Underground Utilities Assessment Districts Guide (Initiated by Property Owners)

(Last revised July 2019)

Most underground utility assessment districts are formed at the request of the local property owners. The multi-step, multi-year process for each alternative (Alternative 1 & Alternative 2) are explained below. Undergrounding utilities includes the involvement of Southern California Edison and local telephone, cable and other utilities. The City's role is to facilitate meetings, coordinate tasks, and hire and manage consultants. Unless otherwise stated, or decided by the City Council at a time of district formation, all costs of formation of a district, related studies, undergrounding of overhead electrical and communications facilities, and lateral connections to each home are the responsibility of the homeowners.

These Guidelines may be revised from time to time by the City of Hermosa Beach Director of Public Works.

Alternative 1

- 1. The process is **initiated** by an interested property owner (proponent) who acts as a liaison between the City, utility companies, and neighbors. The proponent and other neighbors (interested parties) in support of undergrounding, submit a letter to the City expressing their interest in forming an Underground Utility Assessment District. The letter must include the proposed boundaries of the area for undergrounding and must be signed by owners representing at least 60% of the properties within the proposed district.
- 2. Based upon the interest letter, City staff prepares a boundary map and submits it to the appropriate utility companies who review and evaluate the map to ensure the boundaries are logical and feasible. Once the district boundaries are accepted by all parties, the utility companies provide the City with a preliminary cost estimate for the design and construction of the utility undergrounding project.
- 3. Once an estimated cost of preliminary design is known (which is deposited by the property owners in Step 8 below), and an estimate of the preliminary cost for the construction is known, the interested parties decide if there is continued support to pursue an assessment district, use a different payment option or agree to abandon the project. Should the interested parties wish to pursue an assessment district, a letter of continued commitment signed by 60% of property owners within the proposed district is submitted to the City.
- 4. The City retains the services of consultants, including a Financial Advisor, Bond Counsel and Assessment Engineer. Unless otherwise decided by the City Council, the City collects funds from the property owners to pay the non-contingent fees of consultants (i.e., those fees that are not paid from bond proceeds). Should the district ultimately fail, the funds advanced by the property owners will not be reimbursed.
- 5. The City, with the assistance of consultants, prepares a formal petition to be circulated by the proponents to all affected property owners within the proposed district boundaries. The petition states the approximate, estimated costs each property owner would be responsible for should the property owners vote in favor of forming the district and proceeding with the utility undergrounding project. The cost is based on the preliminary costs received from the utility companies. In order for the process to continue, at least 60% of the property owners must sign/express interest. This **petition** is a "show of interest" and <u>does not bind</u> the property owner to the district. (The interested parties are the ≥ 60% of the owners; that means that only those pay for the bond counsel and the

other consultants -- not the remaining ≤ 40%). The petition is certified by the retained Assessment Engineer.

- 6. The City Council adopts a Resolution of Intention to form the district. This resolution will direct the Assessment Engineer to prepare a Preliminary Engineer's Report for the district.
- 7. The Assessment Engineer prepares a Preliminary Engineer's Report identifying the benefits of the district, the scope of the utility undergrounding project, and the preliminary assessment amount to be levied on each parcel in the district, based on the special benefits of the project that each parcel will receive.
- 8. At this point the formal design of the project is undertaken by the Assessment Engineer, with input from Southern California Edison and the applicable local telephone, and cable utilities. This would each generate their final cost for construction based on their respective tariffs and franchise agreements. Design process begins once the utility companies receive the engineering and design fee. It usually involves the following steps:
 - a) Base mapping
 - b) SCE underground conduit and structures and electrical design
 - c) Telephone and cable company design
 - d) Cost estimate

As with the cost for the consultants, unless otherwise decided by the City Council, the City collects funds from the property owners to pay for the design. Should the district fail, the funds advanced by the property owners will not be reimbursed. The duration of each step varies greatly depending on the number of other underground districts in queue, the size of the proposed district, and complexity of the design. According to SCE, as of 2014, estimated time to complete engineering and designs from all the utility companies is 18-24 months.

