

Town of Surfside Ballot Questions Community Meeting

October 6, 2020



OVERVIEW

Residents of Surfside will find three (3) Surfside specific questions on their November 3, 2020 ballot:

- Surfside Referendum 1
 - Non-binding referendum concerning undergrounding of utilities
- Surfside Referendum 2
 - Establishing restrictions on the sale, lease or exchange of Town-owned real property
- Surfside Referendum 3
 - Establishing requirements for approval and referendum of Town electors for certain indebtedness



Ballot questions must be structured with very specific legal language and can sound confusing and complicated at first read. With this in mind, the purpose of tonight's meeting is to explain and discuss these ballot questions.



ESTABLISHING RESTRICTIONS ON THE SALE, LEASE OR EXCHANGE OF TOWN-OWNED REAL PROPERTY



The Charter provides for the unrestricted sale or lease of Town-owned real property. Shall the Charter be amended to restrict the sale, lease for a term in excess of three years or exchange of Town-owned real property unless approved by at least four members of the Town Commission and a minimum of 60% of Town electors voting at a referendum for any such sale, lease or exchange of Town-owned real property?

Summary explanation:

Currently, the Charter allows for the sale or lease Town-owned real property or land with only a simple majority of three Commission votes. This ballot question will amend the Charter and add protective language that requires any sale, lease of Town-owned real property for a term longer than three years or exchange of Town-owned real property to be approved by at least four Commission votes (supermajority vote) and then by a resident referendum vote of a minimum of 60% of Town electors. This ballot question is binding and will make it more difficult for any elected commission to sell, lease or exchange Town land without resident approval by referendum.

ESTABLISHING REQUIREMENTS FOR APPROVAL AND REFERENDUM OF TOWN ELECTORS FOR CERTAIN INDEBTEDNESS



Shall the Charter be amended to require that any indebtedness incurred after the effective date of this amendment, exceeding 15% of the Town's average annual property tax revenue for the preceding five years and which is not fully repayable within a maximum of seven years, be approved by a minimum of three (3) members of the Town Commission followed by approval by referendum of the Town electors by majority vote?

Summary explanation:

Currently, the Charter allows for the Commission to borrow money to fund Town projects without any restrictions other than those imposed by applicable Florida law. This ballot question will add protective language to the Charter that requires approval by three Commission votes and then by a majority referendum resident vote for any monies borrowed or indebtedness that exceeds 15% of the Town's average annual property tax revenue for the past five years (approximately \$2.0 million in 2020) and that cannot be repaid within seven years. This ballot question is binding and will make it more difficult for any elected commission to borrow large sums of money without resident consent and referendum approval.

NON-BINDING REFERENDUM CONCERNING UNDERGROUNDING OF UTILITIES



Do you favor the undergrounding of Surfside's powerlines and other utilities in order to improve safety and promote sustainability and resilience, at an estimated cost of \$16,000,000 to \$18,000,000?

Summary explanation:

Currently, many of Surfside's power and utility lines are located above-ground. This ballot question is intended to gauge residents' interest in undergrounding Surfside's power and utility lines. This is a non-binding ballot question. Based on a majority of residents' response, Surfside will proceed to explore and implement undergrounding of power and utility lines and, if required, return to the voters for final financial approval at a future referendum.

The Town of Surfside has considered undergrounding its utility lines several times in the past decade.

On November 3rd, Surfside voters will be asked to decide whether they support undergrounding. It is a non-binding vote; however, if a majority votes yes, that will be taken as support for proceeding.

The project would take approximately 2-3 years. The final cost is TBD, but it would be in the tens of millions.



Pros: Undergrounding reduces some risks:



Reduced outages from high winds and flying debris



Enhanced reliability: In everyday conditions, underground power lines perform 50 percent better than overhead lines (Source: [FPL](#))



Enhanced community aesthetics, including reduced need for tree trimming



Property values **may increase**



Increased safety: Reduced risk of electrocution from live wires above ground making contact with water

Cons: Undergrounding brings new challenges



Expensive project: **\$10s of millions**



More vulnerable to water: heavy rain, storm surge, sea-level rise, King Tides



Repairs may take longer: takes time to locate the problem, wait for water to drain



Excavation/construction **can cause an inconvenience** to residents, businesses



Costs:

The Town must pay \$60,000 to get a binding cost estimate from FPL.

The Town must pay for a cost estimate from a civil engineer for other costs

The ballot estimate of \$16 million to \$18 million is based on a 2013 study that estimated \$15 million



How to pay?

Surfside could cover undergrounding costs using one or more of the following:



Grants: DEO, HUD, FEMA or other sources.

FPL credit: FPL will reduce its costs by 25 percent credit as an incentive approved by the Florida Public Service Commission to municipalities that want to place their electric facilities underground.

Voluntary proffers: have been looked at in the past

General obligation (GO) bond:

- Payable in 20 or 30 years with the excess of the annual tax revenue that would otherwise go into the Town's reserves. No need to raise the millage rate.
- To pay bond in less than 20 years, millage rate would be raised to no more than 4.8. Would provide an additional ~\$1,180,000 annually to pay off bond sooner.

