

METROPOLITAN UTILITIES DISTRICT
Committee Meetings

8:15 a.m.

March 3, 2021

AGENDA

1. Safety Briefing
2. Roll Call
3. Open Meetings Act Notice

Construction and Operations – *Frost, Friend, Cavanaugh*

1. Capital Expenditures [Cory O'Brien – Interim SVP, Chief Operations Officer] – **Tab 5**
2. Acceptance of Contracts and Payment of Final Estimates
[Stephanie Henn – Director, Plant Engineering] – **Tab 6**
3. Bids on Materials and Contracts
[Jon Zellars – VP, Procurement & Enterprise Services] – **Tab 7**

Services & Extensions – *Friend, Begley, Howard*

1. Main Extensions [Cory O'Brien – Interim SVP, Chief Operations Officer] – **Tab 8**

Personnel – *Begley, Frost, Friend*

1. Wage and/or Salary Increases and Ratifications
[Bonnie Savine, VP – Human Resources] - **Tab 9**

Accounts, Expenditures, Finance & Rates – *McGowan, Begley, Cook*

1. Reimbursement Resolutions Associated with Bond Issuances
[Joseph Schaffart, SVP & Chief Financial Officer] – **Tab 10**

Judicial and Legislative – *Cook, Cavanaugh, Howard*

1. Purchase of Approximately 52 Acres Near Blair High Road and State Street [Mark Mendenhall, SVP & General Counsel] – **Tab 11**
2. Proposed Purchase of Approximately 4.5 Acres Near State Street & Irvington Road Adjacent to Proposed Secondary Construction Center Site
[Mark Mendenhall, SVP & General Counsel] – **Tab 12**
3. Second Legislative Report for 2021 [Rick Kubat, Government Relations Attorney] – **Tab 13**
4. Condemnation Resolution [Mark Mendenhall, SVP & General Counsel] – **Tab 14**

Committee of the Whole

1. Infrastructure Replacement Program Update
[Masa Niiya, Director - Infrastructure Integrity] – **Tab A (INFORMATION ONLY)**

(Turn over for regular Board Meeting agenda)

METROPOLITAN UTILITIES DISTRICT
Regular Monthly Board Meeting

9:00 a.m.

March 3, 2021

AGENDA

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes – Committee Meetings & Regular Board Meeting for February 3, 2021
- CONSTRUCTION & OPERATIONS 5. Capital Expenditures
6. Acceptance of Contracts and Payment of Final Estimates
7. Bids on Materials and Contracts
- SERVICES & EXTENSIONS 8. Main Extensions
- PERSONNEL 9. Wage and/or Salary Increases and Ratifications
- ACCOUNTS, EXPENDITURES, FINANCE & RATES 10. Reimbursement Resolutions Associated with Bond Issuances
- JUDICIAL & LEGISLATIVE 11. Purchase of Approximately 52 Acres Adjacent to Blair High Road and State Street
12. Proposed Purchase of Approximately 4.5 Acres near State Street & Irvington Road Adjacent to Proposed Secondary Construction Center Site
13. Second Legislative Report for 2021
14. Condemnation Resolution
- BOARD 15. Other Matters of District Business for Discussion
16. CLOSED SESSION – Litigation

Adjourn Regular Board Meeting

(Turn over for Committee Meetings agenda)

METROPOLITAN UTILITIES DISTRICT

Minutes of Committee Meetings

February 3, 2021

Chairperson McGowan called to order the Committee meetings of the Metropolitan Utilities District Board of Directors at 8:15 a.m. at its headquarters building located at 7350 World Communications Drive.

Advance notice of the Meetings was published in the print version of *The Omaha World-Herald* on January 24, 2021 and its online version from January 24, 2021 through January 30, 2021. The notice also appeared on the M.U.D. website at www.mudomaha.com and other social media platforms. Agendas and all pertinent documents to be presented at the February 3, 2021 meetings were posted to the M.U.D. website on January 28, 2021.

Chairperson McGowan announced that the meeting was being livestreamed and a recording would become available on the M.U.D. website shortly after the meeting. He announced that due to the Governor's extension of his Executive Order No. 20-36 on January 11, 2021 in response to the surge in COVID-19 cases, in-person meeting requirements of the Open Meetings Act are waived until April 30, 2021.

Chairperson McGowan reminded those in attendance in the Board Room that due to an Omaha City Council ordinance, all attendees must abide by the requirement for wearing a facemask or face covering or maintain six-foot distancing from one another in indoor public settings in response to the COVID-19 pandemic.

Roll Call

On a roll call vote, the following Directors acknowledged their presence: Dave Friend, Jack Frost, Mike McGowan, Gwen Howard, Tim Cavanaugh, Jim Begley, Tanya Cook. (Howard, Cook and McGowan participated remotely. Friend, Frost, Cavanaugh and Begley participated in-person.)

Safety Briefing

Vice-President of Safety, Security and Business Continuity Shane Hunter provided a safety briefing for all individuals attending the meeting in-person regarding the protocol in the event of an emergency.

Open Meetings Act Notice

Chairperson McGowan announced that a copy of the Open Meetings Act was located on the wall of the Board Room.

Chairperson McGowan introduced the agenda item recognizing Director Gwen Howard for her service as Chairperson during the past year. He pointed out that her term coincided with the onset of the COVID-19 pandemic, yet she successfully navigated its many challenges which included presiding over several Board Meetings that were held remotely for the first time in the District's history. He thanked her on behalf of the Board and announced that the plaque commemorating her tenure and service as Chairperson would be delivered to her soon. Director Howard thanked Chairperson McGowan and other Board Members for being given the honor and privilege of serving in that capacity, and also thanked them for their patience and collegiality in weathering the challenges of the previous year.

Chairperson McGowan next announced that the Board would recognize the Community Giving fundraising drive and its Chairperson, Megan Murray, who currently serves as Manager of Customer Experience at the District. The fund drive was reconfigured this past year by combining the United Way of the Midlands campaign with the District's utility assistance program, the Home Fund. Thanks to Ms. Murray's dedication and hard work in managing the obstacles presented by the pandemic, and thanks to District employees and retirees who generously donated over \$90,000, many struggling customer-owners will benefit from the much-needed financial assistance. Chairperson McGowan announced that a plaque commemorating Ms. Murray's contribution to this effort would be delivered to her soon. Ms. Murray thanked all those involved in the fundraising effort and thanked the Board for the honor of having served in that capacity.

Construction and Operations – Frost, Friend, Cavanaugh

Interim Senior Vice-President & Chief Operations Officer Cory O'Brien reviewed the proposed capital expenditures as outlined in his letter to the Committee dated January 27, 2021.

Director of Plant Engineering Stephanie Henn reviewed the acceptance of contracts and payment of final estimates as outlined in her letter to the Committee dated January 26, 2021.

Vice-President of Procurement and Enterprise Services Jon Zellars reviewed the bids on materials and contracts as outlined in the letter from Director of Procurement Sherri Meisinger to the Committee dated January 22, 2021.

Senior Vice-President and General Counsel Mark Mendenhall reviewed the proposed Interlocal Agreement with the Nebraska Department of Health & Human Services ("DHHS") along with his letter to the Committee dated January 26, 2021.

Services & Extensions – Friend, Begley, Howard

Mr. O'Brien reviewed the proposed main extensions as outlined in his letter to the Committee dated January 25, 2021.

Personnel - Begley, Frost, Friend

Vice-President of Human Resources Bonnie Savine reported on the current status of employee counts, District job postings and employee COVID-19 testing. She also announced that applications are currently being accepted through March 31st for the college students' summer work program.

Ms. Savine reviewed the proposed wage and/or salary increases and ratifications as outlined in her letter to the Committee dated January 21, 2021.

Ms. Savine reviewed the proposed SPA Salary Structure Adjustment & Policy Revision as outlined in her letter to the Committee dated January 25, 2021. In addition to the District's annual salary structure review, the current report as presented to the Committee encompassed a broader review and analysis by SilverStone Group/HUB that included an external market analysis, a review of compensation policy and a review of the salary structure. Among the issues addressed were salary grade compression, the need for strategies to remain competitive in recruiting and retaining job candidates, and the need to explore options for recognizing and rewarding high performers. The proposed policy adjustment would authorize the President to recommend salary increases for Director level and above, with the Board's approval, in amounts greater than the current 5% limit in order to address these specific issues.

Director Howard raised concerns regarding the importance of treating all employees fairly, whether administrative or line workers, and expressed caution in moving forward with increases at the upper end of the pay scale. Much discussion took place and Ms. Savine provided responses to the Directors questions and comments. Director Howard added that the District is not a male-dominated organization any longer and requested that issues such as family leave and sick leave be reviewed for fairness and should be included for consideration in future contract negotiations.

Some discussion took place to clarify that OAC employees automatically receive the 2.25% annual general increase unlike the SPA employee general increases and any eligible progression increase which is contingent upon performance appraisal assessments. Director Begley pointed out that the SPA policy adjustment as proposed specifically includes the requirement for Board approval of any of the President's recommended increases over 5%.

President Mark Doyle pointed out that the issues extend beyond managing attrition, retention and succession planning. He noted that challenges in attracting internal talent and skill is compounded by the fact that leadership positions demand a fundamentally greater level of responsibility, commitment and engagement. He pointed out that two recent catastrophic events, the historic flooding two years ago and the COVID-19 pandemic, highlighted the major strides that have been made in the areas of Safety and Business Continuity, and that the outcome would have been much different had not the current leadership been in place and been as prepared as it was with its business continuity plan. He cited the current level of water main breaks and the need for infrastructure replacement going forward as issues that will continue to challenge the

District's financial sustainability and will demand innovative strategies and commitment from leadership.

Government Relations Attorney Rick Kubat presented the First Legislative Report for 2021 dated January 27, 2021 outlining the legislative bills of interest to the District and the positions on those bills as recommended by Management. He noted that due to a pending amendment to LB 266 (Renewable Energy Standards Act) and the potential for shifting alliances, the Board may seek a change to the originally recommended position on the bill from 'opposition' to 'neutral' and suggested the option of offering a separate motion when voting on approval of the report as written.

Senior Vice President & Chief Financial Officer Joseph Schaffart introduced Joseph Wolfram, Senior Investment Consultant with Vanguard Institutional Advisory Services to present (virtually) the 2020 Retirement Plan and Other Post-Employment Benefits (OPEB) Investment Review. The Board's Insurance & Pension Committee was presented with the information in greater detail the week prior on January 25, 2021. The investment returns for the 12-month period ending December 31, 2020 were 13.99% and 13.36% for the Retirement and OPEB plans respectively (net of fees). The Board was reminded that the investment return assumption for both the Retirement and OPEB trusts is 6.9%, as delineated in the Investment Policy Statements that direct the manner in which trust funds are invested. Mr. Wolfram noted the global economic outlook hinges on health outcomes associated with the COVID-19 vaccine distribution timelines. He also stated that the virus marks a pivotal moment in history because it has had a profound effect on certain aspects of the economy, markets and policy, noting some of these will be temporary while some will be long lasting. Mr. Schaffart thanked Mr. Wolfram for his expertise and his guidance, noting Vanguard serves as a co-fiduciary in advising the District on its retirement and OPEB investments.

Chairperson McGowan asked whether any Board Members had any further comments. There were none.

Chairperson McGowan announced that due to COVID-related precautions, any members of the public interested in speaking at the meeting were provided access via a Webex connection set up in a conference room adjacent to the Board Room at the Headquarters Building. He asked whether any members of the public were present and wished to speak, and if so, to please relay that information to the conference room moderator. There were none.

At 10:17 a.m., Chairperson McGowan announced that the regular monthly Board Meeting would convene at 10:25 a.m.


Mark E. Doyle
Secretary and President

MED/mjm

METROPOLITAN UTILITIES DISTRICT
Minutes of the Regular Monthly Board Meeting
February 3, 2021

Chairperson McGowan called to order the regular monthly meeting of the Metropolitan Utilities District Board of Directors at 10:25 a.m. at its headquarters building located at 7350 World Communications Drive.

Advance notice of the Meetings was published in the print version of *The Omaha World-Herald* on January 24, 2021 and its online version from January 24, 2021 through January 30, 2021. The notice also appeared on the M.U.D. website at www.mudomaha.com and other social media platforms. Agendas and all pertinent documents to be presented at the February 3, 2021 meetings were posted to the M.U.D. website on January 28, 2021.

Chairperson McGowan announced that the meeting was being livestreamed and a recording would soon be available on the M.U.D. website. He announced that due to the Governor's extension of his Executive Order No. 20-36 on January 11, 2021 in response to the surge in COVID-19 cases, in-person meeting requirements of the Open Meetings Act are waived until April 30, 2021.

Chairperson McGowan reminded those in attendance in the Board Room that due to an Omaha City Council ordinance, all attendees must abide by the requirement for wearing a facemask or face covering or maintain six-foot distancing from one another in indoor public settings in response to the COVID-19 pandemic.

AGENDA NO. 1

ROLL CALL

On a roll call vote, the following Directors acknowledged their presence: Dave Friend, Jack Frost, Mike McGowan, Gwen Howard, Tim Cavanaugh, Jim Begley, Tanya Cook. (Howard, Cook and McGowan participated remotely. Friend, Frost, Cavanaugh and Begley participated in-person.)

AGENDA NO. 2

OPEN MEETINGS ACT NOTICE

Chairperson McGowan announced that a copy of the Open Meetings Act was located on the wall of the Board Room.

AGENDA NO. 3

PLEDGE OF ALLEGIANCE

Chairperson McGowan invited all who wished to participate to recite the Pledge of Allegiance.