- 9. Once the design is complete and accepted by the City and utility companies, the utility companies provide a "guaranteed cost" or "cost of construction". The Assessment Engineer will use the guarantee cost and all other costs incurred in the past (see Steps 4 and 8), or anticipated in the future, to generate the Preliminary Engineer's Report.
- 10. Once the Preliminary Engineer's Report is prepared, the City Council adopts a resolution approving the Preliminary Engineer's Report, directing that assessment ballots be mailed to all of the assessed parcels in the district, directing recordation of the boundary map of the district with the County recorder, and setting the date of the **public hearing** where the City Council will take testimony from affected parcel owners in the district. The public hearing is the deadline for affected property owners in the district to submit their signed assessment ballots to the City Clerk. The public hearing takes place at least 45 days after approval of this resolution.
- 11. The assessment ballots are prepared by the City, working with Bond Counsel, specifying the assessment amount for each parcel in the district, which the City mails to each parcel owner. Each property owner then votes for or against forming the district. During the 45-day balloting period, one

or more informal property owner information meetings may be is also held prior to the public hearing to explain the details of the proposed district.

- 12. All ballots must be submitted to the City before the close of the scheduled public hearing, and will generally be tabulated at the same City Council meeting (unless the size of the district is such that the tabulation will take a significant amount of time, in which case the results will be announced at a subsequent City Council meeting). Each parcel's vote is weighted in proportion to the dollar amount its respective assessment.
- 13. If a majority of the weighted ballots cast by the district property owners by the close of the public hearing vote YES (more than 50%), then the City Council may choose to proceed with the formation of the district. If a majority of the weighted ballots cast vote NO, then the City Council may take no further action on the formation of the district. Should the district fail, the funds advanced by the property owners will not be reimbursed. If the City Council determines to establish the district, all property owners within the district will be responsible for the assessment amount regardless of the property owner's personal vote.
- 14. If the district is formed, the City will mail assessment notices to all property owners in the district informing them of their final lien amount and their right to prepay their respective assessments. Similar notices will be published in a local paper and recorded with the County recorder.
- 15. If the district is formed, the property owner will have **two options to pay** for the assessment.

<u>30-Day Cash Payment Period</u>: For at least 30 days after the mailing of assessment notices, each parcel owner will have the option to pay all or a portion of their applicable assessment amount. Bonds will be issued by the City for any unpaid portion of the assessment.

<u>Bonds:</u> If the property owner elects to not pay during the 30-day cash payment period, the unpaid assessment will be financed through the issuance of bonds. All unpaid assessments will be payable in annual installments corresponding in number and proportionate amount to the principal and interest due on the bonds in each year. Bonds are typically amortized over a 15-20 year period, but can be amortized over as long a period as 39 years. The annual assessment installments will consist of each parcel's share of maturing principal on the bonds, interest payable on the bonds, and administrative expenses, and will be collected on each parcel's the regular property tax bill.

- 16. All unpaid assessments will constitute a lien on the affected parcels in the district. The assessments are not a personal obligation of the parcel owners, but rather an obligation of the parcel, and will run with the land to subsequent parcel owners until the bonds mature. An assessment lien will be recorded with the County recorder's office on all parcels with unpaid assessments.
- 17. All upfront costs (whether incurred by the property owners or City) can be included in the Assessments and reimbursed from proceeds of the sale of bonds. Once the bonds are sold and all moneys are collected, the construction phase will commence. The construction duration will vary depending on the size of the district. In general, the construction phase lasts from 1 to 3 years. If the district fails, funds advanced by the property owners will not be reimbursed.

- 18. In areas outside of public right-of-way where no dedicated utility easement exists, each homeowner may be required to deed an easement to the utilities for the underground lines and structures. Legal costs related to the deeding and recording of these easements may be included in the Southern California Edison cost for the construction and if not, are the responsibility of the property owner.
- 19. When construction of the underground infrastructure is completed, all property owners are notified that it is time to implement their **private conversions**. Private conversions require property owners to hire a licensed electrician to connect the property's existing overhead connection to the underground infrastructure and remove the above ground lines. The cost of the private conversion is **not covered** in the assessment amount. The assessment amount only covers work performed in the roadway easement and where utility easements have been obtained. Private conversions are mandatory for all property owners, regardless of their personal vote; the utility undergrounding project cannot be completed until all private conversions are completed.

It is important to note that the average process can take approximately seven years, from initiation by property owners to final completion of the utility undergrounding project, depending on the size of the district.

