TOWN OF LONGBOAT KEY

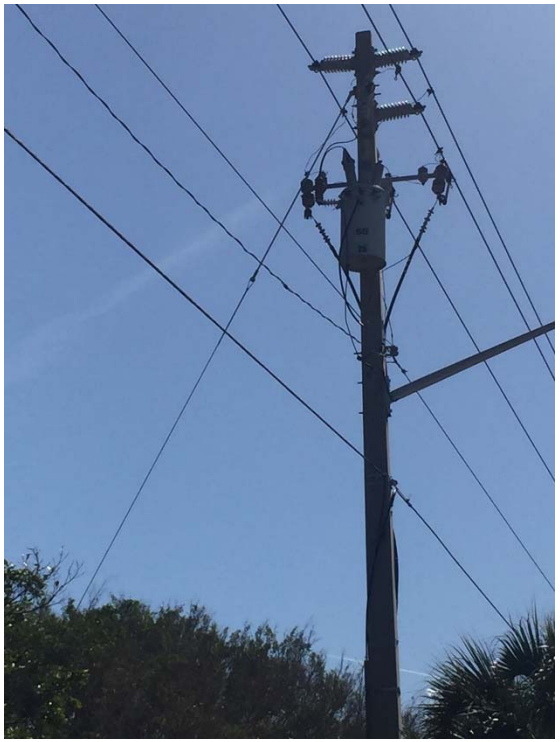
NEIGHBORHOOD UNDERGROUND PROJECT REVIEW AND UPDATE FEBRUARY 22, 2016

BAY ISLES ASSOCIATION

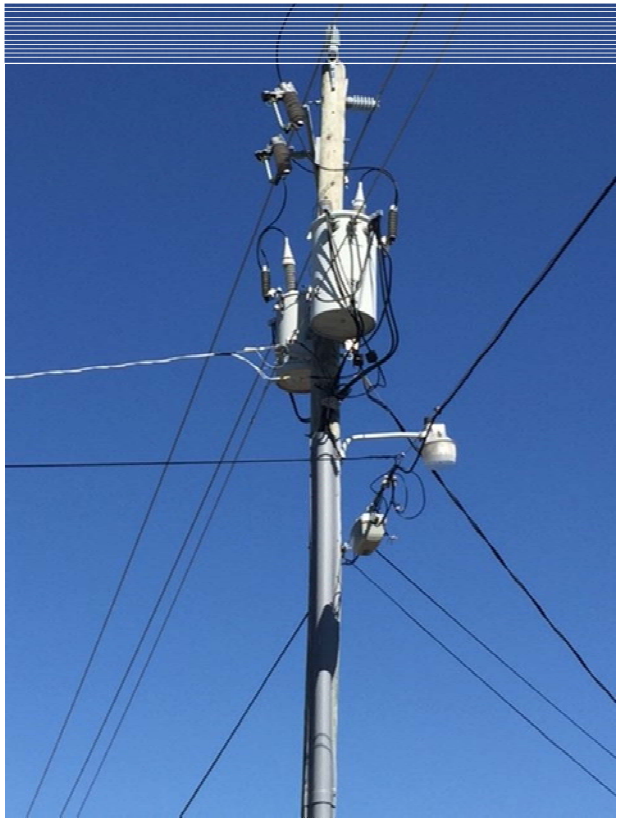
TOWN'S ROLE

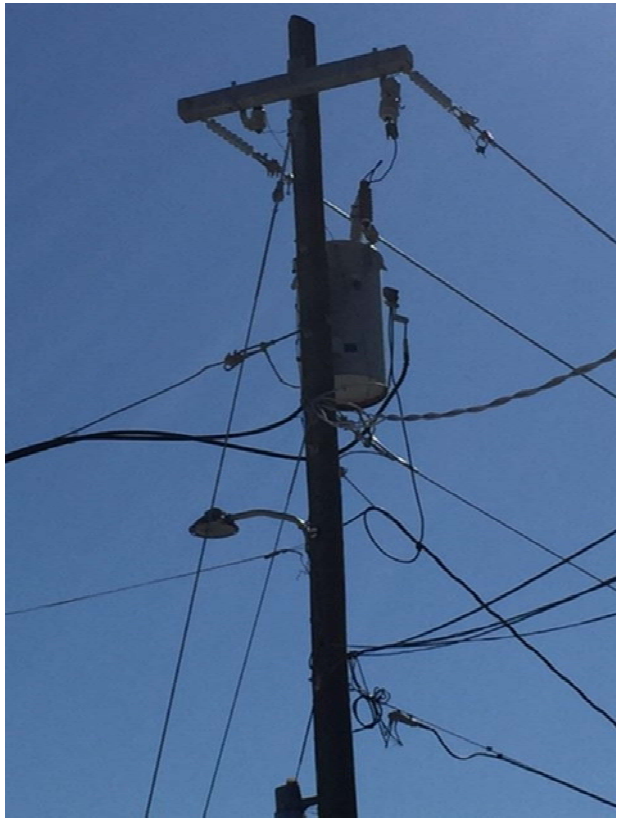
The information that the Town is presenting is for your information only. It is not in advocacy or opposition of the project and referendum. The intent of the information is to help the residents and voters to make an informed decision.

Neighborhood Above Ground Examples



Neighborhood Above Ground Examples





Town Of Longboat Key, Florida
Bond Referendum Election
March 15, 2016
APPROVING REVENUE BONDS/NOTES TO FINANCE REMAINING UNDERGROUNDING UTILITIES/STREET LIGHTING

Shall Town of Longboat Key be authorized to issue revenue bonds/notes, in one or more series, not exceeding $23,850,000, bearing interest not exceeding maximum legal rates, maturing not later than 30 years, to finance remaining undergrounding of electrical utilities in certain neighborhoods including street lighting installation, and communications/fiber optics utilities in certain neighborhoods, payable solely from special assessments imposed against real property throughout the Town and other non-ad valorem revenues if necessary?