AGENDA NO. 4

APPROVAL OF MINUTES FOR COMMITTEE MEETINGS AND REGULAR MONTHLY BOARD MEETING FOR JANUARY 7, 2021

Director Frost moved to approve the minutes for the Committee Meetings and regular monthly Board Meeting for January 7, 2021 which was seconded by Director Cavanaugh and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook

Voting No: None

AGENDA NO. 5

CAPITAL EXPENDITURES

Director Frost moved to approve the capital expenditures as outlined in Mr. O'Brien's letter to the Committee dated January 27, 2021, which was seconded by Director Friend and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook

Voting No: None

AGENDA NO. 6

ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

Director Frost moved to approve the acceptance of contracts and payment of final estimates as outlined in the letter from Ms. Henn to the Committee dated January 26, 2021 which was seconded by Director Begley and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook

Voting No: None

AGENDA NO. 7

BIDS ON MATERIALS AND CONTRACTS

Director Frost moved to approve Management's recommendation regarding the bids on materials and contracts as discussed by Mr. Zellars and as outlined by in the letter from Ms. Meisinger dated January 22, 2021. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook

Voting No: None

AGENDA NO. 8

INTERLOCAL AGREEMENT WITH NEBRASKA DEPARTMENT OF HEALTH & HUMAN SERVICES ("DHHS")

Director Frost moved to approve the proposed interlocal agreement with DHHS as provided along with Mr. Mendenhall's letter to the Committee dated January 26, 2021. The motion was seconded by Director Friend and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook

Voting No: None

AGENDA NO. 9
MAIN EXTENSIONS

Director Friend moved to approve the proposed main extensions as outlined in Mr. O'Brien's letter to the Committee dated January 25, 2021, which was seconded by Director Cavanaugh and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook
Voting No: None

AGENDA NO. 10
WAGE AND/OR SALARY INCREASES AND RATIFICATIONS

Director Begley moved to approve the wage and/or salary increases and ratifications as outlined in Ms. Savine's letter to the Committee dated January 21, 2021. The motion was seconded by Director Friend and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook
Voting No: None

AGENDA NO. 11
SPA COMPENSATION STRUCTURE ADJUSTMENT AND POLICY REVISION

Director Begley moved to approve the SPA Compensation Structure Adjustment and Policy Revision as presented in the letter from Ms. Savine to the Committee dated January 25, 2021. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Cavanaugh, Begley, Cook
Voting No: None
Present, Not Voting: Howard

AGENDA NO. 12
FIRST LEGISLATIVE REPORT FOR 2021

[MOTION No. 1] Director Cook moved to approve the First Legislative Report for 2021 as presented in Mr. Kubat's letter to the Committee dated January 27, 2021 with the exception of LB 266. The motion was seconded by Director Friend and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Cavanaugh, Begley, Cook
Voting No: None

[MOTION No. 2] Director Cook moved to approve the change in the District's position on LB 266 from 'opposition' as presented in the First Legislative Report for 2021 to 'neutral'. The motion was seconded by Director Howard and carried on a roll call vote.

Voting Yes: Friend, Frost, McGowan, Howard, Begley, Cook
Voting No: Cavanaugh

AGENDA NO. 13

OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION

Chairperson McGowan asked Mr. Schaffart to report on the financial impact of COVID-19 on District operations during 2020. Mr. Schaffart reported that he emailed a synopsis to Board Members the previous week and added a few brief comments that \$2.1 million in federal dollars under the CARES Act was distributed in 2020 for utility assistance, and Douglas County is currently preparing to allocate \$1 million in the form of \$500 grants in 2021. The nonprofit agency Dollar Energy will again administer the process for qualifying eligible recipients and distributing funds. The application criteria will be less stringent than was used for the first “round” of funding; eligibility will be based on the federal poverty level guidelines. The District also addressed the needs of its employees throughout the pandemic in the form of granting paid pandemic leave. Finally, the District’s intentional efforts to defer various categories of spending enabled the District to maintain strong cash balances. Director Howard inquired as to the manner in which customers should apply for this new \$1 million layer of aid. Chairperson McGowan requested that that information be shared with all Directors so that they are prepared to assist with customer inquiries if necessary. Mr. Schaffart agreed to forward that that information. Director Cook questioned the need for requiring applicants to provide Social Security numbers. Vice-President of Corporate Communications Stephanie Mueller responded that such a requirement is not expected to be included in the 2021 application process. President Mark Doyle concurred that such a requirement should be viewed with some scrutiny.

Senior Vice-President of Safety, Security & Field Operations Steve Ausdemore outlined the District employee vaccination protocol. He prefaced his remarks by noting the prioritization is determined by the federal Department of Homeland Security, specifically the Cybersecurity and Infrastructure Security Agency (“CISA”) that has determined that utilities are considered an ‘essential’ employee group. The Douglas County Health Department (“DCHD”) adheres to this designation thus far and lists utilities in ‘Phase 1B’ (or “Tier 2” in the State of Nebraska plan). The priority status has remained unchanged for several weeks. In order to set up the employee vaccination process, he reported that those employees willing to volunteer for the vaccine have been identified; the District has evaluated employees’ roles and functions in accordance with the CISA guidelines for industry codes and titles; and the District has reviewed the logistics involved in procuring, distributing and administering the vaccinations on a broad scale on District property in tandem with the District’s health care partners. He noted that promoting education and awareness of the vaccine’s benefits are the key to a successful outcome by stemming the spread of the virus and current efforts in that direction are underway.

The District employees’ return to the workplace remains in Phase 1 with fewer than 80 employees assigned to being onsite at the new headquarters building, while current occupation is approximately 30 employees. The vaccination process is expected to begin in phases sometime in March and staffing will increase accordingly. (Phase 2 is 50% occupancy, and thereafter is 100% occupancy.) All planned phase-ins are wholly contingent upon the rate of vaccine availability. Mr. Ausdemore noted that government

officials on the state and federal level urge employees who can work remotely, to continue to do so as the first and best line of defense in avoiding the virus risk.

Director Howard inquired as to the number of employees who have indicated reluctance to obtain the vaccine. Mr. Doyle responded that employee survey results show that approximately 54% intend to receive the vaccine. Efforts will be underway to communicate the message encouraging employees who have declined or not committed thus far. Mr. Doyle indicated the vaccine will not be mandatory but emphasized the importance for employees to obtain the vaccine not only for their own health and safety but for their loved ones and for all those with whom they may come in contact. A local television news story that aired on KETV was replayed at the Board Meeting detailing the experience of a District water treatment plant employee who contracted the virus. After three months of having endured a coma, intensive care and rehabilitation, he has finally been released though his recovery process will be ongoing for some time.

Chairperson McGowan asked whether any Board Members had any further comments. Director Cook announced that she is co-chairing the "Heat the Streets" fundraising event that will be held virtually this year due to the pandemic. She encouraged all employees and members of the public to support the cause on March 6th by donating to the utility assistance fund.

Chairperson McGowan announced that due to COVID-related precautions, any members of the public interested in speaking at the meeting were provided access via a Webex connection set up in a conference room adjacent to the Board Room at the Headquarters Building. He asked whether any members of the public were present who wished to speak, and if so, to please relay that information to the conference room moderator. There were none.

Director Frost moved to adjourn the meeting which was seconded by Director Begley and carried on a roll call vote.

Voting Yes: Frost, McGowan, Howard, Cavanaugh, Begley, Cook
Voting No: None
Absent: Friend

The meeting was adjourned at 11:01 a.m.



Mark E. Doyle
Secretary and President

MED/mjm

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

February 23, 2021

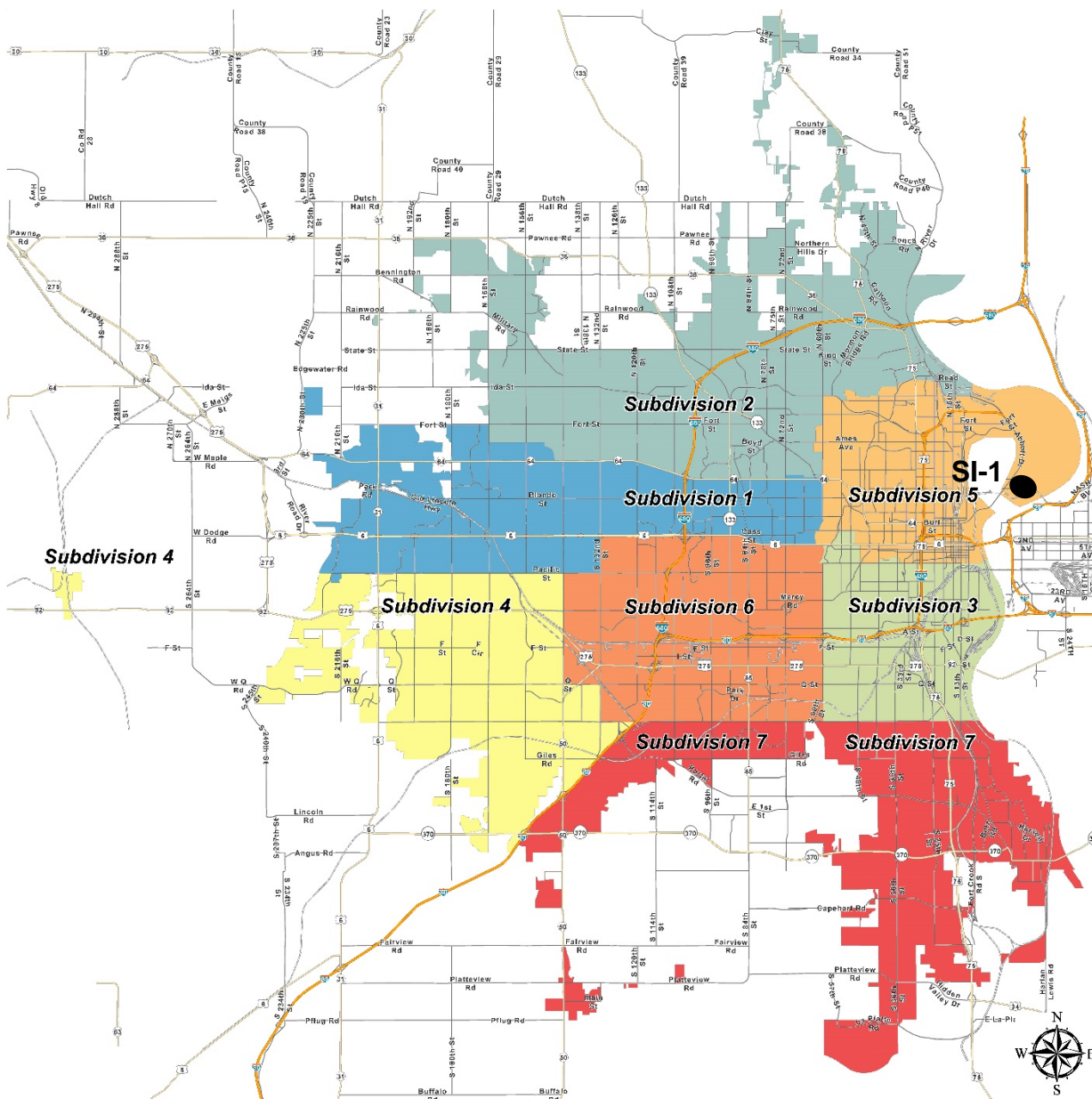
Subject: CAPITAL EXPENDITURES

To: Committee on Construction and Operations

cc: all Board Members, Doyle, Mendenhall, Schaffart, Ausdemore and all Vice Presidents

From: Cory J. O'Brien, Interim Senior Vice President, Chief Operations Officer

The following items will be on the March 3, 2021 Committee Agenda for consideration and the Board Agenda for approval:



MUD Subdivision Map

SYSTEM IMPROVEMENTS

1. **R 2088 (100053001477 and associated job numbers) - \$57,200 – Raise with bends 25 feet of 8-inch water main and install 340 feet of 2-inch gas main, 21st Street East and Avenue “H”.** This work is required to eliminate conflicts with proposed grading, paving and storm sewers being installed as part of a redevelopment project. The City of Omaha is vacating North 21st Street East as part of this redevelopment. This project is anticipated to start April 2021. This work is reimbursable because it is private in nature. **(Subdivision 5 – Cook)**

BUILDINGS, PLANTS AND EQUIPMENT

1. **100087000630 - \$310,000 – Purchase four replacement Kubota R430 tractors with backhoes, Construction.** These tractors will be replacements for units that have reached a point wherein they are no longer economical to maintain. The four oldest units with the most hours will be replaced. These units are 2008 models with engine hours ranging from 5,442 to 3,344 for an average of 4,453 hours. Crews work in all parts of Omaha and these smaller more compact articulating tractors with backhoes operate well in areas with narrow streets and mature trees. Kubota is the only manufacturer of this type of articulating tractor with backhoe combination. The price includes a three-year extended warranty. CNG is not an option for this type of equipment.

2. **100086000735 - \$250,000 – SCADA centralized enterprise historian implementation.** This 2021 roadmap project will implement a centralized Supervisory Control and Data Acquisition (SCADA) historian (software package) which will be accessible from Enterprise systems. This project will allow data from our three water plants, the LNG plant, and Systems Control to be centrally located and available for more efficient and effective data reporting. The current historian system is only accessible at individual plant sites and has a very difficult interface for extracting data and subsequent reporting. The new centralized system will allow District users to view current and historical data from all plants more efficiently and effectively. Reporting software will provide capability and integration with other enterprise data sources to leverage all platforms for systemwide management and planning. This scope includes the removal and replacement of existing SCADA historian equipment and software.

3. **100087000633 - \$58,000 - Purchase four 14,000-pound tandem axle trailers to be utilized with new Kubota R430 tractors, Construction.** The trailers will be used to transport the Kubota R430 tractors when performing gas and water repairs. The trailers will be replacements for 18-year-old trailers that have reached a point wherein they are no longer economical to maintain. The surplus trailers will be sold at auction with the surplus Kubota tractors.

4. **100083001131- \$165,000 – Replacement of primary basin insulation with floating covers, Florence.** To protect the four Florence Water Treatment Plant primary treatment basins from ice damage, the plant staff currently installs pieces of 4-inch-thick polystyrene insulation. Each primary basin has 20 pie-shaped sections that require 42 pieces of insulation for protection. Each Fall, Florence staff take approximately one week to install the insulation. Although this material has proven effective in protecting the equipment from being damaged by thick ice on the openings, there are several drawbacks, including regular maintenance to reposition pieces that become dislodged during high wind, regular replacement of pieces that are lost to wind or breakage as well as small pieces (chips) that can clog drains and pollute side streams.

Lemna Environmental Technologies, located in Minnesota, builds floating basin covers designed for heat retention, evaporation control, and algae control. They were able to provide a simple three-piece system to cover an opening. The floating cover system is also half as thick as the polystyrene and provides the same insulation value. Lemna provided the District one cover to install as a demonstration for one opening, and the Florence has successfully used it for the last two seasons. The

Lemna system saves installation/takedown time, is safer to work with, and stays in place during inclement weather and flow changes. It performs better than the current system. The estimated annual labor savings with the new system is approximately \$20,000. No other vendors were found that make basin cover systems equivalent to Lemna Environmental Technologies.