Alternative 2

- 1. The process is **initiated** by an interested property owner (proponent) who acts as a liaison between the City, utility companies, and neighbors. The proponent and other neighbors (interested parties) in support of undergrounding, submit a letter to the City expressing their interest in forming an Underground Utility Assessment District. The letter must include the proposed boundaries of the area for undergrounding and must be signed by owners representing at least 60% of the properties within the proposed district.
- 2. Based upon the interest letter, City staff prepares a boundary map and submits it to the appropriate utility companies who review and evaluate the map to ensure the boundaries are logical and feasible. Once the district boundaries are accepted by all parties, the utility companies provide the City with a preliminary cost estimate for the design and construction of the utility undergrounding project.
- 3. Once an estimated cost of the design and construction is known, the interested parties decide if there is continued support to pursue an assessment district, use a different payment option or agree to abandon the project. Should the interested parties wish to pursue an assessment district, a letter of continued commitment signed by 60% of property owners within the proposed district is submitted to the City. NOTE: In this alternative the cost of design is paid after the assessment district is formed. However, this means that the assessment is <u>based on an estimate of costs</u> and the residents will be responsible for paying additional costs if the actual costs are greater than the estimate. See discussion in Step 21 below.
- 4. The City retains the services of consultants, including a Financial Advisor, Bond Counsel and Assessment Engineer. Unless otherwise decided by the City Council, the City collects funds from the property owners to pay the non-contingent fees of consultants (i.e., those fees that are not paid from bond proceeds). Should the district ultimately fail, the funds advanced by the property owners will not be reimbursed.
- 5. The City, with the assistance of consultants, prepares a formal petition to be circulated by the proponents to all affected property owners within the proposed district boundaries. The petition states the approximate, estimated costs each property owner would be responsible for should the property owners vote in favor of forming the district and proceeding with the utility undergrounding project. The cost is based on the preliminary costs received from the utility companies. In order for the process to continue, at least 60% of the property owners must sign/express interest. This **petition** is a "show of interest" and does not bind the property owner to the district. (The interested parties are the ≥60% of the owners; that means that only those pay for the Bond Counsel and the other consultants -- not the remaining ≤40%). The petition is certified by the retained Assessment Engineer.
- 6. The City Council adopts a Resolution of Intention to form the district. This resolution will direct the Assessment Engineer to prepare a Preliminary Engineer's Report for the district.
- 7. The Assessment Engineer prepares a Preliminary Engineer's Report identifying the benefits of the district, the scope of the utility undergrounding project, and the preliminary assessment amount to be levied on each parcel in the district, based on the special benefits of the project that each parcel will receive.

- 8. The Assessment Engineer will use this estimated cost and all other <u>costs incurred</u> in the past, <u>and those anticipated in the future (e.g., the cost for Engineer's Report and Bond Counsel, etc.) plus a significant contingency to try to account for the uncertainty of not having a completed design, to generate the Preliminary Engineer's Report. This report will document the assessment amount each property owner within the district should be responsible for, should the district pass. All upfront costs incurred by the property owners or City could be folded into the assessment costs and paid from bond proceeds. If the district fails, then all costs incurred will be lost.</u>
- 9. Once the Preliminary Engineer's Report is prepared, the City Council adopts a resolution approving the Preliminary Engineer's Report, directing that assessment ballots be mailed to all of the assessed parcels in the district, directing recordation of the boundary map of the district with the County recorder, and setting the date of the **public hearing** where the City Council will take testimony from affected parcel owners in the district. The public hearing is the deadline for affected property owners in the district to submit their signed assessment ballots to the City Clerk. The public hearing takes place at least 45 days after approval of this resolution.
- 10. The assessment ballots are prepared by the City, working with bond counsel, specifying the assessment amount for each parcel in the district, which the City mails to each parcel owner. Each property owner then votes for or against forming the district. During the 45-day balloting period, one or more informal property owner information meetings may be is also held prior to the public hearing to explain the details of the proposed district.
- 11. All ballots must be submitted to the City before the close of the scheduled public hearing, and will generally be tabulated at the same City Council meeting (unless the size of the district is such that the tabulation will take a significant amount of time, in which case the results will be announced at a subsequent City Council meeting). Each parcel's vote is weighted in proportion to the dollar amount its respective assessment.
- 12. If a majority of the weighted ballots cast by the district property owners by the close of the public hearing vote YES (more than 50%), then the City Council may choose to proceed with the formation of the district. If a majority of the weighted ballots cast vote NO, then the City Council may take no further action on the formation of the district. Should the district fail, the funds advanced by the property owners will not be reimbursed. If the City Council determines to establish the district, all property owners within the district will be responsible for the assessment amount regardless of the property owner's personal vote.
- 13. If the district is formed, the City will mail assessment notices to all property owners in the district informing them of their final lien amount and their right to prepay their respective assessments. Similar notices will be published in a local paper and recorded with the County recorder.
- 14. If the district is approved, the property owner will have two options to pay for the assessment.
 - <u>30-Day Cash Payment Period</u>: For at least 30 days after the mailing of assessment notices, each parcel owner will have the option to pay all or a portion of their applicable assessment amount. Bonds will be issued by the City for any unpaid portion of the assessment.