_____ Yes - For Bonds/Notes

_____ No - Against Bonds/Notes

Neighborhood Underground Project Components

- Underground The Remaining GMD Backbone Feeder Overhead Facilities.
- Underground all Neighborhood Overhead Utilities Not Part Of The GMD Feeder Lines.
- Street Light Replacement or Enhancement.
- Fiber Optic Line Installation Town wide.

PROJECT OVERVIEW

- All debt must be approved via referendum of registered voters.
- The Town will issue debt to fund the planning, design, and construction.
- Debt will be repaid via non-ad valorem assessments over not more than 30 years.

HISTORY

- November 3, 2015 General Election GMD Project
  - Town Referendum Approved Borrowing up to $25,250,000 To Finance Undergrounding of Gulf of Mexico Drive. (“GMD Project”)
  - 62.6% Voter Approval

HISTORY (Cont.)

- Neighborhood Underground
  - January 4, 2016 – Town Ordinance 2016-05(Referendum)
    - Authorizes Second Referendum For March 15, 2016 Borrowing Election
    - Borrowing Not To Exceed $23,850,000 For Neighborhood Undergrounding Project
    - If Referendum Is Approved, The Borrowing Will Fund Undergrounding Of Remaining Overhead Utilities And Extend Fiber Optic To All Areas Of The Town (“Neighborhood Project”)
    - GMD Project Will Proceed Even If Neighborhood Referendum Does Not Pass

