

METROPOLITAN UTILITIES DISTRICT

April 6, 2011

8:15 a.m.

**SPECIAL BOARD MEETING
PUBLIC HEARING and
COMMITTEE MEETINGS**

A G E N D A

Special Board Meeting – Public Hearing

1. Roll Call
2. Open Meetings Act Notice
3. Presentation of Proposed Billing Price Book by Management – **Tab No. 5**
4. Invitation for Public to Comment

Public Hearing remains in session until the conclusion of scheduled Committee Meetings)

Accounts, Expenditures, Finance and Rates – McGowan, Lindsay, Dowd

1. KPMG Audit Report for 2010 – **Tab No. 6**

Services and Extensions – Lindsay, Doyle, Frost

1. Gas and Water Main Extensions – **Tab No. 7**

Construction and Operations – Lindsay, Friend, Dowd

1. Capital Expenditures for Approval – **Tab No. 8**
2. Bids on Materials and Contracts – **Tab No. 9**
3. Environmental Services Agreement – Platte West – **Tab No. 11**
4. Groundwater Modeling Services Agreement – Platte West – **Tab No. 12**

Judiciary and Legislative – Dowd, Cavanaugh, Frost

1. Gas Rules Amendments – **Tab No. 16**

Personnel – McGowan, Dowd, Cavanaugh

1. 2011 Goals and Objectives – **Tab No. 23**

Security and Safety – Cavanaugh, Friend, McGowan

1. Safety Report

Committee of the Whole

1. President's Report

Adjourn Special Board Meeting and Public Hearing

METROPOLITAN UTILITIES DISTRICT OF OMAHA

Minutes of Special Board Meeting, Public Hearing and Committee Meetings April 6, 2011

The Board of Directors of the Metropolitan Utilities District of Omaha met in the Board Room of the Headquarters Building at 1723 Harney Street for a Special Board Meeting, Public Hearing and Committee Meetings at 8:15 a.m., April 6, 2011.

Advance notice of the meeting was posted on the first floor of the Headquarters Building from March 2, 2011 to April 6, 2011. Notice of the meeting was published in the Omaha World-Herald March 27, 2011. The agenda of the meeting was available for public inspection at the office of the Secretary and President and copies were delivered to Board Members April 4, 2011.

AGENDA NO. 1

ROLL CALL

Chairman Friend called the meeting to order at 8:15 a.m. On roll call vote the following members were present:

Tom Dowd
Dave Friend
Jack Frost
Amy Lindsay
Mark Doyle
Tim Cavanaugh
Mike McGowan
Douglas R. Clark, Secretary

Also present were various members of the staff; Tom Riley, I.B.E.W. #1521; Michelle Stromp, KPMG, and Roger Helgoth, Kirkham Michael Consulting Engineers.

AGENDA NO. 2

OPEN MEETINGS ACT NOTICE

Chairman Friend advised those in attendance that a copy of the Open Meetings Act was posted in the rear of the Board Room.

Chairman Friend stated that the President's Report would be moved from the last item on the Committee Agenda to the item discussed before the Presentation of the Proposed Billing Price Book.

President's Report

Mr. Clark gave his report regarding the highlights for the month of March including an award received from AWWA, budget variances on gas and water, degree days, update on the cross bore project, a report on chromium 6, an update on the progress of the CNG program, year-to-date infrastructure totals, and Mr. Clark shared highlights of the trip to Wisconsin to tour the ANGI facility. The ANGI facility is the manufacturer of the CNG equipment we will receive for the grand opening of our fueling station this spring. Copies of the annual report were handed out. The annual report is now online for viewing.

AGENDA ITEM NO. 3

PUBLIC HEARING

PRESENTATION OF PROPOSED BILLING PRICE BOOK BY MANAGEMENT

Chairman Friend opened the public hearing regarding proposed changes to the Billing Price Book. Mr. Burmeister addressed the Board outlining the major revisions of the Billing Price Book. Mr. Burmeister stated there were proposed changes in the most frequently used areas, which he addressed. The minimum charge for the Field Services Division work for one employee up to one-half hour will increase from \$75 to \$78. The rate for the Measurement Division work will increase from \$67 to \$70 and Water Distribution Division work will increase from \$55.50 to \$58. In addition, there is a recommendation that the Capital Facility Charge be assessed at 50 percent of the otherwise calculated assessment for the redevelopment or meter upgrades to both residential and commercial customers in the pre-1972 service areas. It is recommended the revisions for the prices of the service work and materials be approved and become effective May 1, 2011.

AGENDA NO. 4

PUBLIC HEARING

INVITATION FOR PUBLIC TO COMMENT

Chairman Friend asked if there were any comments from the public regarding the proposed Billing Price Book changes. There being none, Mr. Friend stated that the public hearing would remain open until the conclusion of the committee meetings if anyone should decide they would like to make comments.

The Accounts, Expenditures, Finance and Rates met at 8:52 a.m. Present were Chairperson McGowan, Mrs. Lindsay and Mr. Dowd. Also present for this and all committee meetings were: Mr. Frost, Mr. Cavanaugh, Mr. Friend and Mr. Doyle. Mr. Bucher discussed his letter addressed to the Committee dated March 29, 2011 regarding the KPMG Audit Report for 2010. Mr. Bucher stated we have two separate audits that have to be completed; one is the regular audit and the other is the Circular A-133 Report which references the federal grants. That audit was done for both the Platte South basin and the CNG stations since stimulus and grant monies were received. Both the Audit and Federal Grant Audit came back as unqualified opinions, meaning they were "clean" with no major errors or problems found. Mr. Bucher listed some "cleanup/housekeeping" items in his March 29, 2011 memo and stated those items are being addressed. Mr. Bucher added that Ms. Stromp with KPGM is present to answer any questions anyone might have. There were none.

The Services and Extensions Committee met at 8:53 a.m. Present were Chairperson Lindsay, Mr. Doyle and Mr. Frost. Mr. Keep reviewed his March 24, 2011 letter to the Committee, which included two water main extensions and one gas main extension.

The Construction and Operations Committee met at 8:55 a.m. Present were Chairperson Frost, Mr. Doyle and Ms. Lindsay. Mr. Keep reviewed his Capital Expenditures for Approval letter to the Committee dated March 25, 2011. Mr. Keep stated that each of the items listed on this lengthy report was budgeted items with the exception of three. Mr. Keep briefly discussed those three items. Mr. Keep also discussed the contract the District will be entering into for the soil testing at 20th and Center Sts., which is the former manufactured gas plant site.

At 9 a.m., Mr. Bucher addressed the Board reviewing the bid letter to the Committee dated March 29, 2011. There are four water main bids this month and management is recommending three of the four with the lowest bids. Under "Contracts" on Item a., we are taking the lowest bid that was presented timely; the other bid was presented after the deadline. Under the "Other" category, we have seven items, four of those are low bids, two single bids and on Item g., Engineering is recommending we reject those bids due to the fact that both bids were nonconforming and had a number of exceptions. The recommendation is to allow Mr. Clark to enter into a contract with the best negotiated vendor that we can find to do the job the way it needs to be done. Under "Annuals," there are five items and on Item m. Management is asking the Board to reject both bids because they

came in much higher than anticipated and Engineering would like to rephrase the specs and offer options for the bidders in an effort to save on costs.

A lengthy discussion followed regarding the building of the New Construction Center.

At 9:20 a.m., Mr. Keep reviewed the 2011 Environmental Services Agreement for the Platte West Plant and Wellfield and the Groundwater Modeling Services Agreement for Platte West Plant and Wellfield letters to the Committee dated March 11 and March 15 respectively. Mr. Keep stated those services are required for compliance with the Corps of Engineers' Section 404 Permits for the wellfields.

The Judiciary and Legislative Committee met at 9:21 a.m. Present were Chairperson Dowd, Mr. Cavanaugh and Mr. Frost. Mr. Crouchley discussed his letter to the Committee dated March 28, 2011 regarding the proposed amendments to the gas rules. Mr. Crouchley discussed the revisions and stated that a resolution was attached.