5. 100097000004 - \$880,000 – Professional services to develop the Platte South Capital Improvement Plan. The Platte South Water Treatment Plant was placed into service in early 1968. The facility has operated reliably for 53 years and now has systems that are ready for a thorough review, possible replacement, and/or modernization. To determine and plan for the improvements, a complete condition assessment of the facility will be performed. This condition assessment will then be used to determine a list of projects that are necessary to update the facility. These projects will be reviewed, and cost estimates will be developed and compiled into a final long term Capital Improvement Plan (CIP) for the facility.

Items the will be evaluated include:

- Wellfield degradation study and capacity recovery options
- Climate change impacts on river flows (Platte South and Platte West)
- Wellfield flood resiliency
- Wellfield and water rights regulatory review
- Condition assessment of all wells and well houses
- Condition assessment of the entire facility (Architectural, Structural, Mechanical, Electrical, and Civil reviews)
- Residuals treatment evaluation (Platte South and Platte West)
- Treatment plant hydraulic capacity and profile development
- Treatment plant performance and optimization assessment
- Regulatory and goal review of existing potential treatment methods

The development of the Platte South CIP will provide the District a valuable roadmap for future planned maintenance projects and plant improvements. This CIP will provide improved financial planning for these projects.

Approval of this C&A will authorize the President to enter into a professional services agreement with the professional consultant team of Burns & McDonnell and HDR Engineering. Burns & McDonnell has been the District's consultant on wellfield issues for many years. HDR Engineering has extensive experience with the Platte South Water Treatment Plant. The team of Burns & McDonnell and HDR Engineering will bring a very unique level of expertise to this project.



Cory J. O'Brien
Interim Senior Vice President, Chief Operations Officer

Approved:



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

February 23, 2021

Subject: ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

To: Committee on Construction and Operations
cc: all Board Members, Doyle, Mendenhall, Schaffart, Ausdemore, O'Brien and all Vice Presidents

From: Stephanie L. Henn, Director, Plant Engineering

The following items will be on the March 3, 2021 Committee Meeting for consideration and the Board Meeting Agenda for approval. Work has been satisfactorily completed on the following contracts and final payment is recommended:

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
a. Q3 Contracting, GP 2421, 100092001609, 100082000040-3, 100042000058, Cast Iron Gas main replacement, 66 th to 69 th Sts., Dodge to Pacific Sts.	October 4, 2019	\$1,191,240.05	\$749,686.72	\$414,376.03

Comments: There was a net decrease of \$441,552.77 primarily due to less hard surface restoration required than originally planned and repair of struck gas mains and services.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
b. Roloff Construction, WP 1541 & 1548, 100055001227, 100055001233 and 100081001684, Install Water Mains in West Farm South I Section, 144 th and Pacific Sts.	April 16, 2018	\$1,664,675.97	\$1,805,441.15	\$243,693.52

Comments: There was an increase in contract quantities of \$11,812.86 due to the adjustment of multiple hydrants and other appurtenances to match grade changes. There was also an increase of \$128,952.32 for Change Order No. 1, primarily for labor price increases and adjustments to a connection and sidewalks due to delays by the developer. The developer has approved these additional costs. Approval of this final will also approve Change Order No. 1.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
c. Cedar Construction, WP 1708-S, 100055001313, Install Water Mains in Lake Cunningham Village, 96 th and Reynolds Sts.	May 15, 2020	\$359,868.50	\$360,627.78	\$26,431.84

Comments: There was net increase of \$1629.03, primarily for additional pressure testing, additional soil depth on the main, and erosion control measures.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
d. Kersten Construction, WP 1709, 100055001314, Install Water Mains in The Villas of Piney Creek, 200 th Ave. and Piney Creek Dr.	January 2, 2020	\$122,470.00	\$117,963.00	\$9,406.50

Comments: There were net decreases in contract quantities of \$4,507.00 due to needing less ductile iron pipe and hydrants than originally planned.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
e. Hawkins Construction, 100083001062, Phase III Chemical Building Improvements, Florence.	February 23, 2018	\$22,127,439.10	\$22,716,283.89	\$475,683.61

Comments: There was a net increase of \$588,844.79 due to four previously approved change orders for various items, including installing bin activators and estops on the lime screw conveyors, adding a steel platform to each of the four primary treatment basins, adding a new stainless-steel input/output enclosure, security hardware changes/additions, labor and materials for redundant lime dosing stations at each of the four primary treatment basins and reverse osmosis system enhancements for the water quality lab.

**Based upon Engineering's estimated unit quantities.*



Stephanie L. Henn
Director, Plant Engineering

Approved:



Cory J. O'Brien
Interim SVP, COO



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

February 19, 2021

Subject: BIDS ON MATERIALS AND CONTRACTS DURING THE MONTH OF FEBRUARY

To: Construction & Operations Committee
cc: All Board Members, Doyle, Ausdemore, O'Brien, Mendenhall, Schaffart and all Vice Presidents

From: Sherri A Meisinger, Director, Procurement

The following items will be on the March 3, 2021 Committee Agenda for consideration and the March 3, 2021 Board Agenda for approval. The recommended bid is bolded and listed first. Nonlocal bidders have been indicated in italics.

OTHER

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Four (4) 14,000 Lb. Tandem Axle Trailers 100087000633 (A C&A in the amount of \$58,000.00 will be presented to the Board on March 3, 2021 for approval.)	1/1	<i>DuoLift MFG.</i>	\$47,040.00
Four (4) Kubota R430 Tractors with Backhoes 100087000630 (A C&A in the amount of \$310,000.00 will be presented to the Board on March 3, 2021 for approval.)	1/1	Kubota of Omaha	\$253,298.12

ANNUALS

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Ductile Iron Water Pipe (April 1, 2021 to March 31, 2022) Extension #1	1/1	Core & Main	\$1,739,425.60



Sherri A. Meisinger
Director, Procurement
(402) 504-7253

Approved:



Jon Zellars
Vice President, Procurement and Enterprise Services



Steven E. Ausdemore
Senior Vice President, Safety, Security and Field Operations



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

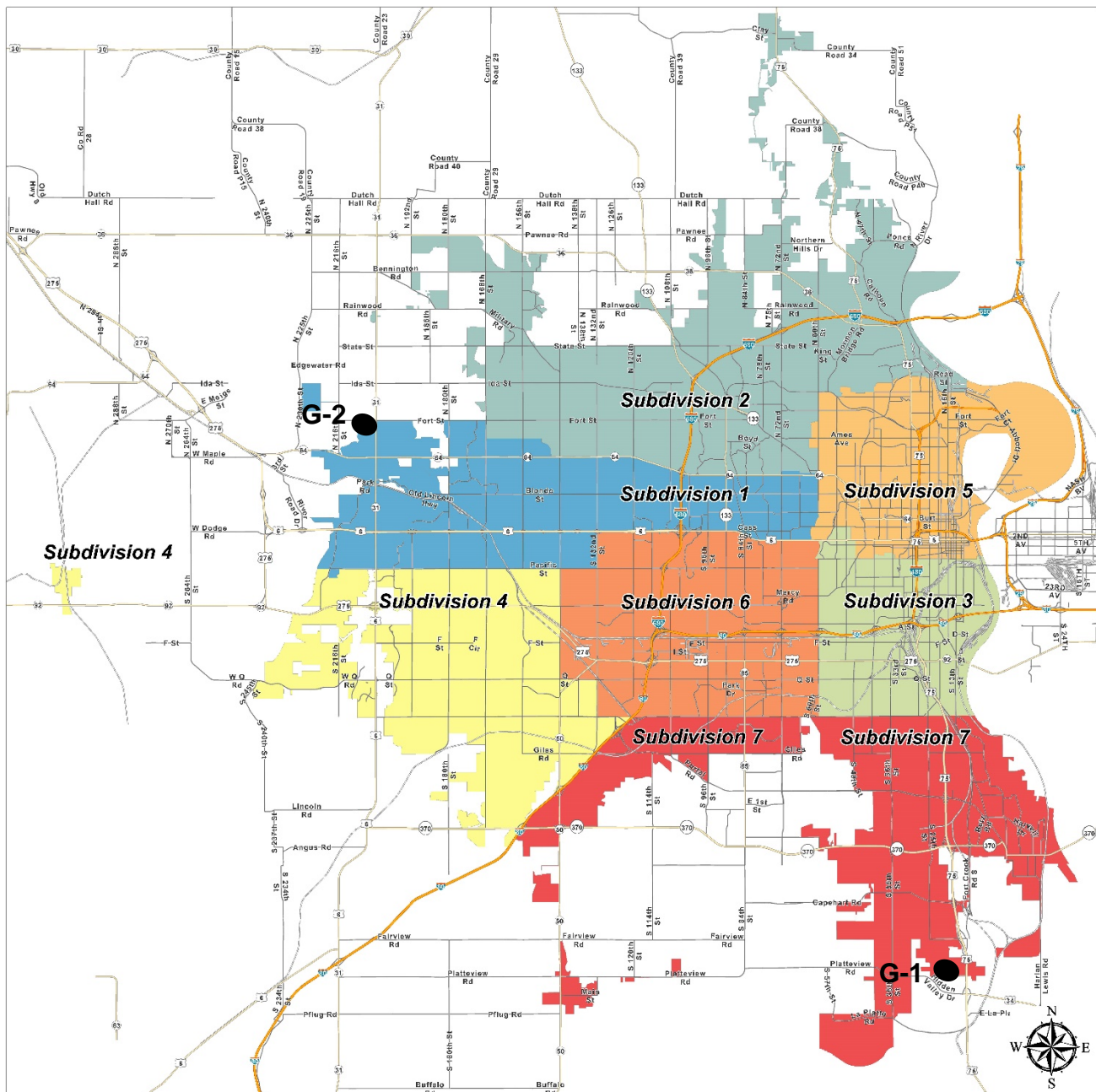
February 19, 2021

Subject: MAIN EXTENSIONS

To: Services and Extensions Committee
cc: All Board Members, Doyle, Mendenhall, Schaffart, Ausdemore and all Vice Presidents

From: Cory J. O'Brien, Interim Senior Vice President, Chief Operations Officer

The following main extensions will be on the March 3, 2021 Committee Agenda for consideration and the Board Agenda for approval:



MUD Subdivision Map

GAS						
1.	Project Number	Total Estimated	Cost		Allowable Revenue Credits Developer	Deficiency
			Developer Equivalent	Developer Estimate		
	GP 2611	\$71,903	\$71,903	\$63,844	\$94,952	\$0
<p>Subdivision 7, Frost: These mains are being installed to provide gas service to 88 single-residence lots in Hyda Hills 2 Subdivision, Phase 2, 19th St. and Platteview Rd. Work is requested to be completed by June 2021. (Sarpy County zoning, Celebrity Homes)</p>						
2.	Project Number	Total Estimated	Cost		Allowable Revenue Credits Developer	Deficiency
			Developer Equivalent	Developer Estimate		
	GP 2592	\$192,347	\$192,347	\$170,787	\$228,748	\$0
<p>Subdivision 1, Begley: These mains are being installed to provide gas service to 212 single-residence lots in Vistancia Subdivision, Phase 2, 209th and Fort Sts. Work is requested to be completed by June 15, 2021. (City of Omaha zoning, Falcone Land Development, LLC)</p>						

Cory J. O'Brien
Interim Senior Vice President, Chief Operations Officer

Approved:

Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

February 18, 2021

Subject: Wage and/or Salary Increases and Ratifications, March 2021 Board Meeting

To: Personnel Committee members Begley, Friend, and Frost
cc: Board Members Cavanaugh, Cook, Howard, and McGowan
President Doyle, and Senior Vice Presidents Ausdemore, Mendenhall, Schaffart and Interim
Senior Vice President O'Brien

From: Bonnie Savine, Vice President, Human Resources

The Human Resources Department is recommending the Board of Directors approve the wage or salary increases outlined below. All positions involve District employees earning more than \$10,000 per year and therefore require your approval.

1. Operating and Clerical (OAC) Wage Increases Due To Promotion

The Human Resources Department is recommending the Board of Directors approve wage increases for the following Employees within the OAC classification. These wage increases are based on a job selection process, are in compliance with the Collective Bargaining Agreement, and are made following the posting and application process for a job opening in the District. The effective date for these increases will be the beginning of the next OAC pay period following Board approval.