Considerations for Homeowners

Construction crews will have to dig up parts of your yard to install wires.

- There will be an individual plan for each property.
- The Town will undertake undergrounding of the service entrance for each property owner.

Your property value may increase with undergrounding.

FPL equipment will be visible.

- Not every property will have one.
- It is expected you can landscape around the box, as long as it remains accessible.



Undergrounding Equipment



Picture 1 – Single phase transformer box



- Typical dimensions of equipment (pictured): 40 inches long by 36 inches wide by 26 inches tall
- Typical concrete foundation dimensions for transformer: 55 inches long by 48 inches wide and 6 inches tall
- Required easement for equipment's installation and operation: 10 feet by 10 feet

Picture 2 – Underground hand hole



- Typical dimensions of equipment 17 inches long by 24 inches wide by 24" deep
- Required easement for equipment's installation and operation: 5 feet by 5 feet

Picture 3 – Standard switch cabinet



- Typical dimensions of equipment (pictured): 67 inches long by 75 inches wide by 50 inches tall
- Typical concrete foundation dimensions for transformer: 82 inches long by 90 inches wide
- Required easement for equipment's installation and operation: 20 feet by 20 feet

Undergrounding Equipment, Cont.

Picture 4 – Underground feeder splice box



- Typical dimensions of equipment 120 inches long by 60 inches wide by 41 inches deep
- Required easement for equipment's installation and operation: 22 feet by 7 feet

Picture 5 – Vista switch cabinet



- Typical dimensions of equipment (pictured): 68 inches long by 79 inches wide by 40 inches tall
- Typical concrete foundation dimensions for transformer: # inches long by # inches wide
- Required easement for equipment's installation and operation: 20 feet by 20 feet



Flood Risk is Growing

In South Florida, because of climate change, **hurricanes are getting stronger** and **rainfall is intensifying**.

Most Southeast Florida governments use a projection of **10 to 17 inches of sea-level rise over the next 20 years**.

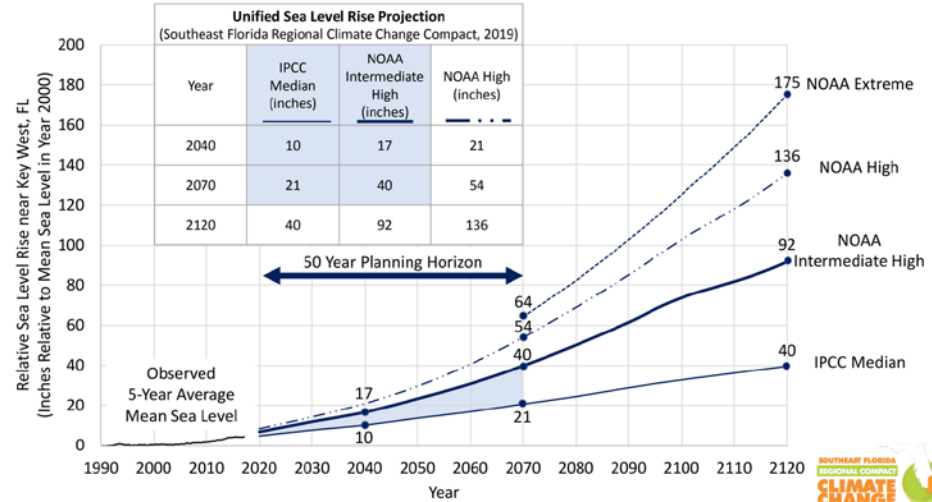


FIGURE 1: Unified Sea Level Rise Projection



Flooding and Sea-Level Rise Considerations

Protective options:

- Transformer boxes **can be elevated** on concrete pads.
- Switch boxes are **designed to be waterproof.**
- Wires are **protected by PVC piping and/or insulation.**
- **Industry standard equipment** is utilized and is designed to maintain the life span of the equipment against the elements.

Repairs take longer: Crews must wait for the water to recede before looking for the problem.



RECAP: Undergrounding Pros & Cons

PROS

- Reduction of wind outages
- Better overall reliability
- Enhanced aesthetics
- Increased safety
- Property values may rise

CONS

- More vulnerable to flooding
- High cost
- Longer repair times
- Construction inconvenience



Next Step: Non-Binding Ballot Question

November 3rd, 2020

Do you favor the undergrounding of Surfside's powerlines and other utilities in order to improve safety and promote sustainability and resilience, at an estimated cost of \$16,000,000 to \$18,000,000?

NON-BINDING... but if a majority votes yes, this will be taken as strong evidence that Surfsiders want the Town to pursue undergrounding.



QUESTIONS?



FAQ on Town website:

<https://townofsurfsidefl.gov/departments-services/town-clerk/election-information-and-results/undergrounding-of-utilities>

Email: communications@townofsurfsidefl.gov