Town Commission Meetings Undergrounding Discussions

1. May 19, 2014 Town Commission Regular Workshop
   FPL Hardening Project and Undergrounding Opportunity
2. July 7, 2014 Town Commission Regular Meeting
   Undergrounding Project Research Presentation
3. September 8, 2014 Town Commission Regular Meeting
   Resolution “Undergrounding Consultant
4. October 20, 2014 Town Commission Regular Workshop
   Feasibility Analysis Presented, GMD Ad and Neighborhood Sections $5m Referendum
5. November 12, 20145 Town Commission Regular Workshop
   Second Reading Referendums, Options Evaluation Requested
6. February 17, 2015 Town Commission Regular Workshop
   Four Options Presented, Non Ad Valorem Benefit Analysis Requested
7. June 1, 2015 Town Commission Regular Meeting
   Five Options Presented with Non Ad Valorem Estimated Assessments
8. June 15, 2015 Town Commission Special Meeting
   Second Reading GMD Referendum
9. June 29, 2015 Town Commission Special Meeting
   Second Reading GMD Referendum
10. September 9, 2015 Town Commission Regular Meeting
    Neighborhood Framework Project Undecided Consensus
11. September 21, 2015 Town Commission Regular Workshop
    Neighborhood Project Framework Undecided Workshop
12. September 28, 2015 Town Commission Special Meeting
    Neighborhood Project Framework Undecided Motion and Vote

Town Commission Meetings Undergrounding Discussions (Cont.)

13. November 9, 2015 Regular Workshop
    Undergrounding Update: Consensus To Forward Ordinance 2015-30 To Special Meeting
14. November 9, 2015 Special Meeting
    Ordinance 2015-30: Funding of Capital Improvements and Essential Services
15. December 7, 2015 Regular Meeting
    Adoption of Ordinance 2015-30, Resolution 2015-30 and 2015-31 Passed
16. December 14, 2015 Regular Workshop
    Ordinance 2016-01 – Establishing GMD Undergrounding Fund and Budget
17. December 14, 2015 Special Meeting
    Ordinance 2016-01, 2015-02, 2016-05 Passed
18. January 4, 2016 Regular Meeting
    Final Assessment and GMD Utility Undergrounding Bond Resolution
19. January 19, 2016 Regular Workshop
    Discussion on Utility Undergrounding in Neighborhoods and Side Streets and Presentation of Fiber Optic
20. January 19, 2016 Special Meeting
    No Discussion Necessary
21. February 1, 2016 Regular Meeting
    Update on Utility Undergrounding for Neighborhoods and Side Streets
22. February 16, 2016 Special Meeting
    Discussion Regarding Utility Undergrounding for Neighborhood and Side Streets and Options for Dark Fiber Build Out
23. February 22, 2016 Special Meeting
    Discussion Regarding Self-Funding Options

Estimated Neighborhood Undergrounding Project Costs

Project Component		
Undergrounding Neighborhoods Cost	$	15,000,000.00
Street Lighting Replacement Cost	$	2,000,000.00
Fiber Optic Line Installation Cost	$	3,600,000.00
Financing and Legal Cost	$	1,400,000.00
Extra Contingency	$	340,000.00
Multiyear Project Inflation Cost	$	1,200,000.00
Sub Total	**$**	**23,540,000.00**
Cost Incurred To Date	$	50,000.00
Refrendum Preparation and Election	$	257,797.00
Line Item Totals	$	23,847,797.00
Total Referendum Not to Exceed Amount	**$**	**23,850,000.00**

FIBER OPTIC APPLICATIONS GMD AND NEIGHBORHOODS

	GMD Undergrounding	Neighborhood Undergrounding
Support Municipal Operations	Yes (In the GMD Corridor)	Yes
Support Technology Deployment	Yes (In the GMD Corridor)	Yes
DAS/Cellular Improvements	Yes (In the GMD Corridor)	Yes
Lease Dark Fiber	Yes	Yes
Public Private Partnership Opportunity	Unlikely	Yes
Fiber-to-the-Home	No	Yes
Fiber-to-the-Business	No	Yes
Revenue Generation	Minimal	Yes

FUNDING MECHANISM

- Non Ad Valorem Assessment
  - Consistent with Method used in GMD Project
  - Property specific amount based on benefits received, general and specific
  - Collected through tax bill as an annual assessment <u>or</u> prepayment of total amount
  - Special assessments are not generally Federal income tax deductible