Employee: **Richard Arenas**
Current position (department): Meter Reader – Car Route (Meter Services)
New position (department): Material Handler Trainee (Stores)
Current rate; step/grade: \$25.92; EN
Proposed rate; step/grade: \$28.20; Step 2
Percent of increase: 8.80%
District hire date: June 25, 2018

Employee: **Scott Clark**
Current position (department): Crew Leader (Construction)
New position (department): Group Leader (Construction)
Current rate; step/grade: \$41.64; Step 4
Proposed rate; step/grade: \$43.72; Step 4
Percent of increase: 5.00%
District hire date: February 22, 2005

Employee: **Justin Combs**
Current position (department): Pipe Layer (Construction)
New position (department): Utility Locator (Safety & Security)
Current rate; step/grade: \$29.98; Step 2
Proposed rate; step/grade: \$31.85; Step 1
Percent of increase: 6.24%
District hire date: January 7, 2019

Wage and/or Salary Increases and Ratifications

March 2021

Page 2

Employee: **Derek Davis**
Current position (department): Machine Operator (Construction)
New position (department): Welder I (Construction)
Current rate; step/grade: \$30.08; Step 1
Proposed rate; step/grade: \$32.17; Step 2
Percent of increase: 6.95%
District hire date: May 21, 2018

Employee: **Jeffrey Dotson**
Current position (department): Meter Reader – Car Route (Meter Services)
New position (department): Meter Mechanic (Meter Services)
Current rate; step/grade: \$32.40; Step 4
Proposed rate; step/grade: \$34.40; Step 4
Percent of increase: 6.17%
District hire date: June 16, 2014

Employee: **Michael Dulik**
Current position (department): Machine Operator (Construction)
New position (department): Utility Worker (Construction)
Current rate; step/grade: \$35.39; Step 4
Proposed rate; step/grade: \$37.48; Step 4
Percent of increase: 5.91%
District hire date: June 9, 2014

Employee: **Cole Holmes**
Current position (department): Meter Reader – Car Route (Meter Services)
New position (department): Meter Mechanic (Meter Services)
Current rate; step/grade: \$32.40; Step 4
Proposed rate; step/grade: \$34.40; Step 4
Percent of increase: 6.17%
District hire date: December 6, 2010

Employee: **Fred Hunt**
Current position (department): Pipe Layer – Welder (Construction)
New position (department): Utility Worker (Construction)
Current rate; step/grade: \$35.39; Step 4
Proposed rate; step/grade: \$37.48; Step 4
Percent of increase: 5.91%
District hire date: February 14, 2011

Employee: **Scott Johnson**
Current position (department): Machine Operator (Construction)
New position (department): Utility Worker (Construction)
Current rate; step/grade: \$35.39; Step 4
Proposed rate; step/grade: \$37.48; Step 4
Percent of increase: 5.91%
District hire date: November 6, 2006

Employee: **Christopher Kaslon**
Current position (department): Machine Operator (Construction)
New position (department): Utility Locator (Safety & Security)
Current rate; step/grade: \$35.39; Step 4
Proposed rate; step/grade: \$37.47; Step 4
Percent of increase: 5.88%
District hire date: August 12, 2013

Employee: **Edward Latoza**
Current position (department): Utility Worker (Construction)
New position (department): Crew Leader (Construction)
Current rate; step/grade: \$37.48; Step 4
Proposed rate; step/grade: \$39.56; Step 3
Percent of increase: 5.55%
District hire date: April 3, 2000

Employee: **Douglas Lewis**
Current position (department): Water Maintenance Trainee (Water Distribution)
New position (department): Material Handler Trainee (Stores)
Current rate; step/grade: \$28.03; Step 4
Proposed rate; step/grade: \$29.76; Step 3
Percent of increase: 6.17%
District hire date: August 13, 2018

Employee: **Laura Milenkovich**
Current position (department): Communications Clerk II (Safety & Security)
New position (department): Administrative Clerk VI (Construction)
Current rate; step/grade: \$35.48; Step 4
Proposed rate; step/grade: \$37.00; Step 4
Percent of increase: 4.28%
District hire date: August 6, 1990

Employee: **Nathaniel Million**
Current position (department): Pipe Layer – Welder (Construction)
New position (department): Utility Worker (Construction)
Current rate; step/grade: \$33.62; Step 3
Proposed rate; step/grade: \$35.61; Step 3
Percent of increase: 5.92%
District hire date: July 11, 2016

Employee: **Justin Pavka**
Current position (department): Welder II (Construction)
New position (department): Chief Welder (Construction)
Current rate; step/grade: \$44.67; Step 4
Proposed rate; step/grade: \$49.14; Step 4
Percent of increase: 10.01%
District hire date: January 7, 2008

Employee: **Jake Placzek**
Current position (department): Meter Reader – Car Route (Meter Services)
New position (department): Meter Mechanic (Meter Services)
Current rate; step/grade: \$27.54; Step 1
Proposed rate; step/grade: \$29.24; Step 1
Percent of increase: 6.17%
District hire date: December 17, 2018

Employee: **Jason Query**
Current position (department): Utility Worker (Construction)
New position (department): Crew Leader (Construction)
Current rate; step/grade: \$37.48; Step 4
Proposed rate; step/grade: \$39.56; Step 3
Percent of increase: 5.55%
District hire date: August 3, 2009

Employee: **Forrest Roos**
Current position (department): Crew Leader (Construction)
New position (department): Group Leader (Construction)
Current rate; step/grade: \$41.64; Step 4
Proposed rate; step/grade: \$43.72; Step 4
Percent of increase: 5.00%
District hire date: October 20, 2008

Employee: **Paul Romero**
Current position (department): Pipe Layer – Welder (Construction)
New position (department): Utility Worker (Construction)
Current rate; step/grade: \$35.39; Step 4
Proposed rate; step/grade: \$37.48; Step 4
Percent of increase: 5.91%
District hire date: June 8, 2015

Employee: **Michael Rudol**
Current position (department): Water Plant Maintenance Mechanic (Platte West)
New position (department): Lead Water Plant Maintenance Mechanic (Platte South)
Current rate; step/grade: \$35.01; Step 4
Proposed rate; step/grade: \$38.62; Step 3
Percent of increase: 10.31%
District hire date: April 27, 2015

Employee: **Luke Smedra**
Current position (department): Machine Operator (Construction)
New position (department): Utility Worker (Construction)
Current rate; step/grade: \$35.39; Step 4
Proposed rate; step/grade: \$37.48; Step 4
Percent of increase: 5.91%
District hire date: June 1, 2015

Employee: **Jack Standen**
Current position (department): Utility Worker (Construction)
New position (department): Crew Leader (Construction)
Current rate; step/grade: \$37.48; Step 4
Proposed rate; step/grade: \$39.56; Step 3
Percent of increase: 5.55%
District hire date: September 24, 2007

Employee: **Joe Stock**
Current position (department): Utility Locator (Safety & Security)
New position (department): Senior Utility Locator (Safety & Security)
Current rate; step/grade: \$37.47; Step 4
Proposed rate; step/grade: \$38.97; Step 4
Percent of increase: 4.00%
District hire date: July 10, 2006

Employee: Ashley Wilds
Current position (department): Meter Reader – Car Route (Meter Services)
New position (department): Meter Mechanic (Meter Services)
Current rate; step/grade: \$32.40; Step 4
Proposed rate; step/grade: \$34.40; Step 4
Percent of increase: 6.17%
District hire date: May 19, 2014

Employee: Timothy Williams
Current position (department): Machine Operator (Construction)
New position (department): Utility Worker (Construction)
Current rate; step/grade: \$35.39; Step 4
Proposed rate; step/grade: \$37.48; Step 4
Percent of increase: 5.91%
District hire date: August 28, 2006

2. Operating and Clerical (OAC) Wage Increases Due To Job Transfer

The Human Resources Department is recommending the Board of Directors approve wage increases for the following Employees within the OAC classification. A transferring employee who is at less than Standard Wage will be moved to an equal rate in the new job classification or, if there is not an identical wage rate, to the nearest higher wage rate in the new job classification. These wage increases are based on a formal selection process, are in compliance with the Collective Bargaining Agreement, and are made following the posting and application process for a job opening in the District. The effective date for these increases will be the beginning of the next OAC pay period following Board approval.

There are no recommendations for approval this month

3. Operating and Clerical (OAC) Wage Increases Due To Job Progression

The Human Resources Department is recommending the Board of Directors approve the following wage increases for the OAC employees who have successfully completed required training and who have been recommended by their supervisor for promotion as they progress within their job family. All increases are based on the bargaining unit wage structure. The effective date for these increases will be the beginning of the next OAC pay period following board approval.

Employee: Jacob Benak
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Pipe Layer (Construction)
Current rate; step/grade: \$27.90; Step 4
Proposed rate; step/grade: \$29.98; Step 2
Percent of increase: 7.46%
District hire date: February 25, 2019

Wage and/or Salary Increases and Ratifications

March 2021

Page 7

Employee: **David Earnest**
Current position (department): Welder I (Construction)
New position (department): Welder II (Construction)
Current rate; step/grade: \$35.74; Step 4
Proposed rate; step/grade: \$37.97; Step 1
Percent of increase: 6.24%
District hire date: September 25, 2017

Employee: **Joseph Flegg**
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Apprentice Customer Service Technician (Field Services)
Current rate; step/grade: \$27.56; Step 4
Proposed rate; step/grade: \$30.56; Step 2
Percent of increase: 10.89%
District hire date: May 8, 2017

Employee: **Michael Kalskett**
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Pipe Layer (Construction)
Current rate; step/grade: \$27.90; Step 4
Proposed rate; step/grade: \$29.98; Step 2
Percent of increase: 7.46%
District hire date: February 25, 2019

Employee: **Eric Mann**
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Apprentice Customer Service Technician (Field Services)
Current rate; step/grade: \$27.56; Step 4
Proposed rate; step/grade: \$30.56; Step 2
Percent of increase: 10.89%
District hire date: September 25, 2017

Employee: **Paul Otto**
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Apprentice Customer Service Technician (Field Services)
Current rate; step/grade: \$27.56; Step 4
Proposed rate; step/grade: \$30.56; Step 2
Percent of increase: 10.89%
District hire date: January 6, 2003

Employee: Tyler Reed
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Apprentice Customer Service Technician (Field Services)
Current rate; step/grade: \$27.56; Step 4
Proposed rate; step/grade: \$30.56; Step 2
Percent of increase: 10.89%
District hire date: August 7, 2017

Employee: Arturo Rocha Ventura
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Pipe Layer (Construction)
Current rate; step/grade: \$27.90; Step 4
Proposed rate; step/grade: \$29.98; Step 2
Percent of increase: 7.46%
District hire date: February 25, 2019

Employee: Joseph Simpson
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Pipe Layer (Construction)
Current rate; step/grade: \$27.90; Step 4
Proposed rate; step/grade: \$29.98; Step 2
Percent of increase: 7.46%
District hire date: February 4, 2019

Employee: Jackeb Whitbeck
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Pipe Layer (Construction)
Current rate; step/grade: \$27.90; Step 4
Proposed rate; step/grade: \$29.98; Step 2
Percent of increase: 7.46%
District hire date: December 10, 2018

4. Supervisory, Professional and Administrative (SPA) Salary Increases Due To Job Promotion

The following SPA employees are selected for promotion. It is recommended the President be authorized to increase the salary of these employees. These SPA positions have been evaluated, graded, appropriate job descriptions completed, and posting guidelines fulfilled. The effective date for these salaries will be the beginning of the next SPA pay period following board approval.

There are no recommendations for approval this month

5. Supervisory, Professional and Administrative (SPA) New Hire Ratification

Board of Director Ratification of salaries, for new SPA employees hired from outside the District, is required to confirm the salary within the grade established for the position. Authorization to ratify the annual salary of SPA employees hired from outside the District will be requested each month, if appropriate.

Employee: Derek Duin
Current position (department): Engineer I (Engineering Design)
Current rate; step/grade: \$66,752; SPA – 02
District hire date: February 1, 2021

Employee: Venkata Satturi
Current position (department): Senior Software Developer (Information Technology)
Current rate; step/grade: \$106,035; SPA – 05
District hire date: February 1, 2021



Bonnie Savine
Vice President, Human Resources



Mark A. Mendenhall
Senior Vice President, General Counsel



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT

Inter-Departmental Communication

February 23, 2021

Subject: BOND REIMBURSEMENT RESOLUTIONS

To: Committee on Accounts, Expenditures, Finance and Rates
cc: All Board Members; Doyle, Ausdemore, Mendenhall, O'Brien and all Vice Presidents

From: Joseph J. Schaffart, Senior Vice President, Chief Financial Officer

The District's 2021 Budget, as approved by the Board in December 2020, included bond financing of \$65.1 million for the Water Department and \$99.6 million for the Gas Department. The \$65.1 million in bond financing for the Water Department is assumed to occur on June 30, 2021 and is intended to fund the ongoing Florence Capital Improvement Plan, the Platte South Capital Improvement Plan, and other infrastructure-related projects, including a water pumping station, water mains and land acquisition for future water reservoirs. The District's 2018 water revenue bond issuance included \$37.4 million to fund Florence capital improvement projects; of this amount, \$8.9 million remains as of December 31, 2020. It is expected that remaining 2018 water revenue bond proceeds will be expended by June 30, 2021.

The \$99.6 million in budgeted bond financing for the Gas Department was comprised of \$28.9 million to fund a portion of the cast iron gas main replacement costs for the 2021 through 2023 time-period, and \$70.7 million for the replacement of significant components of our liquefied natural gas (LNG) peak shaving plant. The 2021 bond financing has been "resized" and adjusted downward from what was assumed in budget, to a total of \$86.7 million, as described below. The Gas Department bond issuance is assumed to occur on June 30, 2021.

Subsequent to completion of the 2021 budget, additional gas main abandonment costs of \$5.2 million have been identified, which will increase the gas infrastructure component of the bond to \$34.1 million. This increase is more than offset by a \$18.1 million reduction in LNG-related financing, from \$70.7 million to \$52.6 million, to address conservatism in the way budgeted project cost estimates were derived. The estimated cost of the LNG project, that served as the basis for the bonding assumption reflected in the budget, was determined based on a project scoping document, as detailed design work will likely not commence until August 2021. Amounts contained in the scoping document were inflated by a 25-percent contingency factor as well as construction cost inflation assumptions, due to the complexity and duration of the project. To guard against borrowing too much for this project, estimates were adjusted downward to derive the revised bond financing amount. The reason that bond financing will occur before the commencement of detailed design work is because of the very long lead time (over one-year) for the highly

specialized equipment that will be a part of this project; it is likely that equipment orders will be released in April 2021.

In the interest of providing the District with the flexibility to pursue debt financing at the most favorable rates, Management is requesting that the Board adopt the attached resolutions that identify bond issuances of up to \$71,630,000 and \$95,382,000 for the Water and Gas Departments, respectively. The amounts specified in the resolutions provide an approximate ten percent "margin of safety" as compared with the amounts described above, in the event estimated costs for the qualified projects change between now and the time the bonds are issued. The resolutions will enable the District to use proceeds from the anticipated bond issuances to fund qualified expenditures occurring up to 60 days prior to the date of the resolutions, as well as prospective qualified expenditures through the date of the bond issuances and beyond.

Resolutions have been prepared and this matter will be placed on the Committee agenda of the March 3, 2021 Board meeting.