The Personnel Committee met at 9:26 a.m. Present were Chairperson McGowan, Mr. Dowd and Mr. Cavanaugh. Mr. McGowan stated there is an attached list of goals and objections that were prepared by President Clark. Mr. McGowan expressed his desire that the Board accept these goals and objectives to be used as a basis for Mr. Clark's interim review in June and his review at the end of the year.

The Security and Safety Committee met at 9:40 a.m. Present were Chairperson Cavanaugh, Mr. Friend and Mr. McGowan. Mr. Neddo stated he sent the 2010 Annual Safety Report to all Board members. Mr. Neddo gave the Board a brief review of the highpoints of that report stating that recordable injuries in 2010 were the lowest in nearly 20 years. Our vehicular accidents are still an issue that we are working very hard to improve.

The public hearing still being in session, Chairman Friend asked whether there were any members of the public who wished to comment on the changes in the Billing Price Book. There being none, at 9:47 a.m., Chairman Friend asked for a motion to adjourn the Public Hearing and Special Board Meeting. Mr. Cavanaugh made a motion to adjourn. Seconded by Mr. Frost and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan

Voting No: None

MINUTES FILE DOCUMENT NO. 136644

The meetings adjourned at 9:47 a.m.



Douglas R. Clark, President

DRC:kl

METROPOLITAN UTILITIES DISTRICT

Regular Meeting
9:00 a.m.

April 6, 2011

A G E N D A

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes of Regular Board Meeting, March 2, 2011
- AEF&R** 5. Billing Price Book (RESOLUTION)
6. KPMG Audit Report for 2010
- S&E** 7. Gas and Water Main Extensions
- C&O** 8. Capital Expenditures for Approval
9. Bids on Materials and Contracts
10. Report on Purchases between \$10,000 and \$20,000
11. Environmental Services Agreement – Platte West
12. Groundwater Modeling Services Agreement – Platte West
13. Acceptance of Contracts and Payment of Final Estimates
- J&L** 14. Condemnation Authority (RESOLUTION)
15. Approval of President's Bond
16. Gas Rules Amendments
- PERSONNEL** 17. Promotional Increases
18. Authorization to Hire and Ratification of SPA Employee
19. Approval of Senior Management
- BOARD** 20. May Board Meeting Location
21. Collective Bargaining Strategy Session (CLOSED SESSION)
22. Other Matters of District Business for Discussion

**METROPOLITAN UTILITIES DISTRICT OF OMAHA
MINUTES OF REGULAR MEETING
April 6, 2011**

The Board of Directors of the Metropolitan Utilities District of Omaha met in the Board Room of the Headquarters Building at 1723 Harney Street in regular session at 10:03 a.m. April 6, 2011.

Advance notice of the meeting was posted on the first floor of the Headquarters Building from March 2, 2011 to April 6, 2011. Notice of the meeting was published in the Omaha World-Herald March 27, 2011. The agenda of the meeting was available for public inspection at the office of the Secretary and President and copies were delivered to Board Members April 4, 2011.

AGENDA NO. 1

ROLL CALL

Chairman Friend called the meeting to order at 10:03 a.m. On roll call vote the following members were present:

Tom Dowd
Dave Friend
Jack Frost
Amy Lindsay
Mark Doyle
Tim Cavanaugh
Mike McGowan
Douglas R. Clark, Secretary

Also present were various members of the staff; Tom Riley, I.B.E.W. #1521; Michelle Stromp, KPMG, and Roger Helgoth, Kirkham Michael Consulting Engineers.

AGENDA NO. 2

OPEN MEETINGS ACT NOTICE

Chairman Friend advised those in attendance that a copy of the Open Meetings Act was posted in the rear of the Board Room.

AGENDA NO. 3

PLEDGE OF ALLEGIANCE

Chairman Friend welcomed those who cared to participate, to stand and recite the Pledge of Allegiance.

AGENDA NO. 4

APPROVAL OF MINUTES OF THE REGULAR BOARD MEETING, MARCH 2, 2011

Mr. Frost moved for approval of the minutes of the Regular Board Meeting, March 2, 2011. Seconded by Mr. Cavanaugh and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan

Voting No: None

MINUTES FILE DOCUMENT NO. 136645

AGENDA NO. 5

BILLING PRICE BOOK (RESOLUTION)

Mr. McGowan moved for the adoption of the resolution pertaining to the revisions of the Billing Price Book as set out in Mr. Burmeister's letter to the Committee dated March 24, 2011. Seconded by Mr. Doyle and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan

Voting No: None

MINUTES FILE DOCUMENT NO. 136646

RESOLUTION

BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that the revision of billing prices for service work and materials as recommended by Management in a letter dated March 24, 2011, signed by Roger A. Burmeister, vice-president of Accounting, together with the attachments thereto, filed in Minutes Document No. _____, be and are hereby adopted, and all rates for service work and materials shall be effective May 1, 2011.

Adopted

AGENDA NO. 6

KPMG AUDIT REPORT FOR 2010

Mr. McGowan requested that the KPMG Audit Reports for 2010 be placed on file.

MINUTES FILE DOCUMENT NO. 136647

AGENDA NO. 7

GAS AND WATER MAIN EXTENSIONS

Mrs. Lindsay moved for approval of Mr. Keep's letter to the Committee dated March 24, 2011. Seconded by Mr. Cavanaugh and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan

Voting No: None

MINUTES FILE DOCUMENT NO. 136648

WATER

<u>Job Number</u>	<u>Project Cost</u>	<u>Applicant Contribution</u>	<u>Construction by Applicant</u>	<u>M.U.D. Cost</u>
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1.

100059000160				
100065000883	\$23,780	\$23,780	\$67,942	- 0 -

This main is being installed in 15th St. from Burt St., south to Mike Fahey St. to accommodate the installation of a future parking lot downtown called The Yard. (City of Omaha's zoning, New Street, LLC).

2.

100055000700	\$41,126	\$44,912	- 0 -	- 0 -
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This main is being installed in the area of 20800 W. Dodge Rd. to provide domestic water service and fire protection to a commercial storage facility, Dino's Storage. The applicant will contribute \$3,786 to the pioneer main in Pacific St. and 192nd St. (City of Omaha's zoning, Landmark Group).

GAS

<u>Job Number</u>	<u>Cost Estimated</u>	<u>Equivalent</u>	<u>Revenue Credits</u>		<u>Total</u>	<u>Deficiency</u>
			<u>Applicant</u>	<u>Other</u>		

1.

100060000780	\$12,663	\$8,663	\$797	- 0 -	\$797	\$7,866
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This main is being installed in the area of 36th St. and McKinley St. to provide gas service to a new single-residence home at 9201 N. 36th. A 1 ¼-inch equivalent main is needed to serve the house. The total main extension cost including the equivalent size main is \$8,663. (City of Omaha's zoning, Developer Jeff Mesenbrink).