Bonds: If the property owner elects to not pay during the 30-day cash payment period, the

unpaid assessment will be financed through the issuance of bonds. All unpaid assessments will be payable in annual installments corresponding in number and proportionate amount to the principal and interest due on the bonds in each year. Bonds are typically amortized over a 15-20 year period, but can be amortized over as long a period as 39 years. The annual assessment installments will consist of each parcel's share of maturing principal on the bonds, interest payable on the bonds, and administrative expenses, and will be collected on each parcel's the regular property tax bill.

- 15. All unpaid assessments will constitute a lien on the affected parcels in the district. The assessments are not a personal obligation of the parcel owners, but rather an obligation of the parcel, and will run with the land to subsequent parcel owners until the bonds mature. An assessment lien will be recorded with the County recorder's office on all parcels with unpaid assessments.
- 16. Once the bonds are sold and all moneys are collected, the City forwards the payment to the utility companies to begin the design process. The remaining funds will be retained for construction.
- 17. Design process begins once the utility companies receive the engineering and design fee. It usually involves the following steps:
 - a) Base mapping
 - b) SCE underground conduit and structures and electrical design
 - c) Telephone and cable company design
 - d) Cost estimate

The duration of each step varies greatly depending on the number of other underground districts in queue, the size of the proposed district, and complexity of the design. According to SCE, as of 2014, estimated time to complete engineering and designs from all the utility companies is 18-24 months.

- 18. In areas outside of public right-of-way where no dedicated utility easement exists, each homeowner may be required to deed an easement to the utilities for the underground lines and structures. Legal costs related to the deeding and recording of these easements may be included in the SCE "cost of design and of construction", and if not, are the responsibility of the property owner.
- 19. The construction phase begins. The construction duration will vary and can range anywhere from 1 to 3 years.
- 20. When construction of the underground infrastructure is completed, all property owners are notified that it is time to implement their **private conversions**. Private conversions require property owners to hire a licensed electrician to connect the property's existing overhead connection to the underground infrastructure and remove the above ground lines. The cost of the private conversion is **not covered** in the assessment amount. The assessment amount only covers work performed in the roadway easement and where utility easements have been obtained. Private conversions are mandatory for all property owners, regardless of their personal vote; the utility undergrounding project cannot be completed until all private conversions are completed.

- 21. If the actual costs for the undergrounding project exceed the total estimated costs set forth in the Final Engineer's Report, the property owners will have to decide if there is continued support of the project or to disband the district. Continuing the project would require one of two options:
 - a) The property owners can fund the costs exceeding the total amount reported in the Engineer's Report, or
 - b) A supplemental assessment district will be formed, and a second property owner vote will take place on the question of whether the supplemental assessment will be placed on the property in the district, generally following the process set forth above starting with task 9 of Alternative 2.

It is important to note that the average process can take approximately seven years, from initiation by property owners to final completion of the utility undergrounding project, depending on the size of the district.

UNDERGROUNDING OF UTILITY LINES AND FORMATION OF ASSESSMENT DISTRICTS

FREQUENTLY ASKED QUESTIONS:

What equipment will still be visible above ground?

Transformers may be located above ground on concrete pads or will be located in subsurface vaults covered by manhole covers. Each vault requires two, 12-inch diameter by 30-inch high vents. Telephone systems may also require small above terminals to provide maintenance access.

Will my electricity be out during the construction?

NO. During construction there will be some disruption because the streets in the area will be dug up, but your electricity, cable TV, and telephone service should not be affected. Only after everyone in the project area has connected to the underground system will the overhead wires and poles be removed.

Will property owners get a chance to review proposed locations of the equipment before they are cast in concrete?

