the broken off concrete poles with wooden poles. Hurricane Wilma also prompted the Public Service Commission (PSC) to rule that FPL must create a hardening plan and they must implement that plan rapidly. During 2006, the City requested that FPL delay hardening of several sections of lines in the City so that we could develop a plan to convert more of the existing lines to underground. FPL was not able to delay the hardening and comply with the PSC ruling. This led to a condition where lines were being hardened all over the

City which radically increased cost of the overhead to underground conversion and removed the primary benefit to the conversion: reliability.

As you will see from the attached map, Exhibit 1, FPL has hardened poles along the majority of our principal arterials. In the intervening years, it has become more and more impractical to require individual property owners to convert sections of power lines to underground and it has become increasingly difficult to get FPL to agree to these conversions. Additionally, **revisions to state law have created a condition wherein fees collected as part of our waiver provision will be subject to the more stringent rational nexus test in the same way impact fees are.** This, in combination with FPL hardening and policy decisions, require us to discontinue the waiver program.

The only three areas that remain as viable sections to convert include the Johnson Road corridor which is already programmed, and the perimeter of the MainStreet Project area where the distribution lines aren't located on transmission poles, and the area along Sample Road from Lyons Road east to the entrance of Tradewinds Park.

While the ordinance revision will remove the requirement to underground existing overhead power lines adjacent to new construction except in the area designated as the MainStreet Regional Activity Center (RAC) it is important to note that all new development on vacant land has and will continue to require the power installation on the actual development site to be underground.

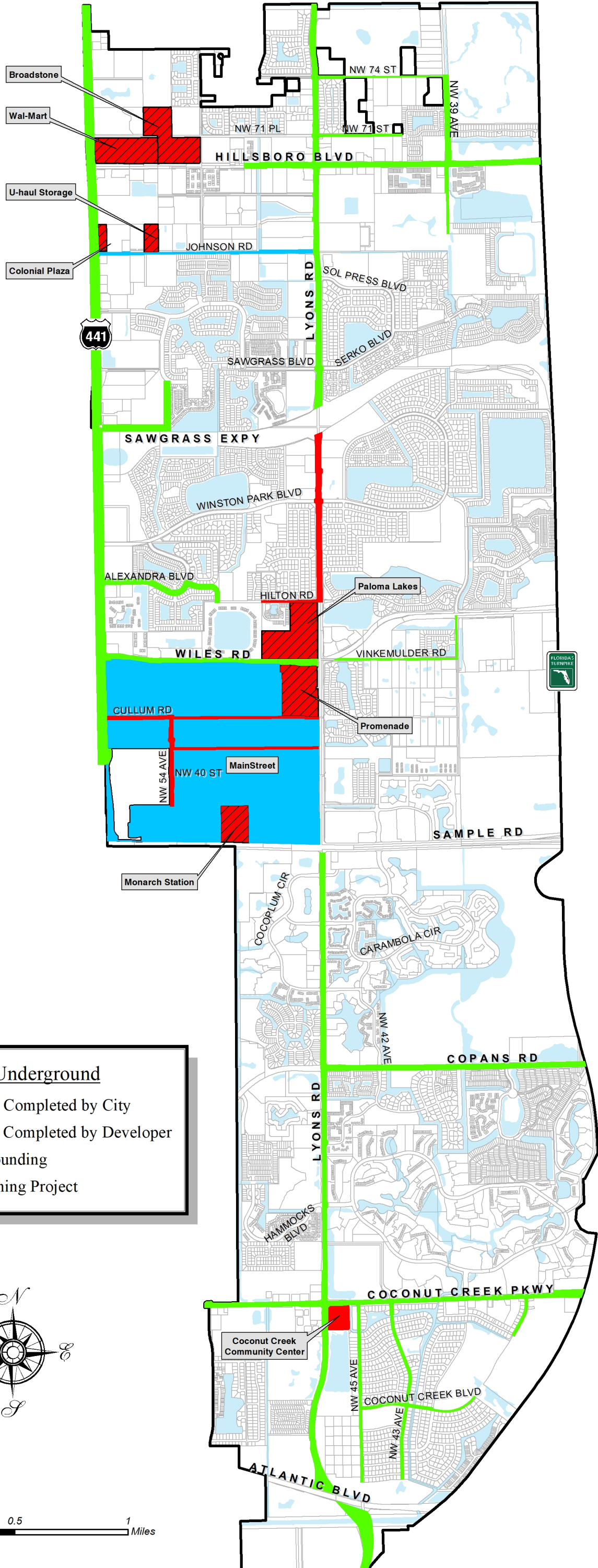
As it relates to Sample Road, the City was recently awarded the design funds to create a multi-purpose path from Lyons Road to the entrance of Tradewinds Park. Tradewinds Park is a gem of an opportunity and an asset that has been underutilized by the City. Broward County has approximately \$6 million dollars' worth of improvements slated for this park. Creating a signature pedestrian connection to this park from our MainStreet Project area should be considered and it may be possible to leverage surtax funding to achieve a grander vision of the Sample Road Corridor project where undergrounding might be especially desirable.

In addition, there are only two areas in the city that have large sections of overhead power distribution lines. These include the South Creek neighborhood and Lakewood East, both of which recently had the majority of their poles hardened. Unfortunately, given the current conditions and legal requirements, even if the current ordinance could be maintained, which it cannot, these projects would not be eligible for use of waiver funds for undergrounding. Approval of the current ordinance revisions does not mean a permanent abandonment of the City's undergrounding goals. However, the undergrounding issue will need to be evaluated together with other funding options.

Future policy discussions related to conversion of remaining power lines from overhead to underground in these areas may require consideration of special assessments and/or neighborhood improvement capital projects. As we consider future undergrounding projects, it is important to consider the technical limitations. Conversion of existing hardened power service along corridors such as Lyons Road, Hillsboro Boulevard, and Coconut Creek Parkway likely cannot be achieved based on the existing Chapter 13 provisions because there is not significant redevelopment occurring in those areas or if

there is redevelopment, such as on Hillsboro Boulevard, it is broken up by a section of publicly owned (County) property. Additionally, available real estate to underground lines is another challenge. Undergrounding requires between 15 to 25 feet of parcel, depending on the number of aerial lines. On a positive note, during last year's hurricane season, most specifically during Hurricane Dorian, the combination of hardened overhead poles and underground utilities proved the electrical and telecommunication systems more resilient than in the past.

cc: Terrill Pyburn
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Overhead to Underground

- Undergrounding Completed by City
- Undergrounding Completed by Developer
- Future Undergrounding
- FPL Pole Hardening Project