ASSESSMENT METHODOLOGY SPECIAL BENEFITS

- <u>Improved Safety</u> – reduced potential of hazardous conditions from fallen communications and electric lines due to tropical storms with high winds, hurricanes, vehicle accidents, and other incidents
- <u>Improved Reliability</u> – new technologically upgraded communications lines, utility lines and facilities; reduces frequency of communications and power outages/failures; faster disaster recovery
- <u>Improved Aesthetics</u> – eliminate heavy concentration of overhead communications and electric lines and poles; discontinue radical disfiguring tree trimming

NON AD VALOREM PARCELS UNDER STUDY

Property Classification	Number of Properties
Single Family	2,002
Condominium	7,266
Multi-Family	54
Marina Slip	466
Non-Residential	71
Exempt	182
Total Tax Roll Properties	10,041

Note: Information gathered from data currently available in government databases and from field surveys. These classifications and property totals are subject to change based on changes in property characteristics, use, etc. County databases added 3 new parcels.

Review of Parcel Groups In the Neighborhood Project

Total Parcels = 10,041

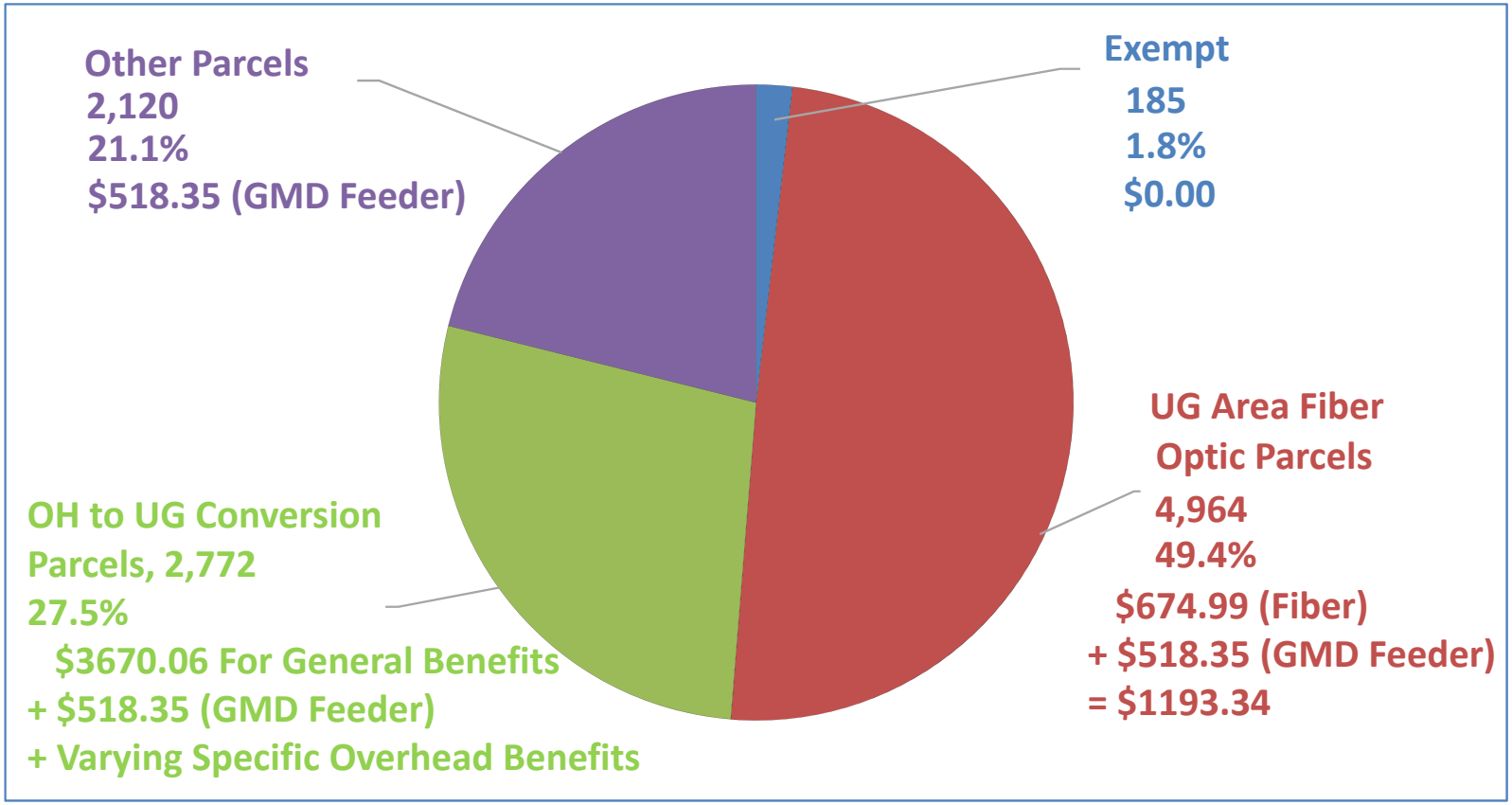
Exempt Parcels: Governmental Owned Parcels, legally Untaxable Parcels, Condominium common areas, Churches, etc. as approved by the Town.

