

Town of Tiburon MEMORANDUM

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SUBJECT: Del Mar Valley Utility Undergrounding

FREQUENTLY ASKED QUESTIONS

1. **What is the general project schedule?**

The project schedule may evolve as a result of coordination with the utility companies, the weather, and a host of other factors. However, the initial schedule is as follows:

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| • Select new engineering firm and engage utility companies to redevelop construction plans | Completed |
| • Complete revised construction plans of the joint trench with utility company approval | March 2011 |
| • Receive Council approval to bid the project | March 2011 |
| • Bid Project | March-Apr 2011 |
| • Property owners should be contracting to install service laterals and get Building Permits | April onwards |
| • Council award of construction project to a contractor | Late Apr 2011 |
| • Begin construction of joint trench | April-May 2011 |
| • Complete construction of joint trench | Nov-Dec 2011 |
| • Utility companies' conversion period begins | January 2012 |
| • Complete utility companies' conversions and remove overhead lines | August 2012 |

2. **When should property owners install their underground service laterals?**

Property owners should be installing their service laterals to the utility companies' standards beginning approximately May 2011. The Town will notify property owners by mail at a later date.

3. **How will property owners know where the service connection points are at their property lines?**

The utility companies are working with the District's engineering team to finalize the approximate locations of these connections points, as well as locations of larger vaults that sit flush with the pavement, sidewalk or should area. Once we have these locations established by approximately the end of February, we will send out a diagram to each property owner requesting any feedback within two-weeks. There is some limited flexibility with locations, but the utility companies will have a greater say regarding the matter.

4. **Who should property owners contact to install their service laterals?**

The individual service connection work includes: providing a trench and conduit for the three utilities, and, if required, upgrading the existing electrical service at your house. The Town will require a minimum of 100A service at each property. Each property owner is responsible for

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arranging and paying for work on his or her property necessary to connect facilities constructed by the public utilities in the public streets.

Property owners may contract with any licensed electrical contractor that will install the service laterals to the standards established by PG&E, AT&T and Comcast. The Town intends to seek optional bids from our main contractor for each property for this work as a courtesy. However, the main contractor's response, timing and costs should not be relied upon. The Town will make a list of potential electrical contractors available per request.

The service lateral work must be completed before the overhead wires can be taken down. The cost of all work on your property is borne by you. This work will not be optional.

*Note: If your property currently receives electric power, telephone & cable via an existing underground service, no conversion work will be required on your part.

5. **What are the service lateral standards established for PG&E, AT&T, and Comcast?**

The utility company representatives are on hand to provide this information along with their contact information.

6. **What is the process to get a permit to perform the service lateral work?**

Each property-owner (or his/her contractor) must apply for and receive a Building Permit to perform this work as it relates to the likely modifications required to convert the property from an aerial connection to an underground connection. The minimum permit fee is \$217. The Building Department can be reached at 415-435-7357 to apply.

7. **Will there be street-lights installed as part of this project?**

No, none will be installed as part of this project. There are no existing street-lights in the district, and original plans were developed with input from the community without street-lights.

8. **Will there be utility riser poles and what are they?**

Typically, at the terminal locations of the project utility lines must go back up to an aerial system. These lines make their transition from an underground system to an aerial system at riser poles. The locations of these riser poles are not always ideal. However, we will work with PG&E to place them in the least obtrusive locations.

9. **Can property owners finance their service laterals?**

Unless the property owner had elected to finance his/her service lateral during the first round of assessments, there are no new opportunities to finance it now.

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10. **What happens to the project if significant change orders result in another dramatic cost overrun? Who pays then?**

We don't anticipate further escalation in project costs. However, if there are the Town will try to make up the difference.

11. **The Town indicates that a refund may be provided if not all funds are used for this project; how will this work?**

Statutes provide that surplus amounts in the improvement fund must be used, in amounts determined by the governing body of the Town, for one or more of the following purposes:

(a) Transfer of \$1,000 to General Fund. An amount equal to \$1,000 (or 5% of the total amount expended from the improvement fund, whichever is less) may be transferred to the general fund of the Town and used for any legal purpose.

(b) Credit Against the Assessments Without Calling Bonds. The surplus may be applied as a credit upon the assessment and any supplemental assessment, in which case the actual surplus amount would be used to pay debt service on the bonds for a limited period.

(c) Use for Maintenance. The surplus may be transferred to a special fund and used for the maintenance of the public improvements that were financed by the assessment district bonds. Note, however, that there could be federal tax issues raised.

(d) Redeem Bonds and Reduce Assessments. The surplus may be transferred to the bond trustee for deposit in the redemption fund and used to call bonds for redemption at the next available redemption date. This will require a corresponding reduction in the outstanding assessments and in the subsequent assessment installments levied on the property in the assessment district.

12. **Is the annual payment of the bond deductible for income tax purposes?**

Each property owner should check with their tax advisor as how to treat assessment installment payments. Assessment installment payments will be collected as a line item on the Marin County property tax roll.

13. **What happens if I don't pay my property tax bill?**

The original assessments (and, if approved, the supplemental assessments) appear on the same bill as your ordinary property taxes. The entire property tax bill (which includes both assessments and ordinary property taxes) must be paid to the County of Marin by the due date (generally, December 10 and April 10), and if not paid in full, will be subject to delinquency charges and tax sale by the County of Marin. In addition the Town is obligated to foreclose on

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property delinquent in the payment of assessments and supplemental assessments in order to protect bond holders. It is not possible to pay only a portion of your property tax bill without incurring delinquency penalties and possible foreclosure for nonpayment.

14. **Is there any kind of assistance for payment of my property tax bill?**

Homeowner Assistance Program: The California Franchise Tax board has a program which allows a once-a-year payment from the State of California to qualified individuals based on part of the property taxes assessed and paid on their homes. For more information on the Homeowner Assistance Program, you can call the Franchise Tax Board at 1-(800)-868-4171 or go to www.ftb.ca.gov/individuals/hra

Property Tax Postponement: The Property Tax Postponement Program allows eligible homeowners to postpone payment of part or all of the property taxes on their residence. For more information on this program, you can call 1-(800)-952-5661 or go to www.sco.ca.gov/col/taxinfo/ptp/

15. **Will the Town go outside Marin County to obtain construction bids?**

The Town will provide two advertisements in the Marin County Independent Journal, bid packages to various Builder's Exchanges around the Bay Area and send invitations to bid to other local contractors.

16. **Will my street be re-paved?**

The Town will resurface all the streets within the District once work main joint trench and service lateral work has been completed.