Joseph J. Schaffart
Sr. Vice President, Chief Financial Officer
(402) 504-7111

Approved:



Mark E. Doyle
President

Attachments

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
METROPOLITAN UTILITIES DISTRICT OF OMAHA

WHEREAS, the District's Florence Water Treatment Facilities and Platte South Water Treatment Facilities are in need of substantial rehabilitation work, and the District continues to implement its capital improvement plan to upgrade and replace components of its water system throughout its service area, including a water pumping station, land acquisition for future water reservoirs, and cast iron main replacement (collectively, the "**Project**"), and the District has expended or will expend funds towards the Project;

WHEREAS, the Board of Directors hereby finds and determines that it will likely be necessary and appropriate for the District to issue tax-exempt bond anticipation notes or bonds in order to finance the Project and it is in the best interest of the District to capture the opportunity to use the proceeds of such an issuance to reimburse the District for expenditures that have been incurred.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that it finds and determines that it is necessary and appropriate to declare an official intent to issue tax-exempt bond anticipation notes or bonds by the District and, in addition, the District's reasonable expectations to reimburse certain expenditures incurred with the proceeds of such bond anticipation notes or bonds as proposed to be issued by the District in connection with the Project; and

BE IT FURTHER RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that this resolution shall constitute the official intent of the District under Regulations Section 1.150-2 of the Internal Revenue Code of 1986, as amended for the purposes noted above and to be applicable to the principal amount of tax-exempt bond anticipation notes or bonds to be issued by the District for the Project, which is currently estimated to be a maximum of Seventy-one million six hundred thirty thousand Dollars (\$71,630,000).

Adopted: March 3, 2021

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
METROPOLITAN UTILITIES DISTRICT OF OMAHA

WHEREAS, the District is in the process of replacing cast iron gas mains and other related improvements throughout to its gas system throughout its service area, and the District plans to rebuild the District's liquefied natural gas plant (collectively, the "**Project**"), and the District has expended or will expend funds towards the Project; and

WHEREAS, the Board of Directors hereby finds and determines that it will likely be necessary and appropriate for the District to issue tax-exempt bond anticipation notes or bonds in order to finance the Project and it is in the best interest of the District to capture the opportunity to use the proceeds of such an issuance to reimburse the District for expenditures that have been incurred.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that it finds and determines that it is necessary and appropriate to declare an official intent to issue tax-exempt bond anticipation notes or bonds by the District and, in addition, the District's reasonable expectations to reimburse certain expenditures incurred with the proceeds of such bond anticipation notes or bonds as proposed to be issued by the District in connection with the Project; and

BE IT FURTHER RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that this resolution shall constitute the official intent of the District under Regulations Section 1.150-2 of the Internal Revenue Code of 1986, as amended for the purposes noted above and to be applicable to the principal amount of tax-exempt bond anticipation notes or bonds to be issued by the District for the Project, which is currently estimated to be a maximum of Ninety-five million three hundred eighty-two thousand Dollars (\$95,382,000).

Adopted: March 3, 2021

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

February 22, 2021

Subject: PURCHASE OF APPROXIMATELY 52 ACRES ADJACENT TO BLAIR HIGH ROAD AND STATE STREET

To: Judiciary and Legislative Committee

Cc: All Board Members; Messrs. Doyle, Ausdemore, Schaffart, O'Brien and all Vice Presidents

From: Mark Mendenhall, Senior Vice President, General Counsel

In late October 2020, Management recommended ratification of a purchase agreement for approximately 52 acres of land near the intersection of Blair High Road (Highway 133) and State Street in Douglas County, Nebraska approximately shown below ("Property"). At the November 5, 2020 Board meeting, the Board authorized a purchase agreement subject to completion of due diligence to ensure the land is suitable for the District's needs.

The District identified a need for land to support a secondary construction center. The land would support an additional construction center yet thereby decreasing stress on the existing construction center while also securing the District's ability to continue to operate if the existing construction center were compromised.

Since November, Management has been working with several trusted vendors and the City of Omaha to ensure the property in question is suitable to support a construction center. We are now confident the land is suitable and pursuant to the November 5 Judiciary and Legislative Committee memorandum are requesting authorization to "close" on the purchase of the land.

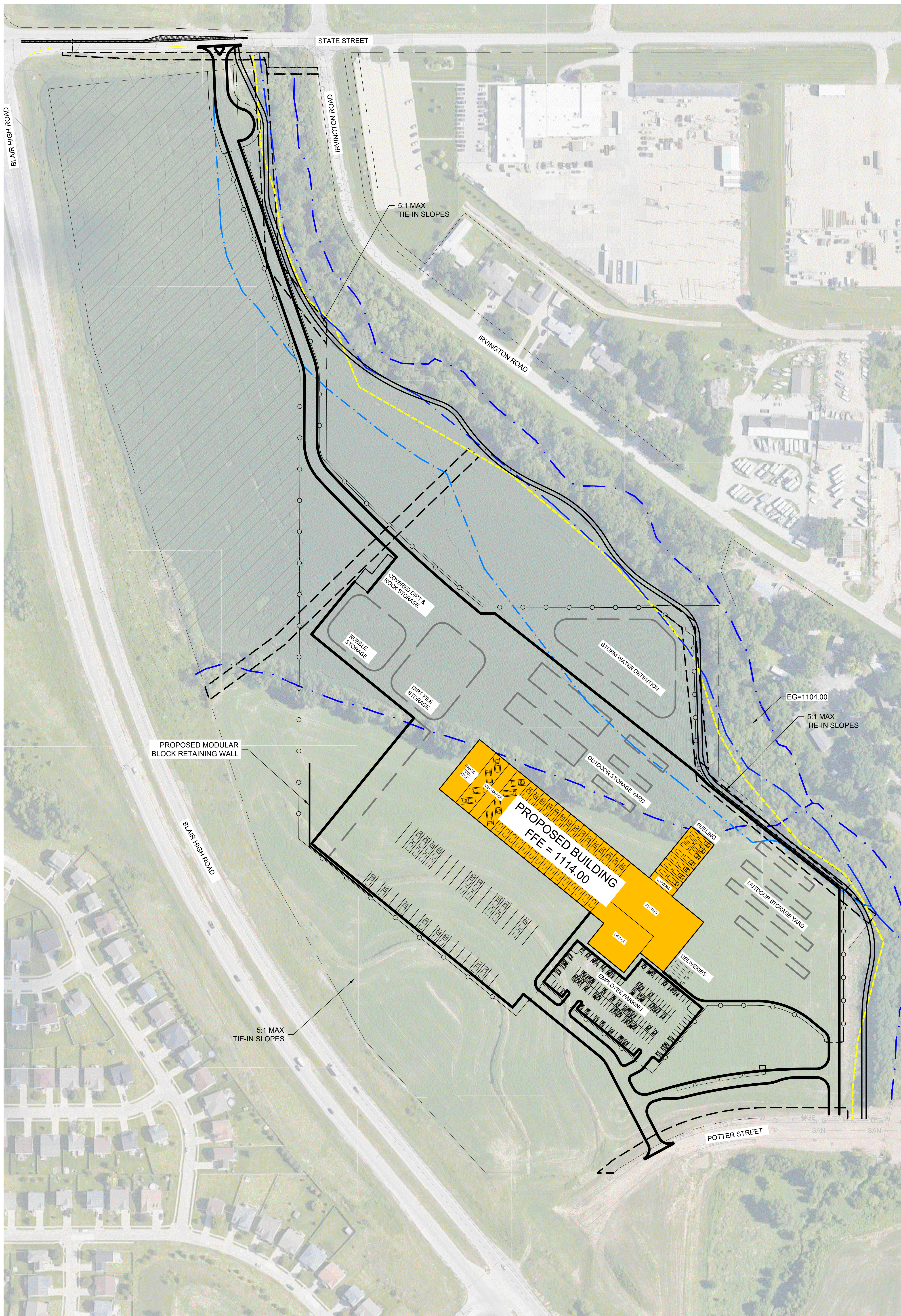
The purchase price is \$1,750,000 and closing will be handled by the Missouri River Title Company. I anticipate the parties will be prepared to finalize the transaction in March.

I also wanted to share a conceptual drawing of how the land can be utilized. This drawing was presented to the City of Omaha's Planning Department and is subject to change as design begins in earnest over the next 12 months.

Mark Mendenhall
Senior Vice President/General Counsel

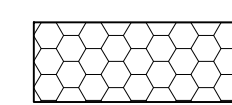
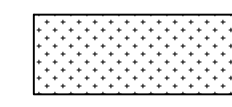
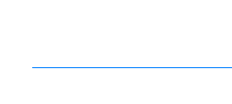
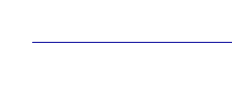


Approved:

Mark Doyle
President



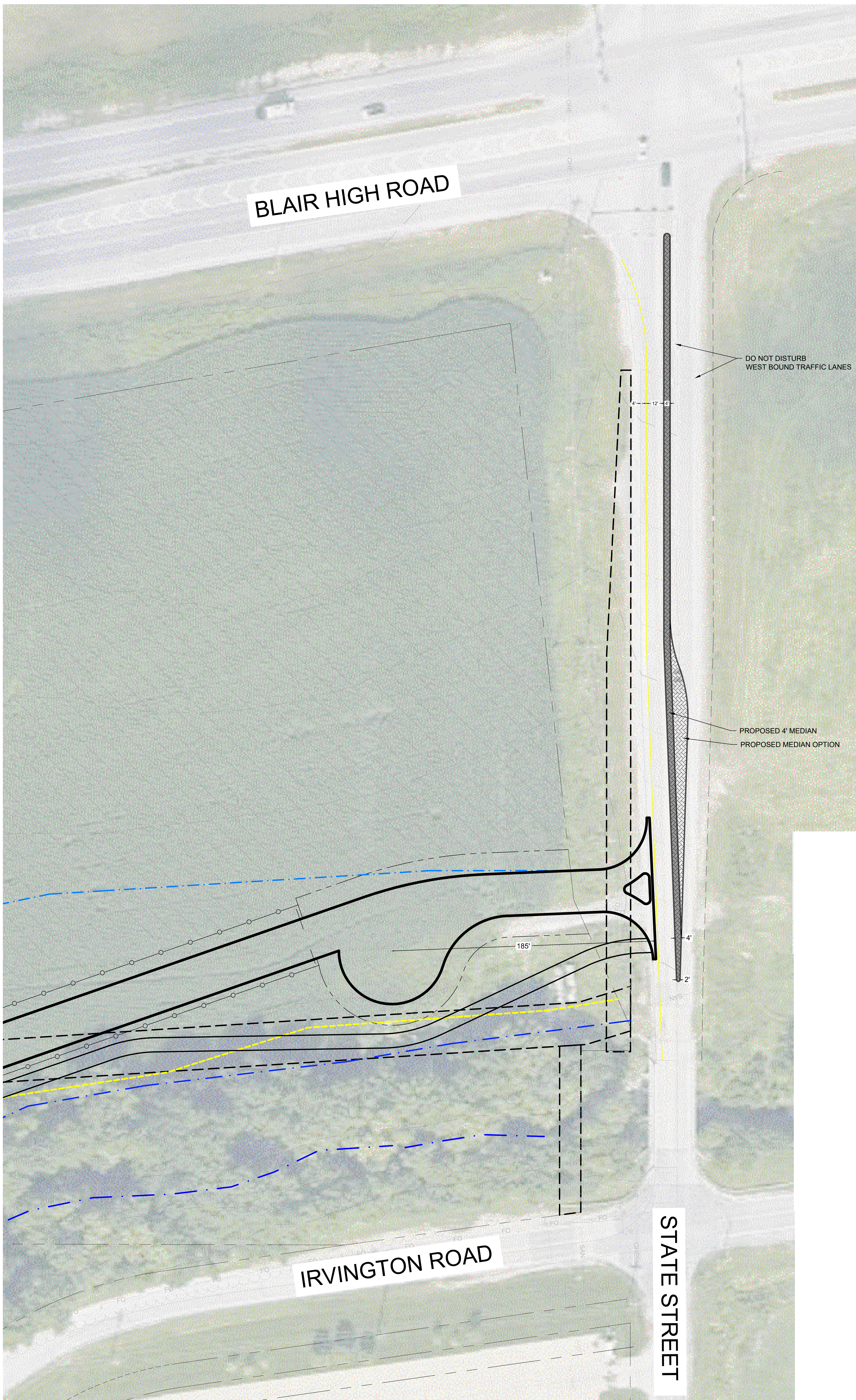
Zoning: GI - General Industrial

SITE CONCEPT LAYOUT
Scale: 1" = 100'-0"

-  Area to remain unplatted (approx. 18 Acres)
-  Sanitary Easement
-  FEMA 100 Zone AE
-  FEMA Floodway
-  Trail Easement
-  Center of Creek

MUD Construction Center

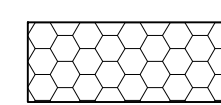
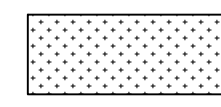
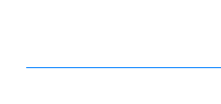
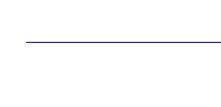
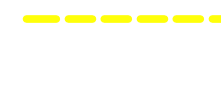

Date: 01-06-2021



Zoning: GI - General Industrial

STATE STREET LAYOUT

Scale: 1" = 30'-0"

-  Area to remain unplatted (approx. 18 Acres)
-  Sanitary Easement
-  FEMA 100 Zone AE
-  FEMA Floodway
-  Trail Easement
-  Center of Creek

© JEO Architecture, Inc.

MUD Construction Center

Date: 12-22-2020

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

February 22, 2021

Subject: PROPOSED PURCHASE OF APPROXIMATELY 4.5 ACRES ADJACENT TO PROPOSED SECONDARY CONSTRUCTION CENTER SITE

To: Judiciary and Legislative Committee

Cc: All Board Members; Messrs. Doyle, Ausdemore, Schaffart, O'Brien and all Vice Presidents

From: Mark Mendenhall, Senior Vice President, General Counsel

Management is seeking Board authority to authorize it to enter into a purchase agreement for the purchase of approximately 4.5 acres of land near the 52-acre site currently under consideration to support the District's secondary construction center. The property is approximated in a blue, shaded color on the image below. The District has a verbal agreement in principle with the owners, the Hardt Family, and is working to finalize terms of a purchase agreement.

The Hardt Family currently owns approximately 9.5 acres of land bordered on the west by the 52-acre parcel the District is evaluating for a secondary construction center and Irvington Road on the east. The District agreed to purchase, subject to Board approval, and the Hardt Family has agreed to sell all land west of the western tree line of Thomas Creek. The remainder land will be designated an outlot and will remain the Hardt Family's. The land is currently being surveyed to determine the appropriate boundaries and legal description.

Management estimates the property will be approximately 4.5 acres and has agreed to purchase the same for \$100,000. Acquiring this property will benefit design possibilities for the secondary construction center and the access roadway to State Street. In addition, it will provide a more natural security perimeter for the construction center.