AGENDA NO. 8

CAPITAL EXPENDITURES FOR APPROVAL

Mr. Frost moved for approval of Mr. Keep's letter to the Committee dated March 25, 2011. Seconded by Mr. Dowd and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan

Voting No: None

MINUTES FILE DOCUMENT NO. 136649

SYSTEM IMPROVEMENT AND MAINTENANCE

- 1. 100051000660 and 100065000882 - \$45,000 – (RATIFICATION) – Remove one piece of 42-inch concrete water main that broke pre-stressing wires and replace it with a concrete repair kit at 69th and Harrison Sts.** In January 2011, the District had Pure Technologies evaluate the remote field transformer coupling data on 4,141 feet of 42-inch concrete pipe along Harrison St., from 61st to 70th Sts. The results identified one piece of distressed concrete pipe with 25 broken pre-stressing wires. We ordered the replacement pieces and plan to do the repair this spring. The 42-inch main is one of the primary east/west transmission mains in the system.
- 2. 100051000681 and 100065000900 - \$30,000 – (RATIFICATION) – Remove and replace the 24-inch valve at Wenninghoff Rd. and State St.** The existing 24-inch ball valve was installed in 1974 and the valve body is cracked and leaking. This valve is on one of the primary 36-inch transmission mains on the discharge from Rainwood Pump Station; therefore, we want to replace the valve before water demand increases. The valve has been ordered.
- 3. 100066001228 - \$12,000 – (RATIFICATION) – Abandoned a 2-inch, 125-psig steel gas valve at 114th St. and W. Center Rd.** The 2-inch steel gas valve at 114th St. and W. Center Rd. had a Grade 2P leak and required repair. The gas valve was abandoned and replaced with a wrapped steel gas pipe to eliminate the leak. The valve was not replaced at its current location because of the 10-foot depth of the gas main and the location in W. Center Rd. traffic. A new valve will be installed outside paving and at a location that is not as deep when the 8-inch, 125-psig wrapped steel gas main is shutdown for another project this summer. The depth of the gas main at the abandonment location added some significant costs to the job. This was a non-budgeted project.

BUILDING, PLANTS, EQUIPMENT

- 1. 100072000380 - \$24,750 – Review of fire studies for LNG, 117th and Fort Sts., and 63rd and Oak Propane Air Plants.** This project will review the fire studies for all three District peak shaving plants. PHMSA code requires that the LNG plants be reviewed on a bi-yearly basis. A consulting firm that specializes in fire protection plans for peak shaving plants, performed complete fire studies for each of the plants over a three-year period starting in 2006 to comply with new regulations going into effect at that time. District personnel have performed the periodic reviews as necessary from 2006 to present. Each plant fire study project, as approved by the Board, laid out a plan that if substantial plant equipment or operational changes are made, then a consultant would be used for the next review to appropriately encompass those changes. Recently, each facility had major upgrades which warrant a review of the plans by an outside firm. It is proposed to then continue the sequence of an internal review of the plan unless substantial plant equipment or operational changes are made at which time a consultant would be used for the next review. Approval of this request also authorizes the President to contract with CHI Engineering to perform the studies.
- 2. 100083000622 - \$13,000 – Purchase an additional interior door for entrance into the backflow/fire riser/meter room and widen existing single-wide door to a double door at Platte West Plant.** This project will improve

access to two locations within the Platte West Plant. Currently access into the existing backflow/fire riser/meter room in the EQ/Sed Basin area of the plant is from an exterior door with limited access to sidewalk and roadway. Access for maintenance to backflow, fire system control valves, and meters during winter months can be extremely difficult to impossible. This project would allow for an interior door to be installed directly into the EQ/Sed Basin area. The second portion of the project is to replace an existing single-wide door with a new double door that is located in the north Solids Contact Basin area. This will facilitate easier removal of equipment from the north Solids Contact Basins. This work is planned to be performed in-house.

3. **100083000562 and 100083000600 - \$576,000 – Automate emergency power transfer switch and automate startup and shut down of standby generator engine at the Platte South Plant.** In 2007, staffing adjustments were made at the Platte South Plant to eliminate five Water Plant Operator positions. Afternoon, night, weekend and holiday shifts are now covered with a single Water Plant Engineer on duty. The current procedure on power failure is for the engineer to manually start the generator, manually transfer 4160 volt plant power to the generator and then manually reset all the equipment. To do this requires a lot of time and physical movement throughout the plant. When the plant was constructed, an automatic generator startup and automatic transfer switch were installed. When these systems failed in the 1970s, the manual systems were put in place to reduce cost. With the change to single person shifts, automatic startup and transfer would greatly shorten the time it takes to get the plant back online in the event of a power failure. It would also improve the safety of the Water Plant Engineer since he/she would not have to manually operate 4160 volt switches. This project will be completed under two separate contracts. The first will be to purchase and install the transfer switch and the second to automate the startup and shutdown of the existing generator engine.
4. **100083000623 - \$15,000 – Replace air intake ductwork for the Kathabar dehumidifier at the Platte South Plant.** The air intake ductwork for this dehumidifier was installed at the time the plant was constructed, making it 43 years old. The ductwork has corroded over time due to the environment of where it is installed. The ductwork needs to be replaced to allow air to circulate properly to the dehumidifier.
5. **100089000521 - \$20,000 – Replace eight continuous reading turbidity meters at the Platte South Plant.** The existing turbidity meters are 15 years old and the manufacturer of the meters is no longer in business. Filter profiling for individual filter runs is required for compliance with the regulations governing the Groundwater Under the Direct Influence of Surface Water designation of the Platte South Plant. Replacement of the turbidity meters will provide more accurate and reliable equipment for this function.
6. **100085000400 - \$35,000 – Replacement of lime hoses for the two softening basins at the Florence Water Treatment Plant.** Lime is fed to the primary basins from the lime slakers in the Chemical Building through a five-inch reinforced rubber hose. The hoses have been in service for approximately 25 years and a recent inspection revealed they are starting to show signs of deterioration. They are losing their elasticity and starting to collapse which could hinder the flow of lime through the hose. This is a non-budgeted request.
7. **100071000320 - \$900,000 – Roof replacement for the Howell Filter Building at the Florence Water Treatment Plant.** The existing roof is approximately 30 years old and is showing signs of deterioration. Our roofing consultant recommended replacement several years ago. The condition assessment done by HDR during the Comprehensive Plant Review also recommended replacement of the roof. HDR further recommended that the new roof system should be lighter in weight than the existing system due to some structural problems with the building. The existing system will be replaced with an unballasted PVC based roofing system. This is part of phase 1 of the Florence Capital Improvement Plan.
8. **100083000621 - \$250,000 – Phase 1 improvements - earthwork package at the Florence Water Treatment Plant.** As part of the Florence Capital improvements Plan (CIP), the District identified several projects to reduce disinfection byproducts to help meet the impending Stage II Disinfection Byproducts Rule. One of the methods selected to deal with the rule includes full softening with recarbonation. In October 2010, the District hired HDR to design the CIP Phase 1 improvements, which include the recarbonation facilities. During the project design, subsoil testing performed at the site indicated that the area beneath the proposed recarbonation building and carbon dioxide tanks requires the existing soils to be removed to a predetermined depth and recompacted (structural fill). Once the

structural fill is placed, the site will be “preloaded” by stockpiling seven feet of soil over the area for a minimum of 45 days or until settlement of the soils has stopped. In order for this necessary step to not impact the building or the facility, the District has elected to bid the earthwork portion separately so that the settlement can occur concurrently with the remainder of the facility design work HDR is performing.

9. **100090000746 - \$20,300 – Replace portable laser alignment machine in Central Maintenance.** Central Maintenance has two alignment machines. One machine was replaced last year and the other machine is 10 years old and is in need of replacement. The existing machine is obsolete and the manufacturer will no longer provide factory support of the software or calibrate the machine. In addition, replacement of this second unit at this time will equip both machines with the same operating screens, general setup sequences, and communication software, making it easier for the mechanics to use the machines.
10. **100090000760 - \$17,000 – Purchase laptop computers and locating equipment for two new Senior Engineering Technicians in Plant Engineering.** For the 2011 budget year, Plant Engineering originally planned to add one new Senior Engineering Technician and one new Field Engineer to help meet the anticipated increased workload demands associated with the District’s infrastructure replacement program. In addition to this program, Engineering has been tasked with developing and implementing a crossbore investigation program. To meet the workload demands associated with both programs, it has been decided that two new Senior Engineering Technicians will be needed to handle the inspection and contractual duties. The additional Senior Engineering technician position will take the place of the budgeted Field Engineer position for 2011. These two new employees will each be required to have a new laptop computer with a docking station, keyboard, mouse, two 19-inch monitors, locating machine, and magnetic locator.
11. **100072000400 - \$700,000 – Remove existing ballasted EPDM roof and install new modified bitumen roof on sections 12, 13, 14, and 15 at the 63rd and Oak Construction Center Building.** The four sections of the existing Construction Center ballasted roof were installed partially in 1993 and partially in 1998. The roofing warranties expired in 2003 and 2008. The facility condition report prepared in 2008 states that the insulation over all four of these roof sections is severely degraded and water ponds to the point of submergence of the roof ballast material over these sections. Sections 2 through 5 of this roof were replaced in 2010. This project will complete the roof replacement recommendations that were in the facility maintenance report. The remaining roof sections are in good condition. The new system will be a modified bituminous membrane with a 20-year warranty.