UG Area Fiber Optic Parcels: Parcels who will have F.O. installed in existing Underground Areas who will not receive access to Town Fiber from the GMD Project or the Neighborhood Project.

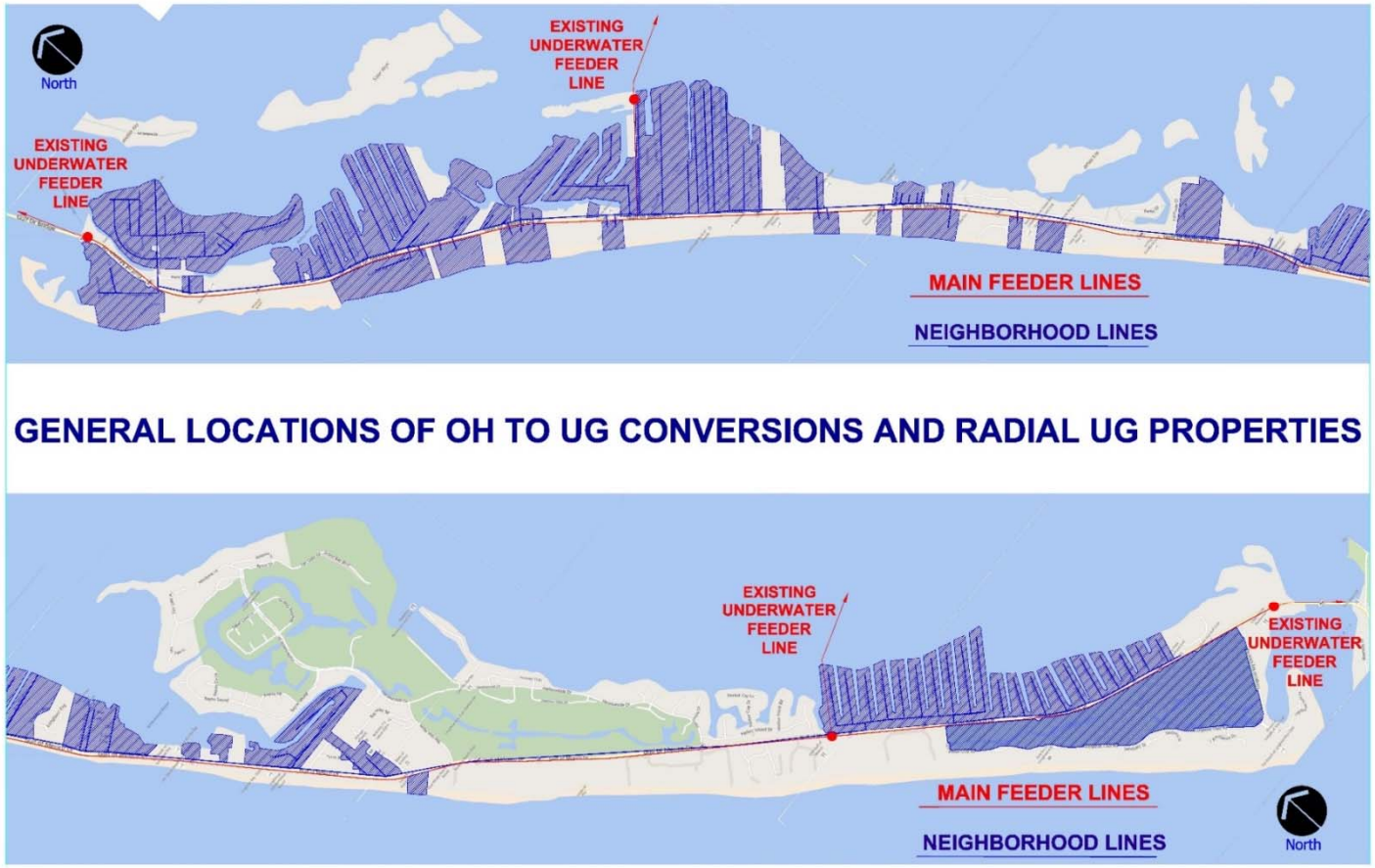
OH to UG Conversion Parcels: Parcels that have Overhead Utility Lines on the property or in close proximity, and parcels with radial underground utility lines requiring looping.