The locations of pad mounted equipment and vents will be marked on the ground after the plans have been completed so that the property owners can see the proposed placements. Locations for these structures will be placed in the roadway easement selected by both the City staff and utility companies for ease of utility operations and in consideration of the property owners. Location adjustments to these structures are typically not allowed after the designs are finalized.

If a utility pole has a cell phone antenna, will it be removed?

Cell phone companies will be notified by the utility company that the pole is going to be removed and that the antennas will need to be removed.

What will happen to the streetlights?

In most cases throughout the City, the streetlights are attached to the utility poles. The project will include the installation of new streetlights. Unless your neighborhood chooses to pay for more expensive decorative lights, standard concrete streetlight poles will be installed. If your project moves forward, City staff will meet with your neighborhood to discuss the various street lighting options.

I've heard about new technologies like fiber optics coming to residential neighborhoods, how does utility undergrounding fit into all of this?

New technologies such as fiber optics can exist, both on overhead poles or underground. Currently, when undergrounding projects take place, there is additional room for fiber optic cables to be laid down.

How much does it cost?

Costs vary substantially from district to district depending on the size, physical constraints, specific benefit of each property, how many overhead lines need to be placed underground, how many poles need to be removed, size and number of property owners within the undergrounding district, labor and material costs, and inflation. Costs estimated in a 2001 study for City-wide undergrounding project in Rolling Hills estimated per household cost between \$52,000 and \$62,000. Please note that the assessment amount does not include the private conversion portion of the project, conversion of your electrical panel, if necessary or the connection from your home to the street. Estimated cost for this work is at \$9,000-\$20,000 and will depend upon the terrain, type of soil and the distance from the house to the road easement and connection to the main conduit.

Is there money available from other sources to help pay for undergrounding?

Edison offers three options for undergrounding power lines. The first is where a municipality (City) organizes the project and it is paid for with money accumulated from a small surcharge on a utility bill,

called Rule 20A. The money from this source must be used on a project with a minimum of 600 linear feet and must be on main thoroughfares.

The second option is where homeowners initiate the undergrounding and form a district. To qualify, the area to be undergrounded must be a minimum of 600 linear feet and all existing overhead communication and electric facilities within the area must be removed and all property owners served by the overhead facilities to be undergrounded agree in writing to have the wiring changes made on their premises necessary to allow service through the underground system. If the project meets these requirements, it may qualify for Rule 20B in which, Edison removes all of the utility poles at their own cost and a subsidy from Edison is available in the amount equal to building an equivalent overhead system, which SCE estimates is generally 20% of the cost of undergrounding. That subsidy is applied to SCE's final invoice to offset the cost of constructing a new underground system.

The third option for undergrounding is Rule 20C in which the property owner(s) pays the entire cost of the underground project including the removal of overhead facilities.

Why can't the City pay for a part of this project?

The City of Hermosa Beach is supportive of neighborhood undergrounding projects, however, there are many competing infrastructure needs that must be met, such as repaving roads, repairing public buildings, and maintaining our parks.

Why can't the Utilities pay for this project? It's their wires, right?

Unfortunately, undergrounding is expensive and there is no legal requirement for them to underground their facilities.

What costs are included in the assessment amount?

The assessment amount includes district formation, design engineering, construction, legal, administration, and bond issuance costs. Upfront costs incurred by the owners can be reimbursed from the bonds as well. However, if an assessment district does not pass, the upfront costs are non-refundable.

What costs are not included in the assessment amount?

The assessment amount does not include the private conversion portion of the project, conversion of your electrical panel, if necessary, or the connection from your home to the street. Estimated cost for this work is at \$9,000-\$20,000 and will depend upon the terrain, type of soil and the distance from the house to the road easement and connection to the main conduit.

How do property owners pay the assessment?

The assessment can be paid in cash or through bond financing. Once the Assessment District has been approved by the City Council, property owners have a 30-Day Cash Payment Period to pay their assessment. After the 30-Day Cash Payment Period, any unpaid portion of the assessment will be financed through bond sales. If the property owner elects to finance the costs, annual installments of principal, interest, and administrative fees will be collected with the property tax bill.

Can the assessment be paid partially in cash and partially go to bond?

Yes, during the 30-Day Cash Payment Period, the property owner will save the additional costs that would be incurred in a bond issuance on the portion of the assessment paid. After this period, the property owner can at any time make cash payments to pay off the assessment by paying off any

outstanding delinquencies, a portion or the remaining principal amount, applicable bond redemption premium, interest to the next available bond call date, and an administrative fee fixed by the City. Any payments made after the 30-Day Cash Payment Period will not receive the savings, because the costs of a bond issuance will be incurred.