100072000401 - \$75,000 – Remove existing fully adhered EPDM roof and install new modified bitumen roof on roof area 2 of the Downtown Miller Building. This roof was installed in 1991 and the warranty expired in 2001. The new system will be a modified bituminous membrane with a 20-year warranty. This roof has had a significant number of leaks recently and in 2010 the adhered EPDM de-bonded from the insulation below nearing complete detachment. The 2008 Facility Condition Report indicated the roof would reach the end of its life in 3-5 years. Considering the age of this roof, the damage it sustained last year, and the number of leaks it has had recently, replacement of the roof is the best option.
12. **100090000748 - \$15,000 – Purchase additional ice machine and ice storage bin for the Construction Center.** The existing ice machine that provides ice for the Construction, Water Distribution, Gas Distribution and Maintenance crews is unable to keep up with the high demand, especially in the summer months. This is due to the additional employees who have been hired as part of the infrastructure replacement program. The additional ice machine and storage bin will provide the capacity that is needed.
13. **100090000783 - \$82,717 – Replace 14 meter reading handheld devices, two mobile collector lites with portable wiring, and two multi-docks with AC power supply and cords.** Itron Inc., our vendor for meter reading equipment, has announced the end of support for our existing handhelds in 2012. Therefore, Meter Reading proposes purchasing 14 handheld devices in 2011 and the remaining four in 2012. Meter Reading began replacing these devices in 2010 to prepare for the end of support. Itron also has indicated the end of support for our oldest mobile collector. Currently, Meter Reading has three large mobile collector units for four car-route meter readers that share these units to read mobile routes. The larger units cost approximately \$40,000 to replace, however Itron

has a smaller mobile collector unit that will meet our needs at half the cost. Meter Reading is proposing purchasing two of these, which will provide a mobile collector for each car-route meter reader.

14. **100084000720 - \$25,000 – Purchase six mobile radios from OPPD’s inventory and 12 remote radio kits for use in District vehicles due to reduced mobile radio inventory levels.** The District’s inventory of mobile radio units for use in District vehicles has been reduced by numerous recent installations and removals. To help replenish inventory levels, the District will purchase mobile radio units from OPPD’s inventory at a reduced cost. This is a non-budgeted item.
15. **100090000743 - \$11,000 – Purchase mobile hydraulic power supply unit.** The purpose of a mobile hydraulic power supply unit is to provide portable hydraulic power in the field. This unit is being requested to provide consistent and controlled hydraulic power to the pipe saws. A pipe saw is a unit that is attached to the outside of a large (16-inch and up) diameter pipe. The saw travels slowly around the outside of the pipe at a specific speed to make a precise clean cut. The District has four pipe saws. Two are pneumatic powered and the other two were converted to hydraulic powered several years ago. The hydraulic saws work much better for our needs than the pneumatic saws, but they require specific hydraulic flow, pressure and fluid.
16. **100088000430 - \$30,000 – Purchase platform body with compressor and inverter for Ford F-550 crew truck for the Construction Division.** This service truck will be used for the new gas infrastructure replacement main gang. The crew using this truck will be able to perform all tasks associated with installing gas services on infrastructure replacement projects. The platform is equipped with an air compressor and an inverter. Having this equipment available to the crew will allow them to work at both ends of the construction project, putting in gas services and backfilling ditches. This platform body will allow the crew to be much more productive and efficient.
17. **100087000343 - \$121,000 – Purchase one rubber tire backhoe/loader for the Construction Division.** The rubber tire backhoe/loader is a vital piece of equipment to the District’s Construction Division and is used for many different purposes on and off the job site. This backhoe/loader will be for the new gas infrastructure replacement main gang being formed in 2011.
18. **100087000342 - \$14,500 – Purchase additional single axle plastic pipe reel trailer for the Construction Division.** This trailer will be used to haul coils of plastic gas pipe. The trailer is needed for the additional 2011 gas infrastructure main gang crew.
19. **100087000341 - \$50,000 – Purchase additional tandem axle field office trailer for the Construction Division.** This field office will be used by the additional 2011 gas infrastructure main gang crew. The construction crew sets up the field office at job sites and uses it for storage, to study relocation plans and for shelter.
20. **100090000781 - \$30,000 – Purchase two duel hose fuel dispensers for the Operating Center fuel island.** The existing unleaded fuel dispensers located at the Operating Center fuel island are in excess of 20 years old and are in poor condition. They require a significant amount of maintenance and are prone to frequent breakdowns. The replacement of these two dispensers will complete the dispenser replacement at the Operating/Construction Center complex. The Construction Center dispensers were replaced in 2008.
21. **100072000420 - \$60,000 – Soil testing at 20th and Center Sts. former manufactured gas plant site.** The District and the City of Omaha are entering into a contract with Burns & McDonnell Engineering to perform tests to determine the subsurface soil conditions and groundwater/surface water conditions on the District’s former manufactured gas plant site. The contract is not to exceed \$120,000 total. The District’s share will be \$60,000. Our intent is to work with the Nebraska Department of Environmental Quality (NDEQ) to resolve any environmental issues identified by the study.
22. **100090000744 - \$250,000 – Purchase and install Fuel Master devices for our fleet.** In conjunction with the Construction Center CNG fueling station replacement, a new fuel management system is being purchased and installed. The new system is manufactured by Fuel Master. The Fuel Master pedestals, which are permanently installed on the fuel islands, and the system software are included in the contract to construct the new CNG station.

This C&A covers the Fuel Master devices, which are installed in each vehicle and piece of our equipment that uses fuel. Additionally, the C&A also covers the 600 keys that are necessary during the conversion process, the encoder for programming the keys, the nozzle tags that permanently mount to the fuel dispensing nozzles and training. It is estimated that between 500 and 600 devices will need to be installed. At this time we anticipate doing the installation in-house and anticipate it will take approximately 30 minutes to complete the installation in a typical sedan.