Other Parcels: Underground Parcels with access to Town Fiber Optics resulting from the GMD Project.

Proportion of Parcel Groups In the Neighborhood Project
Total Parcels = 10,041

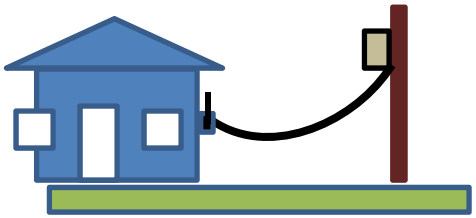


Map of Neighborhood OH to UG Areas

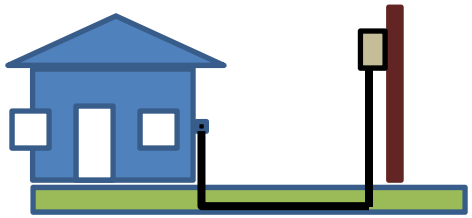


Project Will Address Remaining Overhead Lines (Blue)

Typical Single Family Properties in Overhead



Component	Amount
General (GMD Feeder)	$ 518.35
General (OH to UG)	3,670.06
Specific (OH to UG Lines)	2,290.41
Specific (Connection)	1,379.65
Onsite (Connection)	584.45
Onsite (Radial)	0
Total	$ 8,442.92



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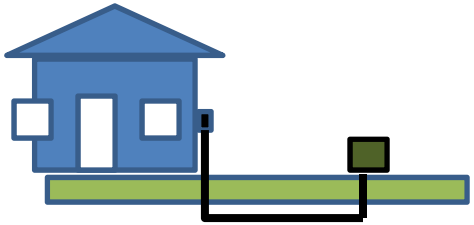
Onsite (Radial)	0
Total	$ 6,478.82



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Specific (OH to UG Lines)	0
Specific (Connection)	0
Onsite (Connection)	0
Onsite (Radial)	1,817,94
Total	$ 6,006.35