Management requests authorization to allow Mark Mendenhall, SVP/General Counsel to finalize negotiations to purchase the approximate 4.5-acre parcel and authorize Mark Doyle, President, to execute the final purchase agreement. Management will then work to close the transaction concurrent with the closing on the 52-acre parcel.



Mark Mendenhall
Senior Vice President/General Counsel

Approved:



Mark Doyle
President



METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

February 22, 2021

Subject: SECOND LEGISLATIVE REPORT – 2021 SESSION

To: Judiciary and Legislative Committee

cc: All Board Members; Doyle, Mendenhall, Ausdemore, Schaffart, O'Brien;
all Vice Presidents; Nowka

From: Rick Kubat, Government Relations Attorney

Provided below are updates on pending legislation. Senator Bostelman, Chair of the Legislature's Natural Resources Committee, has introduced a resolution calling for a hearing to determine the "reasons for and circumstances surrounding the interruptions in electricity" which after record-breaking cold temperatures affected large portions of the country. The hearing will occur before the Natural Resources Committee in early March. Senator Wayne, Chair of the Legislature's Urban Affairs Committee, is holding a similar hearing some time in March related to the state's natural gas suppliers. In addition to the bills provided below, there are numerous additional bills that will be monitored on behalf of the District.

LB 26 (Wayne) – Eliminates sales tax for residential water. LB 26 would eliminate both city and state sales tax imposed on the sale, lease, or rental of and the storage, use, or other consumption of residential water. Industrial and commercial water would still be subject to city and state sales tax under the provisions of the legislation.

Board Pos: Support
Status: Revenue Committee Hearing February 24

LB 83 (Flood) – Changes the Open Meetings Act to provide for virtual conferencing. LB 83 has two parts. The first part provides for virtual meetings under regular or non-emergency circumstances. The second part of the bill addresses virtual meetings when an emergency declaration is made. The first part of LB 83, would allow specific political subdivisions to hold up to half of their meetings via virtual conferencing in non-emergency or regular circumstances. The District is seeking a change to the underlying bill that would add the District to the list of eligible entities. The second part of LB 83, allows virtual meetings if an emergency is declared under the Emergency Management Act. For District purposes, the emergency declaration can be made by the principal executive officer of local government. As amended, the Emergency declaration can now only be made by the Governor. The District is included as a public body in the emergency declaration portion of LB 83. LB 83 further clarifies notice requirements and the public's ability to participate in Board meetings under emergency declaration circumstances.

Board Pos: Support
Status: Amended and placed on General File

LB 148 (Bostelman) – Transfers powers and duties from the Department of Health and Human Services to the Department of Environment and Energy. For District purposes, these powers and duties include oversight over drinking water, testing of water samples and the licensure, and permitting of water well contractors.

Board Pos: Neutral
Status: Remains on Select File

LB 163 (Urban Affairs Committee) – LB 163 amends all sections of Chapter 18 of the Nebraska State Statutes. LB 163 is the Urban Affairs clean up bill intended to replace or eliminate antiquated, obsolete, or unnecessary language and it includes various statutory references to the District.

Board Pos: Neutral
Status: Final Reading

LB 178 (Lindstrom) – Provides for a turn-back of a portion of the 5.5% of state sales tax dollars collected for sewer and potable water services. LB 178 is a similar version of last year's LB 242. The only change from last year's LB 242, is additional language in LB 178 which requires entities who receive turnback dollars to account for their receipt in their budget statement along with a declaration of the percentage by which water and sewer rates would have increased if not for the receipt of turnback funds. The turn-back of revenue is specifically designated and earmarked for potable water and wastewater infrastructure assistance or repaying of bonds for such work. LB 178 would turn-back 36% of the 5.5% of state sales tax dollars collected for water and sewer services from July 1, 2021 through June 30, 2022, a turn-back of 54% of the 5.5% of state sales tax dollars collected from July 1, 2022 through June 30, 2024, and a turn-back of 72% of the 5.5% of state sales tax dollars collected after July 1, 2024. LB 178 did not receive any opposition testimony. The bill was supported by the Omaha and Lincoln Chambers, the City of Omaha, City of Lincoln, Sarpy County, United Cities of Sarpy County, Nebraska Assn. of Resource Districts, the Coalition of Agricultural Manufactures, American Council of Engineering Companies, Assn. of General Contractors, Nebraska Assn. of Commercial Property Owners, Nebraska Utility and Excavators Assn, Nebraska Water Resources Assn, the cities of Blair, Hastings, Grand Island, South Sioux City, Plattsmouth and others.

Board Pos: Support
Status: Remains in the Revenue Committee

LB 190 (Hughes) – Prohibits the Legislature from appropriating or transferring money from the Water Sustainability Fund. The only exception would be upon a finding that the goals of the fund are no longer being accomplished.

Board Pos: Support
Status: Remains in the Natural Resources Committee

LB 266 (McCollister) – Adopt the Renewable Energy Standards Act. LB 266 requires public power suppliers to achieve net-zero carbon emissions by 2050. The Renewable

Energy Standards Act will not apply to a public power entity, if a determination is made by the public power entity, that compliance will negatively affect the operation of the power system. The Board took a position of Neutral on LB 266, as it was understood that an amendment to the underlying bill would be offered, to make the bill permissive. The amendment was never offered, and the District provided testimony on opposition to the bill.

Management Rec: Oppose
Status: Remains in the Natural Resources Committee

LB 293 (Flood) – Changes the membership of the Public Service Commission from the current five-member board to seven Commissioners.

Board Pos: Neutral
Status: Remains in the Transportation & Telecommunications Committee

LB 306 (Brandt) – Changes requirements for low-income home energy assistance program (LIHEAP). LB 190 would increase the federal poverty income guidelines from 130% to 150% to increase the threshold of income to qualify for LIHEAP. Additionally, LB 190 would set aside 10% of the LIHEAP funds for weatherization purposes for qualified applicants to make their homes more energy efficient.

Board Pos: Support
Status: Remains in the Health & Human Services Committee

LB 339 (Bostelman) – Requires a utility coordination plan for highway, bridge, and other specific construction projects. LB 339 applies to any contract exceeding \$50,000 for construction, reconstruction, improvement, maintenance or repair of a street, highway, bridge, or other related structure. The utility coordination plan shall provide the date and time for when utilities are moved or removed. The Contractor for the project may rely upon such plan and shall be compensated by the Department of Transportation, city or county for damages associated with any deviation of the utility coordination plan. LB 339 impacts both the water and gas facilities owned by the District.

Board Pos: Oppose
Status: Remains in the Transportation & Telecommunications Committee

LB 344 (Friesen) – Changes provisions to the One-Call Notification System Act and creates the Underground Excavation Safety Committee (UESC). LB 344 creates the UESC to consist of the State Fire Marshall, two operator representatives and two excavator representatives appointed by the Governor. The UESC members will not be compensated and will be governed by rules and regulations promulgated by the State Fire Marshall. The UESC will review complaint proceedings brought by any person for any violation of the One Call Act of an excavator or operator. If the UESC unanimously determines that a violation of the One-Call Act has occurred, a recommendation for a civil penalty shall be submitted for consideration by the Nebraska Attorney General. A majority of the UESC may make a recommendation for continuing education.

Board Pos: Neutral
Status: Remains in the Transportation & Telecommunications Committee

LB 406 (McDonnell) – Creates the Lower Platte River Infrastructure Task Force and provides funding. LB 406 would create a task force to study potential reservoirs on the Lower Platte River. The purpose of the study is to look at three to five potential flood-control infrastructure projects along the river basin for flood control, water supply, water quality, recreation, and hydropower. The task force is to be made up of representatives appointed by the Director of Natural Resources to include four designees from the four natural resources districts with boundaries along the lower Platte River basin, the dean or designee of the UNL College of Engineering, the mayor or designee of the City of Lincoln, three representatives from communities located adjacent to the lower Platte River, and the Director of the Natural Resources as a nonvoting, ex officio member. Funding for the task force study would come from a \$900,000 transfer from the Water Sustainability Fund if a matching contribution is made from the private sources to support the study. The District has requested additional language in the bill to provide an MUD representative as a member of the task force. Historically, the District has opposed previous legislation for a lower Platte reservoir as prior potential reservoir locations were detrimental to the District's water plant assets. As this is a study of possible locations, management feels it is important to have a voice to assure any potential reservoir locations assure that the public water supply is adequately protected. Potential reservoirs could benefit the District by enhancing flood control in the basin. Additionally, the potential retiming of water could enhance the public water supply in drought conditions. The District has offered a letter of support for LB 406 and is working with Senator McDonnell to be included as a member of the task force.

Board Pos: Support
Status: Remains in the Natural Resources Committee

LB 414 (Wishart) – Changes provisions of the Political Subdivisions Construction Alternatives Act. LB 414 enhances the ability for political subdivisions to use design-build contracts for sewer, water, utility and other large projects. Unfortunately, the District was unable to be amended onto LB 414. We will likely introduce legislation in 2022 to be included in the provisions of LB 414.

Board Pos: Support
Status: Remains on General File

LB 512 (Brewer) – Adopts the Critical Infrastructure Utility Worker Protection Act. In the event of a civil defense emergency, the Governor shall insure that critical utility workers are provided access to personal protective equipment, medical screening, testing, preventive health services, medical treatment, and vaccines. Priority access means a level of accessibility at least equal to that provided to hospital, medical personnel, law enforcement and other emergency responders. Under LB 512, the District would maintain a list of mission critical employees.

Board Pos: Support
Status: Business & Labor Committee March 1, 2021

LB 619 (Sanders) – Changes excavation requirements under the One-Call Notification System Act. LB 619 would change the depth requirements for underground utilities. The District is concerned that the minimum depth requirements proposed by LB 619 are contrary to federal regulations as proscribed by the Pipeline and Hazardous Materials Safety Administration (PHMSA). Specifically, PHMSA requires a depth of 18 inches for gas service lines and LB 619 would require a new depth requirement of 24 inches. The Board took a position of opposition to LB 619. The District’s concerns of residential grading and gas utility depths have been removed from the bill via an amendment.

Management Rec: Neutral
Status: Remains in the Transportation & Telecommunications Committee

LB 650 (Flood) – Adopt the Nebraska Geologic Storage of Carbon Dioxide Act. LB 650 establishes the legal and regulatory framework for potential carbon dioxide capture and storage projects in Nebraska. Carbon capture technology captures industrial carbon dioxide emissions, compresses the carbon, and places them in geological formations for long term storage. This technology enables industries such as ethanol to reduce their carbon footprint, thus mitigating the environmental impact of their operations. LB 650 establishes the legislative intent for carbon capture in Nebraska. It clarifies property rights related to storage, assigns the Nebraska Oil and Gas Conservation Commission as the primary regulatory authority, provides for regulations and permitting procedures, and creates a cash fund for administration of regulations.

Board Pos: Neutral
Status: Remains in the Resources Committee



Richard A. Kubat
Government Relations Attorney

Approved:



Mark Mendenhall
Senior Vice President/General Counsel



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT

Inter-Office Communication

February 24, 2021

Subject: CONDEMNATION AUTHORITY-LEASEHOLD INTEREST, SECTION 32
TOWNSHIP 16, RANGE 12 – [LNG PROPERTY] DOUGLAS COUNTY, NE

To: Judiciary and Legislative Committee (Cook, Howard and Cavanaugh)
cc: all Board Members; Messrs. Doyle, Schaffart, Ausdemore, O'Brien
and all Vice Presidents

From: Mark Mendenhall, Senior Vice President, General Counsel

In August of 1990, the District entered into a lease agreement ("Lease Agreement") with Omaha Cellular Telephone Company [its successor in interest is Verizon Wireless] for the construction and maintenance of an antenna tower on the District's LNG Plant Property ("Property") near 120th and Military Streets in Omaha, Nebraska. The cell tower was subsequently constructed and has been in operation since that time. The cell tower is located on the northeast corner of the Property approximately 100 yards south of Military Avenue. It is approximately 100 feet by 100 feet with a gated, access drive.

The Lease Agreement, renewed in 2013, remains in effect today and the cell tower is still located on the Property.

The cell tower, however, is in conflict with the District's current plans for the Property. The District has been in significant discussions with the Omaha Public Power District ("OPPD") regarding OPPD's Power with Purpose initiative. The Power with Purpose initiative is a solar and natural gas project that will ultimately provide power generation from natural gas engines that will be sited near the northeast corner of the Property. This initiative will allow OPPD to retire its oldest, coal-fired units at its North Omaha Station and continue to integrate more renewable, clean energy into its system. To support OPPD, the District will construct gas facilities to provide natural gas to the gas-powered engines. The Property is integral to this initiative.

On October 9, 2020, the District sent a letter to American Tower Land Management, as agent for Verizon Wireless, notifying of the District's intention to terminate the Lease Agreement on July 31, 2021. In response, American Tower disputed the District's authority under the Lease Agreement to terminate and refused reasonable offers of resolution.

In order to avoid protracted litigation regarding the interpretation of the Lease Agreement, which could jeopardize development of the Property, the District must utilize its authority of eminent domain as set forth in Neb. Rev. Stat. §§ 14-2113 and 14-2116 to acquire the leasehold interests of Verizon Wireless and all sublessees who may have acquired a leasehold interest on the Property or who may claim an ownership interest in the cell tower.

Neb. Rev. Stat. § 14-2113 provides, in part:

The board of directors of the metropolitan utilities district shall have . . . *the power to appropriate private property* required by the district for natural gas and water service, to purchase and contract for necessary materials, labor, and supplies, and to supply water and natural gas without the district upon such terms and conditions as it may deem proper. The authority and power conferred in this section upon the board of directors shall extend as far beyond the corporate limits of the metropolitan utilities district as the board may deem necessary.

Neb. Rev. Stat. § 14-2116 provides, in part:

In addition to any other rights and powers conferred upon metropolitan utilities districts under sections [14-2101](#) to [14-2157](#), such districts shall have and may exercise *the power of eminent domain* for the purpose of erecting, constructing, locating, maintaining, or supplying such waterworks, gas works, or mains or the extension of any system of waterworks, water supply, gas works, or gas supply, and any such district may go beyond its territorial limits and may take, hold, or acquire rights, property, and real estate, or either or any of the same, by purchase or otherwise. Such a district may for such purposes take, hold, and condemn any and all necessary property.