INFRASTRUCTURE REPLACEMENT/RELOCATIONS

- 1. 100092000004 and 100066000165 - \$405,000 – Install 3,080 feet of 3-, 6- and 8-inch, 15-psig plastic gas mains and abandon 2,850 feet of 8- and 12-inch, 15-psig cast iron gas mains and 180 feet of 3-inch, 15-psig wrapped steel gas main along Leavenworth St. from 13th to 19th Sts. and along 15th St. from Leavenworth to Jones Sts. and along Jones St. from 15th to 16th Sts.** The 12-inch, 15-psig cast iron gas mains along Leavenworth St. has been problematic with a large number of gas leaks. The repairs have been costly due to the size and depth of the gas main and its location in paving. The proposed plastic gas mains are needed to abandon the old and corroded cast iron gas mains. There will be 14 commercial services replaced at an estimated cost of \$70,000. The cast iron gas mains being abandoned were originally installed in 1887.
- 2. 100092000847 and 100066001227 - \$12,000 – (RATIFICATION) – Installed 300 feet of 2-inch, 60-psig gas main and abandoned 500 feet of 4-inch cast iron low-pressure gas mains along 17th St. from Manderson to Laird Sts.** Habitat for Humanity of Omaha is building and/or renovating seven homes along 17th St. from Manderson to Laird Sts. Replacement of the existing gas services allowed for the abandonment of the old and corroded cast iron gas mains. Since Construction was in the area working on an infrastructure project, replacing these mains while in the area saved the District the mobilization expense of bringing a crew back. Three gas services were replaced and connected to the new high-pressure gas main at an estimated cost of \$7,500. The abandoned mains did not have an identifiable job number or installation date.
- 3. 100092000844 and 100066001222 - \$12,500 – (RATIFICATION) – Installed 170 feet of 2-inch, 15-psig plastic gas main and abandoned 350 feet of 8-inch steel, 1,950 feet of 4-, 6- and 8-inch cast iron low-pressure gas mains in the area of 27th and Harney Sts.** A Grade 1 leak was discovered on the 8-inch, 15-psig steel gas main located inside a vault near the abutment of the Harney Street bridge over Interstate 480. The leaking gas main appeared highly corroded within the vault. The main extension and gas service replacement work allowed for the abandonment of the leaking and corroded steel gas main and the cast iron gas mains in the surrounding area. There were seven gas services replaced and connected to the new high-pressure gas main at an estimated cost of \$21,000. The abandoned cast iron gas mains were installed in 1887 and 1898.
- 4. 100092000841 and 100066001221 - \$11,500 – (RATIFICATION) – Installed 160 feet of 1 ¼-inch, 15-psig plastic gas main and abandoned 560 feet of 4- and 6-inch cast iron low-pressure gas mains in the intersection of 34th and Fowler Aves. to the south.** A crack was found on the 4-inch cast iron low-pressure gas main between the service tap to 4615 N. 34th Ave. and an existing plugged tap a short distance away. The high-pressure plastic gas main extension and the replacement of two gas services allowed the District to abandon the old and corroded cast iron gas main. Two gas services were replaced and connected to the new high-pressure gas main at an estimated cost of \$5,000. The low-pressure cast iron gas mains that were abandoned were originally installed in 1890 and 1911.
- 5. 100092000845 and 100066001224 - \$14,500 – (RATIFICATION) – Installed 250 feet of 2-inch, 15-psig plastic gas main and abandoned 470 feet of 4-inch cast iron low-pressure gas mains along Erskine St. from Northwest Radial Hwy. to 48th St.** Two separate leaks have been repaired in the past month on the existing 4-inch cast iron gas main in this area. The last repair indicated severe corrosion including portions of the cast iron gas pipe crumbling during the repair. The high-pressure gas main extension allowed for the abandonment of the old and corroded gas main. Seven gas services were replaced and connected to the new high-pressure gas main at an estimated cost of \$21,000. The cast iron gas main that was abandoned was installed in 1925.

6. **100092000842 and 100066001225 - \$24,900 – (RATIFICATION) – Installed 640 feet of 2-inch, 15-psig plastic gas main and abandoned 1,230 feet of 4-inch low-pressure cast iron gas main in Whitmore St. from 30th St. to Minne Lusa Blvd.** The existing low pressure cast iron gas mains to be abandoned were corroded, leaking and in poor condition. There was a high priority leak at 2724 Whitmore St. and the existing main was collapsing. By extending the high-pressure main in Whitmore Street, we eliminated 1,230 feet of cast iron low-pressure gas main. There were 37 gas services replaced at an estimated cost of \$92,500. The abandoned gas mains were installed in 1915 to 1916.
7. **100092000642 and 100066001023 - \$164,700 – (REVISED) – Install a 12-inch steel valve in 60th St., south of Oak St., install 8,195 feet of 2-inch, 60-psig plastic gas main and abandon 10,071 feet of 4- and 8-inch low pressure cast iron gas main in Arbor, Gold, Bancroft, Elm, Oak, Frederick, and Spring Sts. between 60th St. and Westbrook Ave.** This project was previously approved on January 5, 2011 to abandon low-pressure cast iron gas mains and to install high-pressure plastic gas mains in this area. The estimate was revised to accommodate the installation of 2-inch or larger plastic gas main and to accommodate a proposed 12-inch steel valve in 60th Street to reduce the number of customers affected by a future shutdown of the existing high-pressure main in 60th Street. The existing low-pressure cast iron gas mains to be abandoned are corroded, leaking and in very poor condition. There have been multiple high-priority leaks on the mains in this area and replacing these sections of mains is the most economical solution. The gas mains being abandoned were installed between 1926 and 1953. There will be 248 gas services replaced at an estimated cost of \$620,000. This project was previously approved at an estimated cost of \$126,400.
8. **100092000760 and 100066001140 - \$75,700 – Install 2,300 feet of 2- and 4-inch, 15-psig plastic gas main; abandon 120 feet of 2-inch, low-pressure cast iron gas main, 475 feet of 2-inch, 15-psig steel gas main, 100 feet of 2-inch low-pressure steel gas main, 2,345 feet of 4-inch, low-pressure cast iron gas main, and 195 feet of 4-inch, low-pressure ductile iron gas main in the area of 50th St. and Underwood Ave. to Happy Hollow Blvd.** The existing low-pressure cast iron gas mains to be abandoned are corroded, leaking and in poor condition. There have been multiple high priority leaks on the mains in Underwood Avenue and the mains in 50th Street. It is in the District’s best interest to replace these sections of mains before their condition deteriorates any further. There will be 45 gas services replaced at an estimated cost of \$112,500. The gas mains being abandoned were installed from 1898 to 1961.
9. **100092000646 and 100066001027 - \$101,700 – Install 6,060 feet of 2-inch, 60-psig plastic gas main; abandon 3,675 feet of 4-inch, low-pressure cast iron gas main, 1,590 feet of 4-inch, low pressure ductile iron gas main, 450 feet of 2- and 4-inch, low-pressure steel gas main in 48th Ave. and 48th St. from “P” to “Y” Sts.** The existing cast iron and ductile iron gas mains to be abandoned are corroded, leaking and in poor condition. There have been multiple high priority leaks on the low-pressure gas mains in the area of 48th and “Q” Sts. It is in the District’s best interest to replace these sections of mains by extending high-pressure mains and gridding the nearby area. There will be 109 gas services replaced at an estimated cost of \$272,500. The gas mains being abandoned were originally installed from 1948 to 1967.
10. **100093000662, 100065000884 and 100095000700 - \$107,000 – (RATIFICATION) - Structurally line approximately 230 feet of 8-inch ductile iron water main and replace a hydrant branch at 42nd and Emile Sts.** This work will be done as part of the District’s Infrastructure Replacement Program. The 8-inch polywrapped ductile iron water main in Emile Street fronts UNMC’s Lied Transplant Center and is only 20 years old, however it has developed three leaks in the last three weeks. It appears highly corrosive soils around the main caused severe, isolated pipe corrosion through cuts or tears in the polywrap. One of the leaks is completely inaccessible beneath a large utility tunnel. It has been determined that replacing the main would be very expensive, time consuming and would likely require full street closure due to extensive existing utilities in Emile Street. Any street closure would negatively impact the Lied Transplant Center. Engineering determined that the easiest, safest, fastest, most cost effective and best long-term solution is to structurally line the existing main from the west side of the utility tunnel to 42nd Street. Because time is of the essence, Engineering solicited competitive proposals from two structural lining firms and accepted the best proposal. District employees will complete all non-lining aspects of the project. The lining contractor is scheduled to begin work the second week in April.