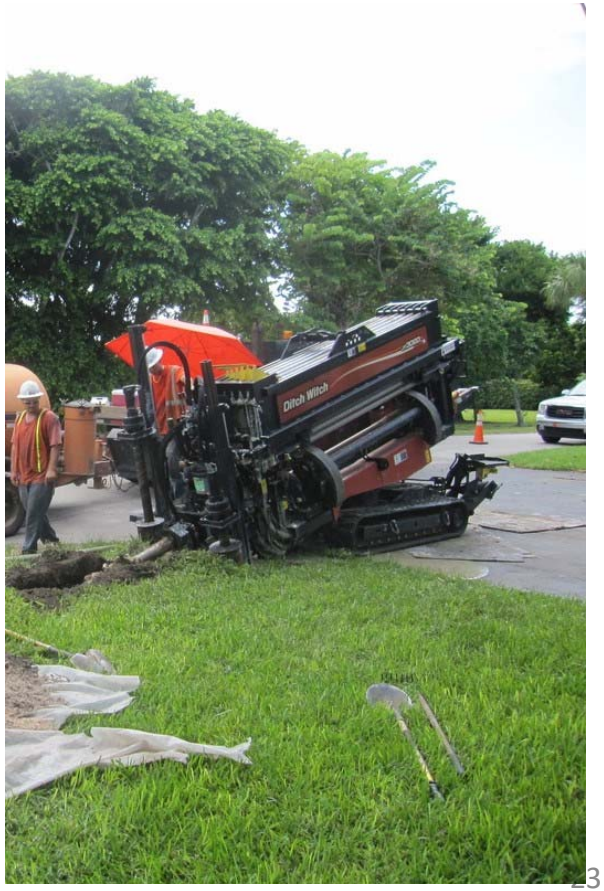
LUMP SUM VS. AMORITIZED

Description	TOTAL ASSESMENT	30 YEAR - 4.5% MARKET RATE	30 YEAR - 6.0% MARKET RATE
OH PARCEL CONVERTED TO UG ON GMD PROJECT	$ 518.35	$ 32.16	$ 38.13
UG AREA PARCEL GETTING FIBER OPTICS	$ 1,193.34	$ 74.03	$ 87.88
UG PARCEL REQUIRING CONVERSION TO LOOP	$ 6,006.35	$ 372.62	$ 442.31
OH PARCEL CONVERTE WITH REUSABLE UG SVC	$ 6,478.87	$ 401.94	$ 477.10
OH PARCEL CONVERTED REQUIRING NEW UG SVC	$ 8,442.92	$ 523.79	$ 621.74

SELF-FUNDING ACCOMMODATION

At a special meeting, February 22, 2016, the Town Commission clarified the process for overhead parcels to self-fund. Specifically Commission voted to move forward w/project based on parcel configuration as it exist on May 9, 2016.

Typical Undergrounding Images



WEBSITE INFORMATION AND PARCEL ESTIMATE SEARCH

www.longboatkey.org/undergrounding

TOWN WEBSITE FRONT PAGE CONTAINS A DIRECT LINK TO UNDERGROUNDING PROJECT.

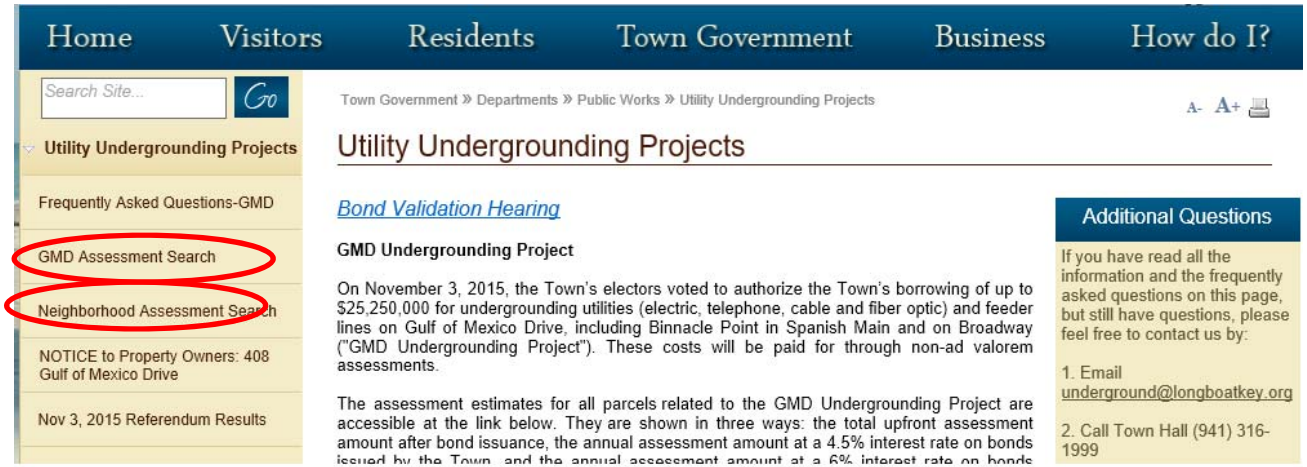
LINKS TO SEARCH ARE AVAILABLE ON THAT PAGE

