

METROPOLITAN UTILITIES DISTRICT
Committee Meetings

8:15 AM

November 5, 2020

AGENDA

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

Construction and Operations – Friend, Frost, Cavanaugh

1. Capital Expenditures [Jim Knight – VP, Gas Operations] – **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**

Judicial and Legislative – Cook, Cavanaugh, Howard

1. Declaration and Sale of Surplus Land Parcel on South 148th Street
[Rick Kubat – Governmental Relations Attorney] – **Tab 9**
2. Purchase Agreement for Property Near Blair High Road and State Street
[Mark Mendenhall – SVP, General Counsel] – **Tab 10**

Personnel – Begley, Frost, Friend

1. Wage and/or Salary Increases and Ratifications [Bonnie Savine – VP, Human Resources] - **Tab 11**

Accounts, Expenditures, Finance & Rates - McGowan, Begley, Cook

1. 2021 Budget Workshop – Personnel & Capital [Joseph Schaffart – SVP & Chief Financial Officer] – **Tab 14**

METROPOLITAN UTILITIES DISTRICT
Regular Monthly Board Meeting

9:00 AM

November 5, 2020

AGENDA

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes – Committee Meetings & Regular Monthly Board Meeting for October 1, 2020
- CONSTRUCTION & OPERATIONS 5. Capital Expenditures
6. Acceptance of Contracts and Payment of Final Estimates
7. Bids on Materials and Contracts
8. Notice of Purchases Between \$25,000 and \$50,000
- JUDICIAL & LEGISLATIVE 9. Declaration and Sale of Surplus Land Parcel on South 148th Street
10. Purchase Agreement for Property Near Blair High Road and State Street
- PERSONNEL 11. Wage and/or Salary Increases and Ratifications
- BOARD 12. Other Matters of District Business for Discussion
13. CLOSED SESSION - Litigation

METROPOLITAN UTILITIES DISTRICT
Minutes of Committee Meetings

October 1, 2020

Chairperson Gwen Howard called to order the Committee Meetings for the Metropolitan Utilities District Board of Directors at 8:15 a.m. at the Omaha Douglas Civic Center's Legislative Chamber located at 1819 Farnam Street.

Advance notice of the Committee Meetings and regular monthly Board Meeting was published in the print version of *The Omaha World-Herald* on September 20, 2020 and its online version from September 20 through September 26, 2020. 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 October 1, 2020 meetings were posted to the M.U.D. website on September 23, 2020. The meetings were recorded and uploaded to the District website after the meetings concluded.

Chairperson Howard reminded those in attendance in the Chamber that due to an Omaha City Council ordinance, all attendees must abide by the requirement for wearing a facemask or face covering in indoor public settings in response to the COVID-19 pandemic, and she urged all those in attendance to continue to be mindful of social distancing.

Roll Call

On a roll call vote, the following Directors acknowledged their attendance: Gwen Howard, Tim Cavanaugh, Tanya Cook, Dave Friend, Jack Frost, and Mike McGowan. Director Jim Begley was absent.

Safety Briefing

Vice-President of Safety, Security and Business Continuity Shane Hunter provided a safety briefing for all individuals in attendance at the Board Meeting regarding the protocol in the event of an emergency.

Open Meetings Act Notice

Chairperson Howard announced that a copy of the Open Meetings Act was located on the wall of the Legislative Chamber.

Construction and Operations – *Friend, Frost, Cavanaugh*

Senior Vice-President and Chief Operations Officer Dave DeBoer reviewed the proposed capital expenditures as outlined in his letter to the Committee dated September 18, 2020.

Mr. DeBoer reviewed the acceptance of contracts and payment of final estimates as outlined in his letter to the Committee dated September 21, 2020.

Vice-President of Procurement and Enterprise Services Jon Zellars reviewed the bids on materials and contracts as outlined in his letter dated September 18, 2020.

Services and Extensions - Friend, Begley, Howard

Vice-President of Engineering and Construction Cory O'Brien reviewed the proposed main extensions as outlined in his letter to the Committee dated September 22, 2020.