11. **100053000820, 100067000880, 100073000480, and 100068000582 - \$156,000 – (REIMBURSABLE) – Install 700 feet of 8-inch ductile iron water main, abandon 300 feet of 8-inch ductile iron and 350 feet of 6-inch cast iron water main in Emile Street, 40th to 41st Sts.; install new service tee and valve at 40th and Emile Sts.; and abandon 1,150 feet of 6-inch cast iron, low-pressure gas main at 40th St. – Dewey Ave. to Jones St. This work is required to eliminate a conflict with a proposed street relocation being done by UNMC. This work is 100% reimbursable.**
12. **100093000640, 100065000861, 100095000660, and 100069002108 - \$161,815 – Install 825 feet of 8- and 12-inch ductile iron water main in Underwood Ave. from 48th to 49th Sts. to serve the Omaha Housing Authority Building at 4850 Underwood Ave.; abandon 745 feet of 6- and 8-inch cast iron water main in 48th St. and Underwood Ave.; reconnect 16 residential water services to the new 8-inch water main in the area of 48th to 49th Sts. and Underwood Ave.; and reconnect service to 4,850 Underwood Ave. This work is being completed as part of the District’s Infrastructure Replacement Program to replace a 6-inch cast iron main that was installed in 1889.**
13. **100093000460, 100065000700, and 100095000520 - \$655,000 – Install 4,560 feet of 6- and 8-inch ductile iron water mains; abandon 4,560 feet of 6-inch cast iron water mains and reconnect 79 water services to the new mains at Seward Street, 72nd St. to Maenner St. and Bowie Dr. These mains will be replaced as part of the District’s Infrastructure Replacement Program. The existing main has experienced 21 breaks, including 11 in the last 10 years. This main was installed in 1955 and it is also undersized and restricts flow in this part of our distribution system.**
14. **100093000521, 100065000767, and 100095000581 - \$453,000 – Install 2,000 feet of 12-, 8- and 6-inch ductile iron water mains; purchase five permanent and temporary easements; abandon 2,000 feet of 12-, 8- and 6-inch cast and ductile iron water mains; reconnect nine existing water services at 114th St. – Lamp St. to W. Dodge Rd. The mains will be replaced as part of the District’s Infrastructure Replacement Program. The existing cast iron water mains to be abandoned were installed between 1954 and 1964 and have experienced eight breaks since 1984.**

AGENDA NO. 9

BIDS ON MATERIALS AND CONTRACTS

Mr. Frost moved for approval of the bids as set out in Mr. Goodwin’s letter to the Committee dated March 29, 2011 including the rejection of all bids for Item “g” and “m”. Seconded by Mr. Dowd.

Mr. Cavanaugh then moved to amend the motion to approve Mr. Goodwin’s letter with the removal of Item “f”, which carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
 Voting No: None

Chairman Friend went back to the original motion for the approval of Mr. Goodwin’s letter, as amended by the removal of Item “f”.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
 Voting No: None

Mr. Frost moved that the Board approve the bid for Item f. in Mr. Goodwin’s letter of March 29, 2011 to the Committee. Seconded by Mr. Dowd.

There was a lengthy discussion regarding Item f., which is the site grading work needed for the New Construction Center. Mrs. Lindsay asked if Management could bring back to the Board a cost analysis of the proposed Customer Service Building. Mr. Cavanaugh stated he feels the Center needs to go forward but feels the Board over the last year or so has not been given sufficient information regarding the construction of the Customer Service Center. Mr. Friend stated the Board's frustration is not the fault of current management. Mr. Clark stated he wants to put into effect a clear plan of not just the Construction Center, but of all space needs of the District over the next several years. Mr. Clark said his goal is to keep the Board fully abreast of all phases of any and all construction undertakings. Mr. McGowan has asked Mr. Clark to bring to next month's meeting an update on the progress of this space study, or at least the parameters, and possibly a target completion date. The amended motion was carried on a roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
 Voting No: None

MINUTES FILE DOCUMENT NO. 136650

*The recommended bid is listed first:

Item	Bid Sent and rec'd	Bidder	Bid Amount	CONTRACTS
a.	INFRASTRUCTURE REPLACEMENT IN SEWARD ST. FROM 72 ND TO MAENNER DR. 100093000460 100065000700 100095000520	31/5 Cedar Construction K2 Construction Kersten Construction Kissick Construction Roloff Construction	\$536,842.60* 619,312.08 767,229.54 941,674.00 528,762.39**	

**Did not meet specifications.

Est. \$615,860.

b.	INFRASTRUCTURE REPLACEMENT IN 114 TH ST. FROM LAMP ST. TO W. DODGE RD. 100093000521 100065000767 100095000581	31/3 K2 Construction Kersten Construction Kissick Construction	\$296,089.20* 435,180.00 610,887.00	
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Est. \$290,100.

c.	INFRASTRUCTURE REPLACEMENT IN UNDERWOOD AVE. FROM 48 TH ST. TO 49 TH ST. 100093000640 100065000861 100069002108 100095000660	31/6 K2 Construction M.E. Collins Cedar Construction Kersten Construction Roloff Construction General Excavating Kissick Construction	\$129,451.62* 135,344.00 137,456.00 148,998.20 154,302.45 161,873.00 236,910.00	
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Est. \$141,515.

d.	INSTALL WATER MAINS FOR DINO'S STORAGE; 210 TH St. & W. DODGE RD. 100055000700	31/5 M.E. Collins Constr. Cedar Construction General Excavating Kersten Construction Kissick Construction	\$29,376.00* 30,475.00 32,345.00 34,757.75 96,460.00	
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Est. \$27,150.

OTHER

e.	REMOVE EXISTING IRMA ROOF AND INSTALL NEW POLYVINYL-CHLORIDE ROOF OVER THE HOWELL FILTER PLANT 100071000320	22/4	Sprague Roofing Co. McKinnis Roofing Boone Bros. Roofing R.L. Craft Company	\$737,100.00* 814,100.00 1,013,000.00 1,044,942.00
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C & A in the amount of \$900,000.00 will be on this month's Board Letter.

f.	SITE GRADING WORK 18/4 FOR NEW CONSTRUCTION CENTER 100084000581		McArdle Grading Co. JC Excavation, Inc. Valley Corporation Pink Grading, Inc.	\$525,717.62* 546,558.24 807,246.74 1,135,842.50
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C & A 100084000581 Approved July 7, 2010 for \$1,900,000.

g.	AUTOMATION OF TRANSFER SWITCH, PLATTE SOUTH WATER PRODUCTION FACILITY 100083000562	2/2	Eaton Corporation Harold K. Scholz Co.	\$229,833.86** 286,885.00**
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** Engineering Recommends Rejection of all Bids and be allowed to negotiate for this job.

C & A in the amount of \$276,000 will be on this month's Board Letter.

h.	AUTOMATION OF STANDBY GENERATOR, PLATTE SOUTH WATER PRODUCTION FACILITY 100083000600	3/1	NMC, Inc.	\$219,376.50*
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C & A in the amount of \$300,000 will be on this month's Board Letter.

i.	CONSTRUCTION OF FLORENCE WATER TREATMENT PLANT PHASE I IMPROVEMENTS 100083000621	19/3	Elkhorn West Constr. Anderson Excavating Heimes Corporation	\$179,300.00* 222,995.00 223,174.25
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C & A in the amount of \$250,000 will be on this month's Board Letter.

j.	ONE (1) HEAVY DUTY 2/2 RUBBER TIRE 4X4 INTEGRAL LOADER EXTENDABLE BACKHOE 100087000343		NMC Inc. Caterpillar Murphy Tractor	\$100,147.00* 102,251.00
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C & A in the amount of \$121,000 will be on this month's Board Letter.

k.	ONE (1) TANDEM AXLE 3/1 FIELD OFFICE TRAILER 100087000341	11/1	John Pitzer Sales	\$35,900.00*
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C & A in the amount of \$50,000 will be on this month's Board Letter.

ANNUALS

I.	LIQUID CHLORINE IN ONE TON CYLINDER (04/01/11 – 04/01/12)	11/1	DPC Industries	\$408,912.00*
m.	SANDBLAST AND PRIME DISTRICT FIRE HYDRANTS 2011	22/2	Williams Restoration Lindner Painting	\$190,000.00** 248,000.00**
** Engineering Recommends Rejection of all Bids.				
n.	NATURAL GAS ODORANT	3/2	Odor-Tech M. Chemical Company	\$146,997.55* 179,397.01
o.	EXTENSION OF 1/1 ACTIVATED CARBON (APPROX. 30 TONS) (04/01/2011 – 04/01/2012)		Thatcher Company	\$34,956.00*
p.	LAWN MOWING SERVICES FOR VARIOUS MUD WATER FACILITY SITES	54/4	A-Plush Lawns Choppers Lawn Smithers, Inc. South O Lawns	\$31,360.00* 34,860.00 77,196.00 97,580.00

AGENDA NO. 10
REPORT ON PURCHASES BETWEEN \$10,000 AND \$20,000

Mr. Frost requested that this report be placed on file.