Management is recommending the Board authorize the use of eminent domain described above and acquire the leasehold interest of Verizon Wireless and all other leasehold or other property interests that may exist or be claimed on the northeast corner of the Property, including the cellular tower. The use of such power is for the purpose of erecting, constructing, locating, maintaining and supplying gas works and gas mains to support natural gas-powered engines to be operated by OPPD.

This matter will be on the March 3 Committee agenda and subject to Committee review, on the March 3, 2021 Board Agenda.

Please contact me if you have any questions.



Mark Mendenhall
Senior Vice President/General Counsel

Approved:



Mark Doyle
President

RESOLUTION

WHEREAS, the Metropolitan Utilities District of Omaha is the fee simple owner of a parcel of real property located northeast of the District's LNG Plant, at address 11401 Military Road, Omaha, Douglas County, Nebraska, 68164, Douglas County Register of Deeds parcel number 0141490000 (hereinafter, the "Property"); and

WHEREAS, in 1990 the District leased a tract of land within the Property, as more particularly described below, to Omaha Cellular Telephone Company under a written lease agreement; and

WHEREAS the 1990 lease agreement was amended by written agreements between MUD and Omaha Cellular Telephone Company in 1991 and in 2013; and

WHEREAS since at least 2013, Omaha Cellular Telephone Company has done business under the trade name Verizon Wireless; and

WHEREAS the 1990 lease agreement between the District and Omaha Cellular Telephone Company d/b/a Verizon Wireless, as amended in 1991 and 2013 (hereinafter referred to collectively as the "Lease"), remains in effect today; and

WHEREAS under the Lease, Omaha Cellular Telephone Company d/b/a Verizon Wireless possesses a leasehold interest in a tract of land within the Property, as more particularly described below, for the purpose of constructing, maintaining, and operating a mobile communications facility, including a building, cellular antenna tower, and related appurtenances, together with the right for ingress and egress, and for the installation and maintenance of utility wires, cables, conduits, and pipes along a twenty foot wide right-of-way and easement extending from the nearest public right-of-way on Military Road; and

WHEREAS said tract of land, right-of-way, and easement for ingress, egress, and utilities (hereinafter, the "Leased Premises") is legally described as follows:

A tract of land located south of Military Avenue in the NW ¼ of Section 32, Township 16 North, Range 12 East of the 6th Principal Meridian, Douglas County, Nebraska more particularly described as follows:

commencing at the N ¼ corner of said Section 32; thence along the east line of the NW ¼ of said Section 32, S0°23'19"W, 1349.76 feet to the South right-of-way of Military Avenue; thence continuing along said East line S0°23'19"W, 443.84 feet; thence N89°57'28"W, 445.32 feet to the point of beginning; thence continuing N89°57'28"W, 390.00 feet; thence N0°21'51"E, 599.75 feet to the South right-of-way of Military Avenue; thence along said south right-of-way S79°22'38"E, 25.41 feet; thence S0°21'51"W, 185.08 feet; thence S89°57'28"E, 365.00 feet; thence S0°21'51"W, 410.00 feet to the point of beginning, said tract contains 3.78 acres more or less; and

WHEREAS a building, cellular antenna tower, and related appurtenances were constructed on the Leased Premises and remain there presently; and

WHEREAS from time to time since the Lease was formed Omaha Cellular Telephone Company and/or its agent(s), assigns, and/or successors have sublet portions of the Leased Premises (hereinafter referred to collectively as the "Subleases") to third parties including, but not limited to, Nextel, Alltel, AT&T, Cricket, Sprint, and US Cellular (hereinafter referred to collectively as "Sublessees"); and

WHEREAS one or more Subleases remain in effect today; and

WHEREAS from time to time since the Lease was formed Omaha Cellular Telephone Company may have assigned some or all of its rights under the Lease to one or more third parties such as to American Tower Delaware Corporation; and

WHEREAS since the inception of the Lease in 1990, Omaha Cellular Telephone Company, the Sublessees, and/or other parties possessing an interest in the Leased Premises may have been acquired, bought, sold, and/or renamed and/or may have merged with other companies and, as a result, at present the District cannot with certainty identify all parties who may possess a leasehold interest or other property interests or rights in the Leased Premises or ascertain the correct legal names of all such parties; and

WHEREAS, at the time of the inception of the Lease in 1990 and until recently, the District had no plans to use the Property or the Leased Premises for any particular purpose; and

WHEREAS no gas mains or services have been installed by the District to supply natural gas to the Property or the Leased Premises and, therefore, the District does not presently supply, nor does it have the present ability to supply, natural gas to the Property or to the Leased Premises; and

WHEREAS the District has discussed with Omaha Public Power District (hereinafter "OPPD") an agreement whereby the District would supply natural gas to an OPPD facility, to be erected on the Property and/or the Leased Premises, equipped with natural gas-fired generators to produce electricity for public use; and

WHEREAS the District expects to enter into a written agreement with OPPD for the construction of OPPD's natural gas-fired electric power generating facility on the Property and/or the Leased Premises to be supplied natural gas by the District; and

WHEREAS, the District has now determined that the District has an immediate need to extend its natural gas system by installing all necessary high pressure natural gas mains, services, and related appurtenances to supply natural gas to OPPD's natural gas-fired electric power generating facility to be erected on the Property and/or the Leased Premises; and

WHEREAS the District, in good faith, has attempted unsuccessfully to negotiate with Omaha Cellular Telephone Company d/b/a Verizon Wireless and/or with its successor, assign, and/or agent American Tower Delaware Corporation to move the building, cellular antenna tower, and related appurtenances from the Leased Premises to a new location and discontinue the Lease and Subleases; and

WHEREAS under *Neb. Rev. Stat.* § 14-2116, the District "may exercise the power of eminent domain for the purpose of erecting, constructing, locating, maintaining, or supplying such waterworks, gas works, or mains or the extension of any system of waterworks, water supply, gas works, or gas supply" and "may for such purposes take, hold, and condemn any and all necessary property"; and

WHEREAS the Property and the Leased Premises are located within the territorial limits of the District; and

WHEREAS the District has the exclusive statutory right and obligation to supply natural gas to customers within the District's territorial limits; and

WHEREAS because of the existence of property interests and/or rights in the Leased Premises including, without limitation, the leasehold interests created by the Lease and the Subleases, the District cannot extend its natural gas system and install necessary gas works to supply natural gas to the Property or to the Leased Premises; and

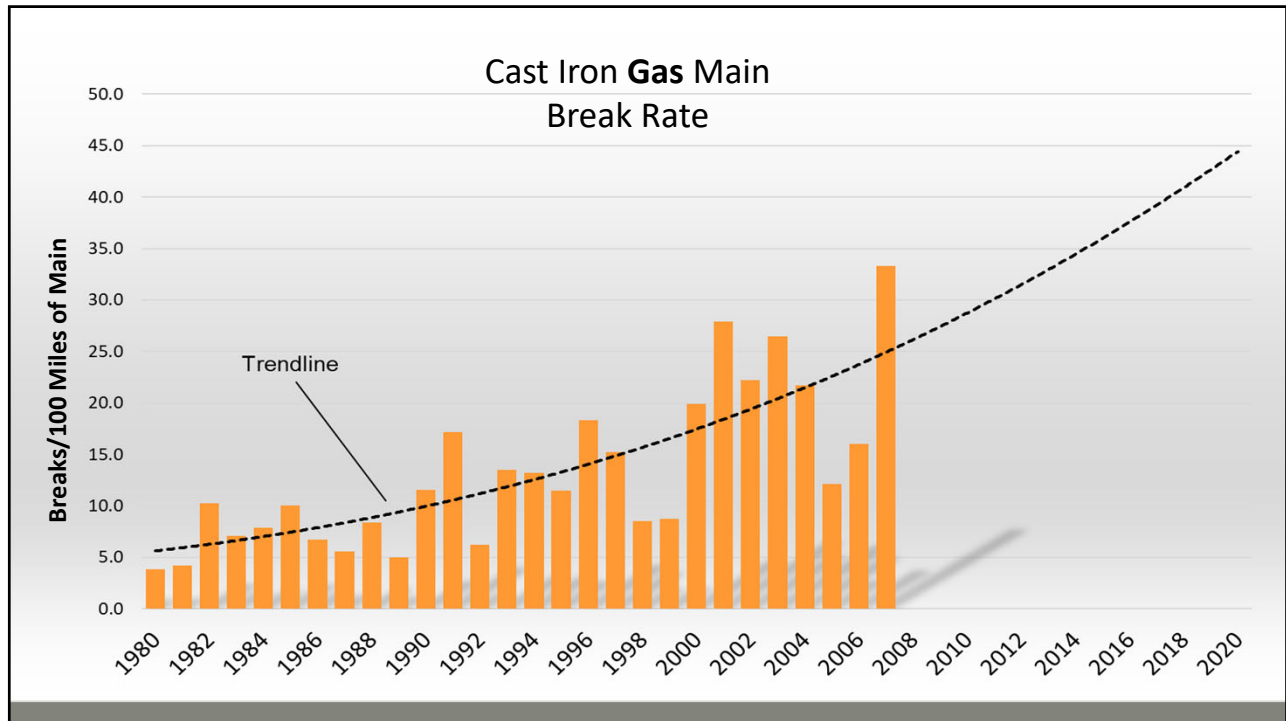
WHEREAS, in order to supply natural gas to a customer of the District, to extend the District's gas distribution system, to enhance the gas operations of the District, and to supply natural gas to an unserved area within the District's territorial limits, it is necessary and consistent with the purposes enumerated in § 14-2116 for the District to exercise its power of eminent domain to take any and all leasehold interests or other property interests and/or rights in or to the Leased Premises.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha, a municipal corporation and political subdivision of the State of Nebraska, that the District should and will exercise its power of eminent domain under *Neb. Rev. Stat.* § 14-2116 to take any and all leasehold interests or other property interests and/or rights in or to the Leased Premises possessed or claimed by any person or entity, including without limitation taking the leasehold interests under the Lease and Subleases.

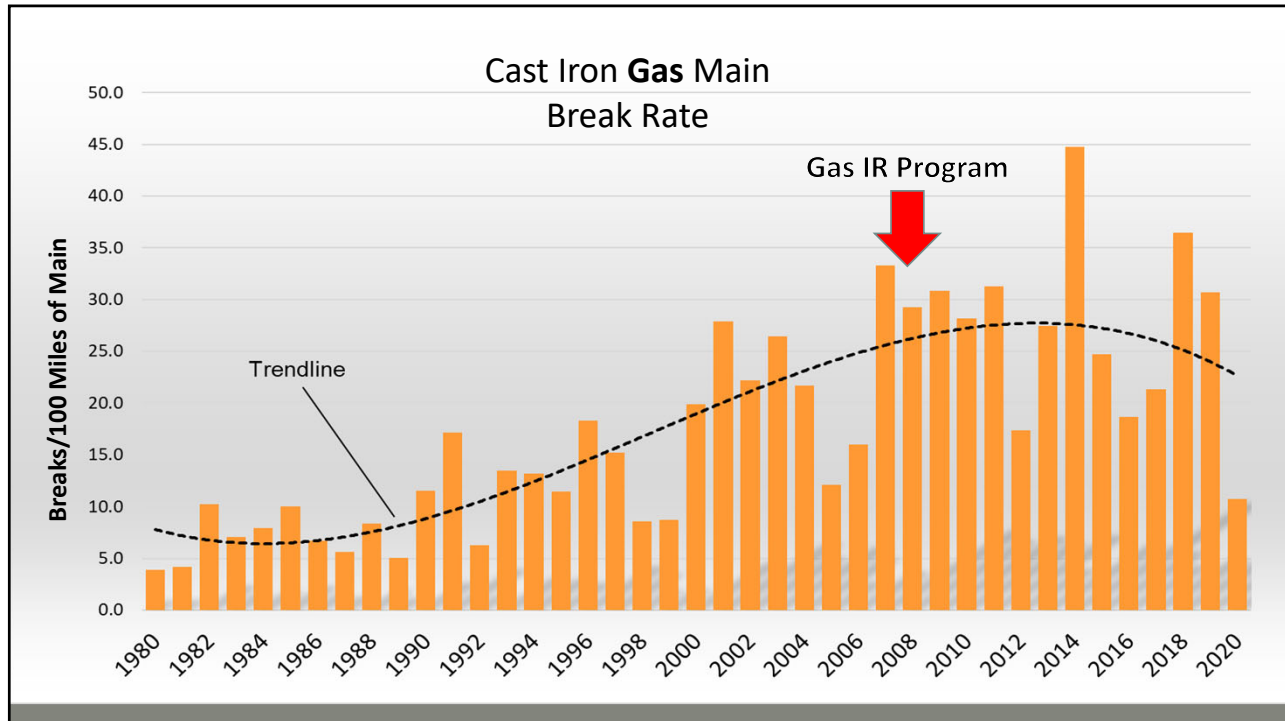
BE IT FURTHER RESOLVED that the Senior Vice President/General Counsel, with assistance from MUD's Legal Department, is hereby authorized to institute condemnation proceedings on behalf of the District for this purpose.