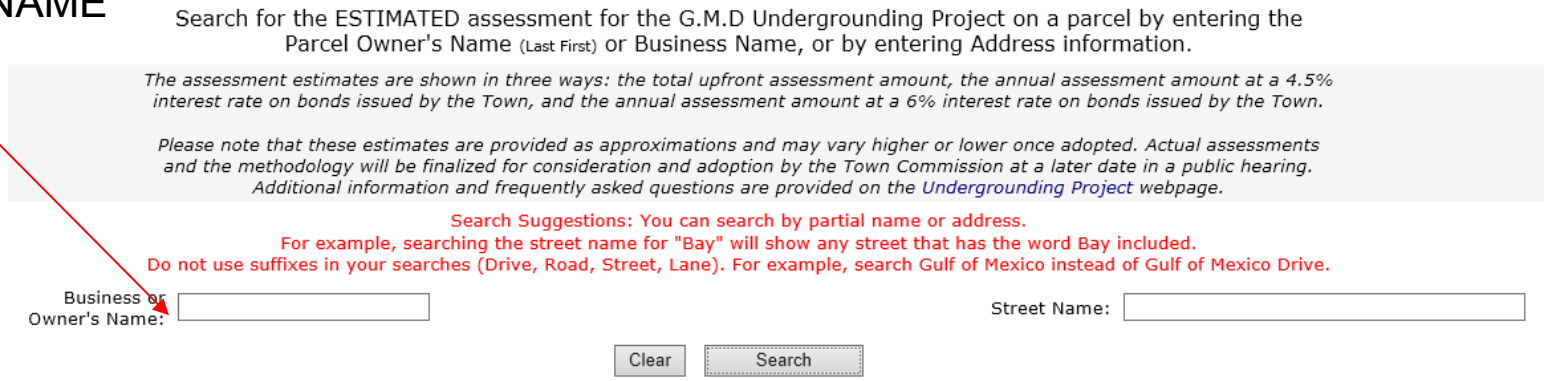
TOWN OF LONGBOAT KEY

WEBSITE INFORMATION AND PARCEL ESTIMATE SEARCH

LINKS ON LEFT FOR GMD AND NEIGHBORHOOD SEARCHING

ABILITY TO SEARCH BY OWNER/BUSINESS OR STREET NAME





WESBITE SCREENSHOT ASSESSMENT EXAMPLES

Business or Owner's Name:

Street Name: bogey

Clear Search

Neighborhood Underground Project Estimate

Owner	Address	GMD Feeder	Fiber Assessment	General Benefits	Conversion of OH to UG	Conversion of OH Service	Onsite Cost-Radial Conversion	Onsite Cost-Service Conversion	Total Upfront Assessment	30-Year Annual 4.5%	30-Year Annual 6.0%
	1210 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$0.00	$0.00	$0.00	$6,478.82	$401.94	$477.10
	1170 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$0.00	$0.00	$0.00	$6,478.82	$401.94	$477.10
	1010 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$1,379.65	$0.00	$584.45	$8,442.92	$523.79	$621.74
	1160 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$0.00	$0.00	$0.00	$6,478.82	$401.94	$477.10
	1190 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$0.00	$0.00	$0.00	$6,478.82	$401.94	$477.10
	1125 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$0.00	$0.00	$0.00	$6,478.82	$401.94	$477.10
	1191 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$0.00	$0.00	$0.00	$6,478.82	$401.94	$477.10
	970 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$1,379.65	$0.00	$584.45	$8,442.92	$523.79	$621.74
	1045 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$1,379.65	$0.00	$584.45	$8,442.92	$523.79	$621.74
	1215 Bogey Ln	$518.35	$0.00	$3,670.06	$2,290.41	$0.00	$0.00	$0.00	$6,478.82	$401.94	$477.10

QUESTIONS

Website: www.longboatkey.org/undergrounding

Email: Underground@longboatkey.org

Phone: (941) 316-1999