MINUTES FILE DOCUMENT NO. 136651

AGENDA NO. 11
ENVIRONMENTAL SERVICE AGREEMENT – PLATTE WEST PLANT

Mr. Frost moved for approval of Mr. Keep's letter dated March 11, 2011 that was discussed in Committee regarding the Environmental Service Agreement. Seconded by Mrs. Lindsay and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136652

AGENDA NO. 12
GROUNDWATER MODELING SERVICES AGREEMENT – PLATTE WEST

Mr. Frost moved for approval of Mr. Keep's letter dated March 15, 2011 that was discussed in Committee regarding the Groundwater Modeling Services Agreement. Seconded by Mrs. Lindsay and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
Voting No: None

AGENDA NO. 13

ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

Mr. Frost moved for approval of Mr. Keep's letter to the Committee dated March 25, 2011. Seconded by Mr. Cavanaugh and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136654

AGENDA NO. 14

CONDEMNATION AUTHORITY (RESOLUTION)

Mr. Dowd moved for approval of a resolution authorizing condemnation on property that was outlined in Mr. Crouchley's March 18, 2011 letter to the Committee. Seconded by Mr. Cavanaugh and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136655

RESOLUTION

WHEREAS, the Metropolitan Utilities District of Omaha has sought to acquire by negotiation and purchase, permanent easement rights and temporary construction easement rights in property of Darline Miller for the installation of a water main that will be placed on her property. The easement property is further described in the attached Exhibit "A."

WHEREAS, in an effort to acquire easement rights by purchase, good faith attempts have been made to contact the owner of the property, but the property owner has been unresponsive.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Metropolitan Utilities District of Omaha determines that it is necessary to appropriate the property for the public purpose of installing and maintaining a water main and that the acquisition of permanent easement rights in the property is necessary for the stated public purposes.

BE IT FURTHER RESOLVED that the Senior Vice President, General Counsel is authorized to institute condemnation proceedings on behalf of the District to obtain permanent easement rights on the property as provided by Nebraska Revised Statute § 14-2116 (Cum. Supp. 2007).

Adopted:

AGENDA NO. 15

APPROVAL OF PRESIDENT'S BOND

Mr. Dowd moved for the approval of a performance bond for the newly appointed president as outlined in Mr. Crouchley's March 28, 2011 letter to the Committee. Seconded by Mr. Frost and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136656

AGENDA NO. 16

GAS RULES AMENDMENTS (RESOLUTION)

Mr. Dowd moved to approve the resolution approving the amendments to the District's Gas Rules and Regulations as outlined in Mr. Crouchley's letter to the Committee dated March 28, 2011. Seconded by Mr. Cavanaugh and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Doyle, Cavanaugh, McGowan

Voting No: None

MINUTES FILE DOCUMENT NO. 136657

**METROPOLITAN UTILITIES DISTRICT OF OMAHA
RESOLUTION AMENDING THE RULES AND REGULATIONS COVING THE USE OF GAS AND
THE INSTALLATION OF MAINS, SERVICES, METERS, PIPING AND APPLIANCES**

BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha, that, pursuant to the provisions of Nebraska Revised Statutes, Sections 14-815, 14-2114, 14-2123 and 14-2124, and effective upon publication, the Gas Rules and Regulations are hereby amended as follows:

1. GENERAL CONDITIONS

7. All references to National Codes and Standards in these Rules and Regulations shall refer to the revised editions as set forth in Part VII, APPENDIX

2. GENERAL CONDITIONS

11. The District may terminate a customer's gas service if the customer denies the District access to a building in which the customer is provided service for the District's purpose of investigating whether a District gas service or main penetrates the building's sewer lateral.

3. Part III, GAS SERVICES, B. Definitions

9. **Multiple Unit Building.** A building housing two or more separate customers under the same roof.

4. Part III, GAS SERVICES, G. Services for Multiple Unit Buildings or Multiple Buildings

1. Services for Multiple Unit Buildings

Multiple unit buildings shall be served by one common service line and a multiple meter header having a meter for each unit,

Multiple unit residential buildings with individual unit ownership, such as townhomes, shall be served through individual service lines and individual meter locations on each unit.

2. Services for Multiple Buildings

Multiple Buildings shall be served by separate service lines. Separate service pipes are required for buildings not connected by the same roof, except under the following conditions:

(a) Where buildings are located on a common lot and none of the buildings are separated by a dedicated street, a common service with subservice branches may be installed. Such lot shall be of one ownership, except for condominiums or similar systems of ownership where responsibility for maintenance of common areas and facilities is by an association or other entity formed for that purpose.

Where all buildings are owned by one owner, and one or more of the buildings is sold or transferred to any other owner, the District may require installation of a separate service line to the separately owned buildings. If the association or other entity accepting responsibility for common areas and facilities is dissolved, the District may require installation of separate gas services to each building at the property owner's expense, in accordance with these Rules and Regulations.

(b) Where customer-owned fuel lines between buildings are permitted, Part V of these Rules and Regulations shall apply.

5. Part IV, Section B. Location of Meter

...

6. Meter sets and all associated piping shall be kept readily accessible. If obstructions exist which interfere with meter reading or operation of the service cock, the gas service may be discontinued until the obstructions are removed. In the case of obstructions interfering with the meter reading, the customer may be required to purchase an automated meter reading device at the District's discretion

6. Part V, Section E. Piping Joints

All fittings and joints of piping larger than 2 inches in diameter shall be welded, flanged, or copper press fittings.

7. Part V, Section F. Metallic Tubing

Steel tubing, except corrugated stainless steel tubing, is prohibited. A corrugated stainless steel tubing system certified by an approved listing agency as being equivalent to a direct bonded corrugated stainless steel tubing system prescribed under the Electrical Bonding and Grounding requirements for gas piping of the National Fuel Gas Code shall be bonded in accordance with Section 7.13.1 of the National Fuel Gas Code.

Aluminum tubing shall be used only where the operating pressure is less than 14-inch W.C.

Aluminum tubing shall be coated to protect against external corrosion where it is in contact with or where it may potentially come in contact with masonry, plaster or insulation; or is subject to repeated wettings by such liquids as water, detergents or sewage.

Copper tubing installed outdoors above ground shall be securely supported and located where it will be protected from physical damage.

8. Part V, Section J

Removed in its entirety and renumber remaining sections.

9. Part V, Section L

Removed in its entirety and renumber remaining sections.

10. Part V, Section O

Removed in its entirety and renumber remaining sections.

11. Part V, Section P, Valves

1. All manually operated valves on gas piping systems at pressures from ½ PSIG to and including 2 PSIG shall conform to ASME B16.44, Manually Operated Metallic Gas Valves for use in Above Ground Piping Systems up to 5 psi or shall be a listed ball or lubricated plug type.

12. Part VI, Section B. Application, Permit, Inspection, 2. Equipment to be permitted and inspected:

...

- (c) Water heating equipment with an input in excess of 100,000 Btu/hour and all space heating equipment that is converted from another fuel.

Natural gas equipment in manufactured homes with preinstalled natural gas equipment will not be inspected, but shall be installed in accordance with NFPA 501A-2005, "Fire Safety Criteria for Manufactured Home Installations, Sites and Communities."

13. Part VI, Section B. Application, Permit, Inspection, 2. Equipment to be permitted and inspected:

- (d) Gas equipment subject to permitting, including appliances converted to natural gas, less than five years old.