1



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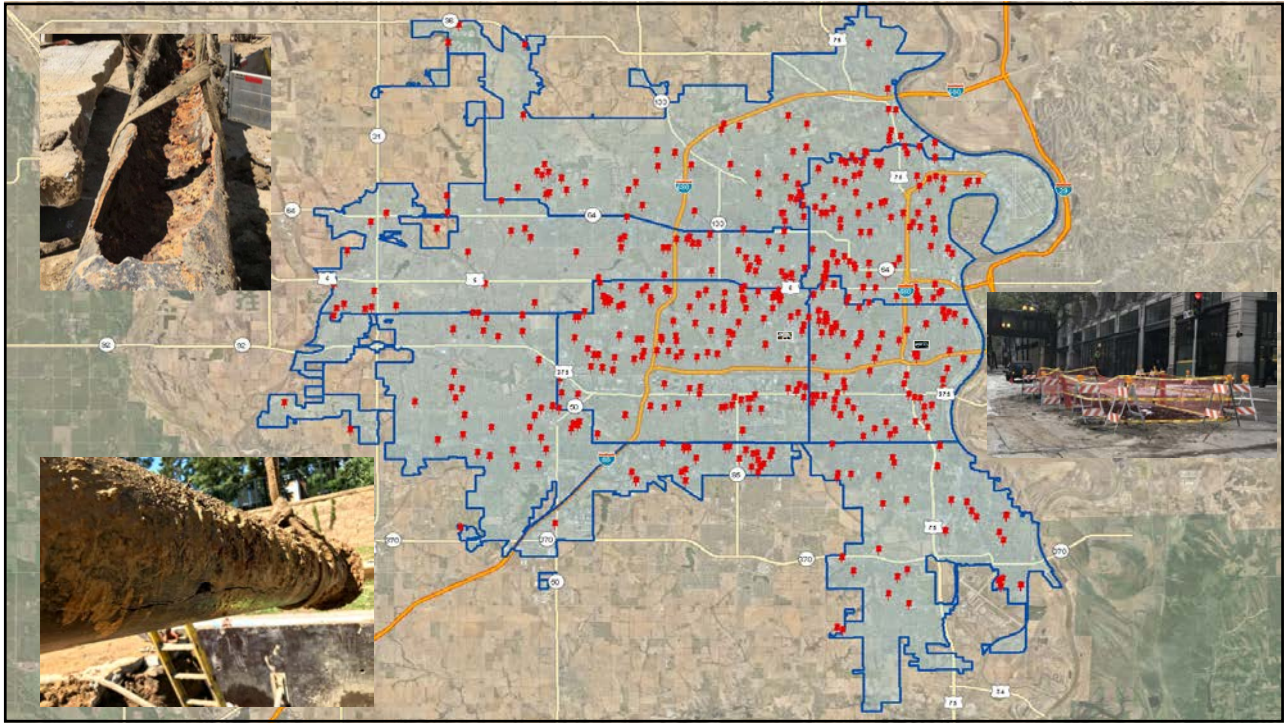


3

Miles Abandoned in 2020:	40.9
Services Replaced:	3,995
Miles Remaining:	193
 2021 Goal (Miles):	 40

2021 Gas IR Project Areas

4



5



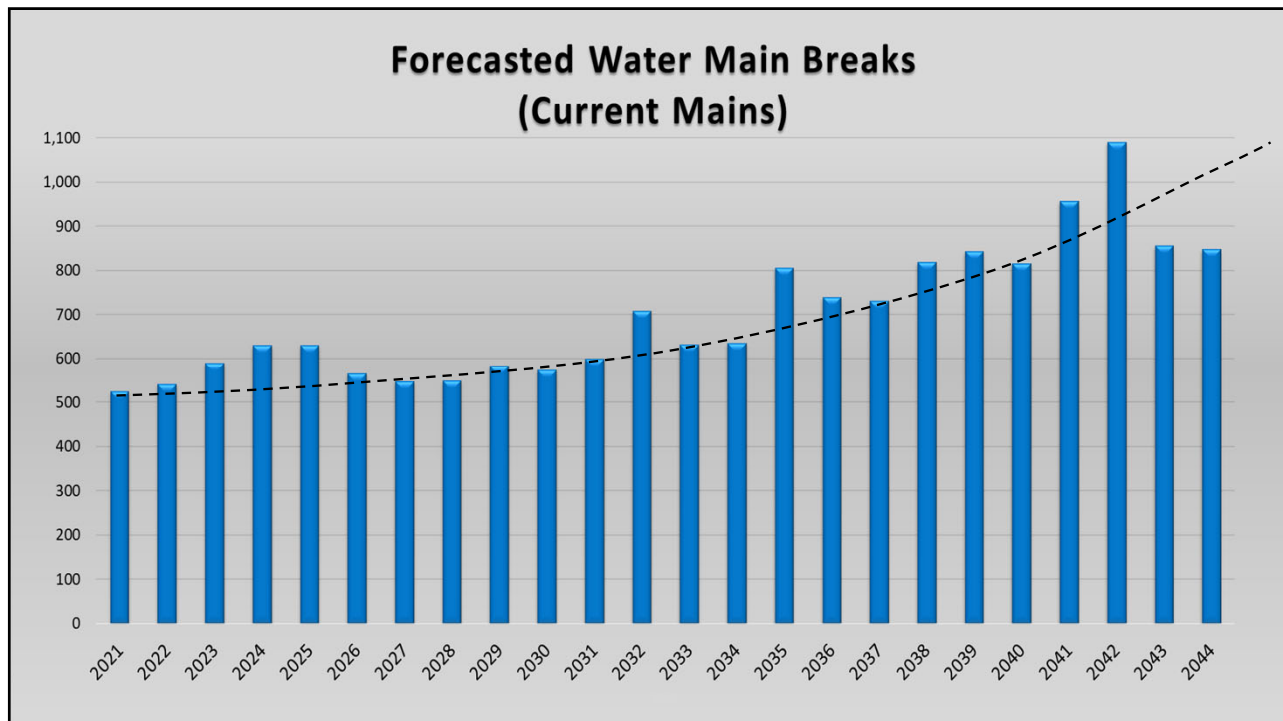
76th & Wright Water Main Break – Leak Find

6

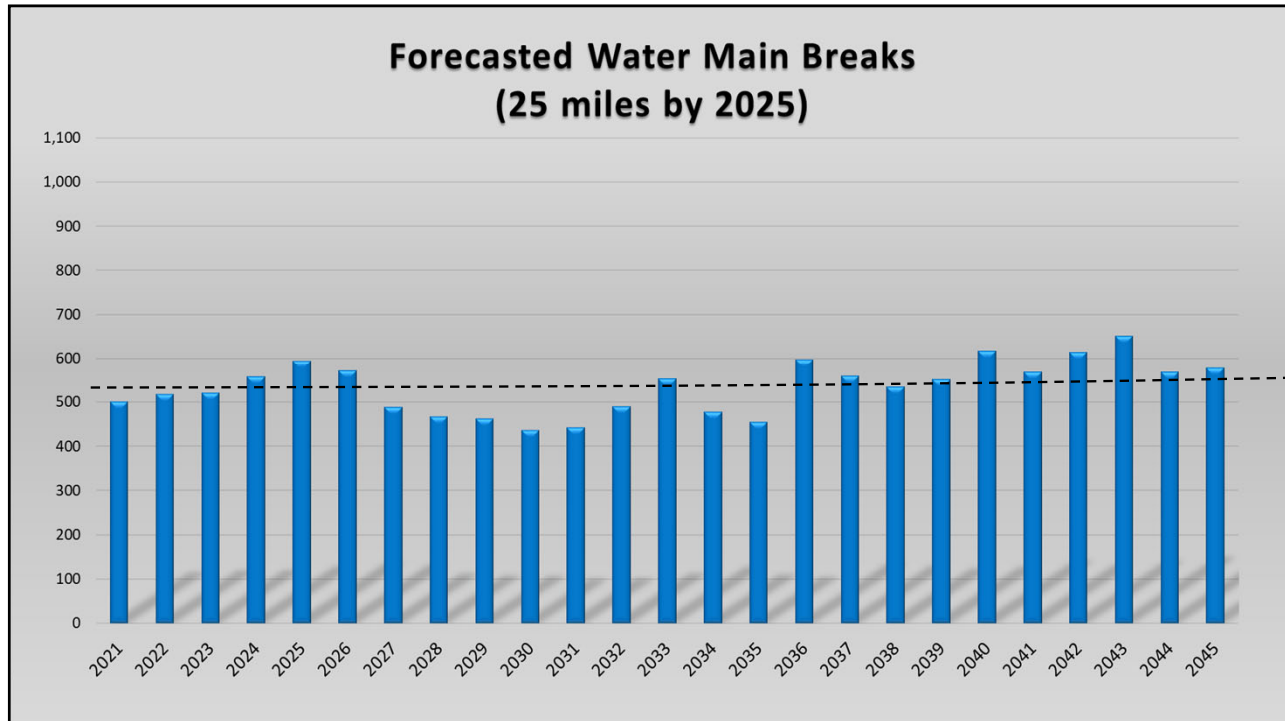


24th & Vinton Water Main Break – Customer Experience

7



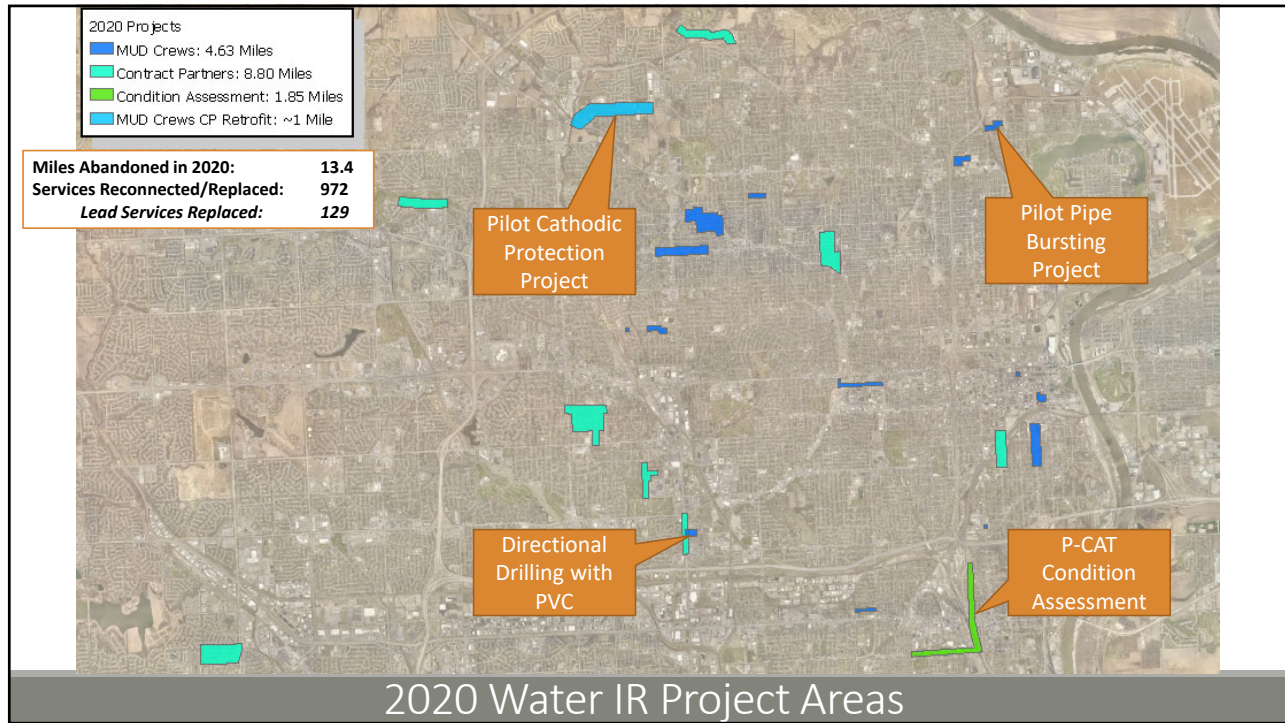
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11



12

P-CAT™
pipeline condition assessment

pure
TECHNOLOGIES
a xylem brand

PICA
Pipeline Inspection and
Condition Analysis Corporation

Extending Service Life – Condition Assessment

13

Cellular data uplink

Frost Line

Pressure (PSI)

Transient Pressure Wave

Time (HH:MM:SS)	Pressure (PSI)
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01:35.35	80
01:52.52	190
02:10.10	140
02:27.27	110
02:44.44	110

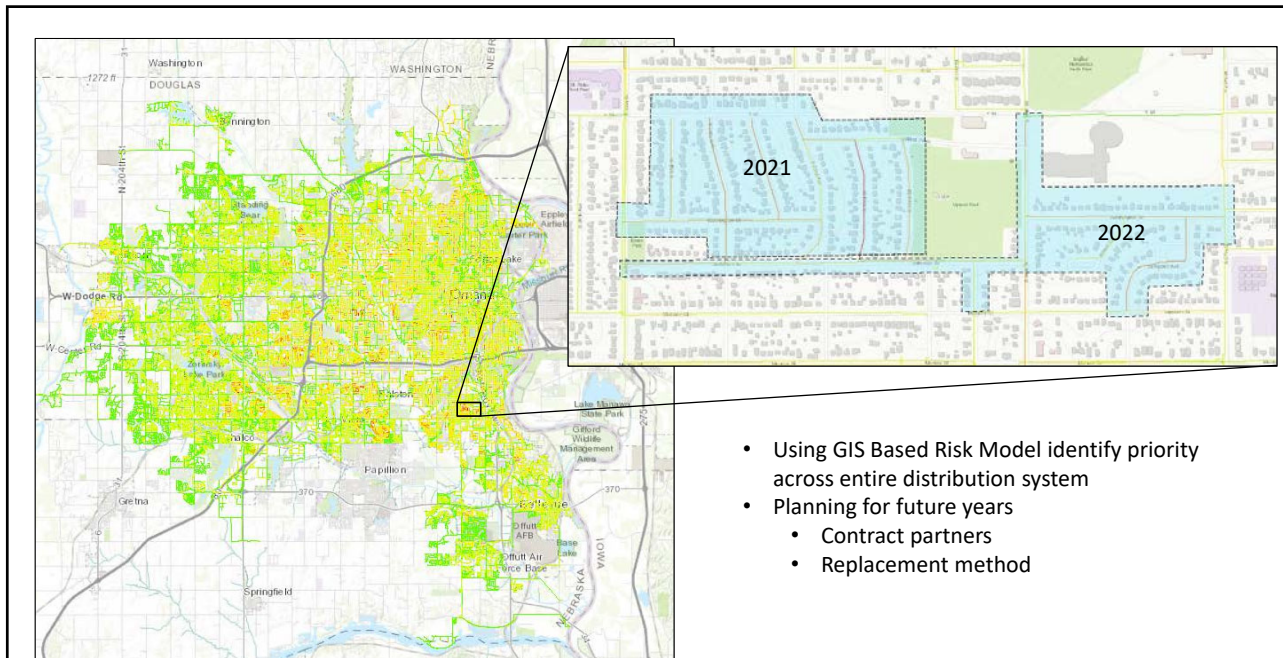
Extending Service Life – Pressure Monitoring

14



Extending Service Life – Cathodic Protection

15



Using New Tools to Identify Critical Miles

16