Is the assessment tax deductible?

Please direct any tax-related questions to your tax advisor or accountant.

What is the term of the bond financing?

Usually the bonds are financed over a 15-20 year term. However, the law permits bonds to be issued with terms up to 39 years.

What is the rate of interest on the bonds?

The bond financing reflects the market rate at the time of issuance. The City does not have the capability to predict such rates.

What if I sell my home before the assessment is paid in full?

This is a matter that can be negotiated between the buyer and seller. The lien is placed on the property and will remain with the property unless the assessment is paid in full, and will transfer to the new owners with the property unless paid off. This information should be disclosed to the buyer.

What is the private conversion and what does it include?

Private conversion involves undergrounding the service wires and equipment that are on private property - that connect from the main service conduit in the roadway easement to the property owner's home or business. This work includes trenching, installing service conduit, backfill, and modification or replacement of the customer's electric panel to accept underground service.

What is the private conversion portion of the project?

Each property owner must connect his or her overhead utility lines to the underground utility system. It is recommended to obtain bids from licensed contractors to perform this work. This cost is not included in the assessment amount.

What is the typical cost for the private conversion?

It typically costs between \$9,000 and \$20,000 to convert overhead utilities to underground. The cost depends on the terrain of the lot, type of soil and the distance from the electrical panel to the main conduit in the roadway easement. These costs are not included in the assessment.

Can the cost of the private conversion be added to my property tax bill as well?

No. The cost of the private conversion is negotiated between you and your contractor. Each property owner pays for this service separately from the assessment.

Who do property owners contact with questions or concerns regarding the project?

Questions and concerns regarding the project should be directed to the Department of Public Works, by calling 310-318-0214. Property owners should not contact the utility companies directly with questions.

Myths and Facts of the process for undergrounding of utility lines and formation of assessment districts

FORMATION AND COSTS	
Myth:	The undergrounding of utilities is a City driven project.
Fact:	The assessment districts for the undergrounding of utilities are property owner driven projects. The City acts as a liaison between the utility companies and property owners
Myth:	Rule 20A money can be applied anywhere in the City.
Fact:	Generally, Rule 20A money can be applied to major thoroughfares only.
Myth:	Everything is included in the assessment costs.
Fact:	The assessment covers the district formation and construction costs to underground the utility lines. Property owners are responsible for hiring and paying a contractor to connect their property's utilities to the underground system.
Myth:	The City is not assessed for any City owned parcels.
Fact:	City property is assessed based on the same assessment methodology as other properties within the assessment district.
Myth:	The City withholds information from property owners.
Fact:	The City makes every effort in being transparent about the assessment process and welcomes any calls or inquiries. The utility companies should not be contacted directly with questions regarding the project. The property owners are welcome and encouraged to engage their own facilitator to act as a liaison to the utility companies on their behalf.
Myth:	I still have to pay the assessment if I sell my property.
Fact:	The City does not require the assessment to be paid off when a property is sold; however, the buyer may make the request.

CONSTRUCTION	
Myth:	I will not have access to my property during construction.
Fact:	Construction for a typically sized district takes 1 year but can last up to 3 years. The work area generally shifts each week. Access during working hours will be limited, but is reopened at the end of each work day.
Myth:	If the contractor/construction causes damage to my private property, it will not be repaired.
Fact:	The contractor is responsible for repairing all damages done during construction. Should any damage occur, please notify the project superintendent or city staff.
Myth:	The City has an approved list of electrical contractors to perform the private conversion.
Fact:	The City may provide a list of electrical contractors who conduct business within the City, but do not maintain a list of prequalified or approved contractors.
Myth:	A select few electrical contractors make arrangements with the City to perform private conversions prior to properties being released for conversion.

Fact:	Private conversion should NOT be started prior to written notification from the Utility company, issuance of a building permit, and pre-inspection from the building inspector.
Myth:	My service panel will have to be replaced or upgraded.
Fact:	Service panel replacements are required if the existing panel is not compatible with the new underground system and is paid by the property owner.
Myth:	The electrical conversion process will disrupt electrical service to my property for a long period of time.
Fact:	The service conversion or "cut-over" to the underground system takes approximately 10-20 minutes to complete. Electrical service is restored after completion of the cut-over.