14. Part VI, Section B. Application, Permit, Inspection, 2. Equipment to be permitted and inspected:

Subsection (e) removed in its entirety.

15. Part VI, Section B. Application, Permit, Inspection, 6. Equipment Relocation.

When equipment requiring a permit is relocated, the owner shall obtain a new permit for such installation, which shall be subject to all of the requirements of the Gas Rules.

16. Part VI, Section C. Appliance Requirements:

1. Approved Appliances:

- (a) All gas appliances and accessories shall be listed and installed in accordance with the manufacturer's installation instructions.

17. Part VI, Section C. Appliance Requirements

- 2. Unvented Room Heaters.** Unvented room heaters shall conform with ANSI Z21.11.2 and Z21.11.2a.

Unvented room heaters shall not be installed in mobile homes, trailers, recreational vehicles, bathrooms or sleeping rooms.

18. Part VI, Section C. Appliance Requirements

Subsection 4 to be removed in its entirety

19. Part VI, Section C. Appliance Requirements

7. Combustion and Ventilation Air.

(a) **Engineered Solutions.** Engineered provisions for combustion, ventilation and dilution air for natural gas utilization equipment shall be stamped by a registered professional engineer in the State of Nebraska and submitted to the District prior to inspection.

(b) **Gas Equipment on More Than One Floor Connected to a Common Vent.** All gas utilization equipment in existing multi-level buildings connected to a common vent may take air for combustion and ventilation from habitable space, subject to the habitable space having adequate volume as defined in the National Fuel Gas Code. If the volume is inadequate, provisions shall be made to supply adequate combustion and ventilation air from outdoors. A combustion and ventilation air duct may serve equipment on more than one floor.

20. Part VII, APPENDIX

References to National Codes and Standards

The following is a list of the national codes and standards referred to in these Rules and Regulations together with the source from which these documents may be secured:

Code:

ASME B16.44-2002 Manually Operated Metallic Gas Valves for Use in Above Ground Piping Systems Up to 5 PSI

ANSI Z21.8 1994 (R2002) STANDARD FOR INSTALLATION OF DOMESTIC GAS CONVERSION BURNERS*

ANSI Z21.11.2-2007 and ANSI Z21.11.2A-2008 GAS-FIRED ROOM HEATERS — VOLUME II, UNVENTED ROOM HEATERS*

ANZI Z21.24-2006 CONNECTORS FOR GAS APPLIANCES

ANSI Z223.1-2009 and NFPA 54-2009 NATIONAL FUEL GAS CODE*,

**

NFPA 501A-2010 FIRE SAFETY CRITERIA FOR MANUFACTURED HOME INSTALLATIONS, SITES AND COMMUNITIES*, **

UL Standard 795 COMMERCIAL-INDUSTRIAL GAS HEATING EQUIPMENT***

Available from:

* American National Standards Institute

11 W. 42 St., 13th Fl., New York, NY 10036-8002

Phone: 212.642.4900

Fax: 212.398.0023

e-mail: <http://www.ansi.org>

** National Fire Protection Association

1 Batterymarch Rd., Quincy, MA 02269-9101

Phone: 617.777.3000

Fax: 617.770.0700
e-mail: <http://www.nfpa.org>

*** Underwriters' Laboratories Inc.
333 Pfingsten Rd., Northbrook, IL 60062
Phone: 847.272.8800
Fax: 847.509.6283
e-mail: <http://www.ul.com>

ADOPTED:

At this time, Mr. Doyle excused himself from the Board Meeting.

AGENDA NO. 17
PROMOTIONAL INCREASES

Mr. McGowan moved to approve Management's recommendations for promotional increases as set out in Mr. Hemschemeyer's letter to the Committee dated March 28, 2011. Seconded by Mr. Cavanaugh and carried on roll call vote.

Employees receiving promotional increases were Shalon Buffum, James deMontel, George Koppit, Ryan Plott, Laura McCoy, Damian Blackwell, Gerald McCabe, Douglas Stubbs, and Douglas L. Whitfield.

Voting Aye: Dowd, Friend, Frost, Lindsay, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136658

AGENDA NO. 18
AUTHORIZATION TO HIRE & RATIFICATION OF AN SPA EMPLOYEE

Mr. McGowan moved to approve the authorization of SPA employment as outlined in Mr. Hemschemeyer's letter to the Committee dated March 24, 2011. Seconded by Mrs. Lindsay and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136659

AGENDA NO. 19
APPROVAL OF SENIOR MANAGEMENT

Mr. McGowan made a motion to approve the management appointees as outlined by Mr. Clark for his Senior Management Team in his March 30, 2011 letter to the Committee. Seconded by Mrs. Lindsay.

A lengthy discussion followed regarding the individuals Mr. Clark has chosen for his Senior Management Team, particularly Mr. Doyle. Mr. Friend stated that this is a rather unusual move in that the Board has never hired a Board member to fill an internal position, but it doesn't mean moves such as this haven't worked well in other organizations. Mr. Cavanaugh agreed with Mr. Friend that Mr. Doyle is a great candidate and very qualified, but Mr. Cavanaugh stated he has a problem with the perception of hiring Board members, especially this close to Mr. Clark being appointed to the position of President. Mr. Cavanaugh was part of the selection process of Mr. Clark and definitely knows there was no quid pro quo. Mr. Frost stated he would be voting "yes," but shared Mr. Cavanaugh's concern regarding the perception.

Chairperson Friend asked Mr. McGowan if he would be willing to amend his original motion to agree that conditioned upon Mr. Doyle's acceptance of the position of Senior Vice President, Chief Customer Office, he would submit his resignation from the Board. Mr. Clark would then work out the date of hire based on when Mr. Doyle submits his resignation.

Mr. McGowan moved to amend the original motion to add that the offer and acceptance of employment is conditional upon the prior submission of Mr. Doyle's resignation from the Board. There was no second to the amendment.

Mr. McGowan withdrew his original motion and Mrs. Lindsay withdrew her second to that motion.

Mr. McGowan made a motion that the Board approve the staff reorganization as outlined in Mr. Clark's memo to the Committee dated March 30, 2011 with the following conditions. The offer to Mark Doyle is conditioned upon the submission of his resignation letter as a Board member. Seconded by Mrs. Lindsay and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, McGowan
Voting No: Cavanaugh

MINUTES FILE DOCUMENT NO. 136660

AGENDA NO. 20

MAY BOARD MEETING LOCATION

Mr. Clark stated we are in the process of talking to Metro Community College at 30th and Fort Sts. about using their board room for the May Board meeting. This meeting would be held in the evening. It would be in the "Mule Barn" which has been refurbished and is very nice. There is an opportunity for the Board and senior staff to enjoy a meal at their bistro prior to the meeting if the Board so desires. At that time, Mrs. Lindsay stated the May 4th date was the same evening as the ESB annual dinner. It was then decided to look at having the evening Board meeting in June. This item will be discussed at the May Board meeting.

AGENDA NO. 21

COLLECTIVE BARGAINING STRATEGY SESSION (CLOSED SESSION)

At 10:45, a motion was made by Mr. Dowd to go into closed session to discuss Collective Bargaining Strategy. Motion was seconded by Mrs. Lindsay and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136661

At 11:10 a.m., Mr. Frost made a motion to return to open session. Seconded by Mr. Cavanaugh and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136662

AGENDA NO. 22

OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION

Chairman Friend asked if there were any other matters of District business for discussion or if any members from the public wished to address the Board. There being none, at 11:17 a.m. Mr. Frost made a motion to adjourn. Seconded by Mr. McGowan and carried on roll call vote.

Voting Aye: Dowd, Friend, Frost, Lindsay, Cavanaugh, McGowan
Voting No: None

MINUTES FILE DOCUMENT NO. 136663

The meeting adjourned at 11:17 a.m.



Douglas R. Clark, secretary

DRC/kl