Personnel - Begley, Frost, Friend

Vice-President of Human Resources Bonnie Savine reviewed the proposed wage and/or salary increases and ratifications as outlined in her letter to the Committee dated September 17, 2020

Judicial & Legislative – Cook, Cavanaugh, Howard

Senior Vice-President and General Counsel Mark Mendenhall reviewed his letter to the Committee dated September 23, 2020 requesting approval of a proposed settlement of civil litigation. The settlement agreement and the District's legal position were not publicly disclosed pursuant to Neb. Rev. Stat. §84-713(2) due to ongoing litigation with regard to other parties but Board Members were apprised of its details in a previously distributed 'privileged and confidential' communication from Mr. Mendenhall.

Committee of the Whole

Vice-President of Gas Operations Jim Knight presented the proposed Capital Improvement Plan for the District's liquefied natural gas (LNG) plant as outlined in his letter to the Committee dated September 21, 2020. The LNG Plant is used as a storage facility for reserves of natural gas in a concentrated state which is converted as needed to address short term demand spikes (peaks) in natural gas usage, generally during extremely cold weather. The LNG Plant serves as a backup supply source of natural gas which is used to avoid peak day-related pipeline transportation and gas acquisition costs, a process known as "peak shaving."

The District retained CHI Engineering ("CHI") to conduct an evaluation of the remaining useful life of the LNG Plant and equipment which dates back nearly 50 years to the 1970's, specifically the aging liquefaction and vaporization systems. CHI was also tasked with presenting replacement options. Mr. Knight noted that CHI has had a 15-year working relationship with the District and is well-acquainted with the complexities of the District's LNG facility. In addition, CHI has broad experience from having conducted similar evaluations at over 90 LNG facilities across the country. The issues that prompted the study were related to the ongoing difficulties in locating replacement parts as well as locating knowledgeable vendor technicians when repairs are warranted.

A team of eight District staff members from a variety of departments was assembled to review CHI Engineering's recommendations. The review also included an assessment as to whether peak shaving should continue to be employed as an economical strategy. The team analyzed fourteen peak day scenarios conducted over the course of its review and reached conclusions consistent with CHI Engineering's

recommendations. The principal recommendations included (1) replacement and expansion of the LNG vaporization system (increasing capacity from 333,975 Dth/day to 393,975 Dth/day); (2) replacement of the existing liquefaction system; (3) decommissioning the propane air plant located at 63rd & Oak Streets; and (4) retention of the propane air plant located at 117th & Fort Streets.

Mr. Knight provided a PowerPoint presentation to the Board detailing the data collected during the course of the review process. Included was an evaluation of alternatives to the capital improvement plan such as contracting for additional firm transportation capacity with Northern Natural Gas (NNG), which would require reimbursing NNG for necessary pipeline capital upgrades coupled with increased annual firm transportation demand charges. The data derived from the cost comparisons favored CHI's recommendations as the more economical option.

Cost estimates were determined to be \$45 million for replacement of the aging liquefaction system, \$31 million for the replacement of the vaporization equipment, and \$2 million to decommission one of the District's two propane air plants for a total of \$78 million. The project is proposed to be financed using two subsequent bond issuances. When completed, the District's peak day gas supply capacity will increase from 333,975 Dth/day to 393,975 Dth/day. The increase in capacity is recommended so that the District can continue to maintain its reliability and be prepared to meet the increasing peak demands of its customers. The project is anticipated to take approximately 55 months to complete, using a phased construction approach. Care will be taken to ensure that peak customer demands can be met in the most economical way possible throughout the duration of the project.

Director Cook inquired as to the timing of the proposal, given her concerns about the impact the cost may have on customers in an uncertain time. She also inquired as to whether any planning was done in advance to prepare for this inevitability. President Doyle and Senior Vice-President and Chief Information Officer Joseph Schaffart responded with further additional information regarding the discussions that took place during the review process. Mr. Schaffart stated that the District is not insensitive to the financial impact but noted that the District has not raised gas rates in several years and the overall cost for each customer would average \$10 per year.

Director Friend added that the issue regarding the need to address the shortcomings of the LNG Plant's useful life was brought to the Board's attention several years ago by former M.U.D. President Scott Keep (while serving in his capacity as SVP & Chief Operations Officer). The discussion at that time was prompted by a several months-long wait for a replacement part to repair equipment at the LNG plant.


Director Cavanaugh inquired as to whether other utilities around the county are grappling with a similar predicament, and Mr. Knight concurred and pointed out most LNG plants were built during the same time period in the 1970's during the gas crisis as an effective hedge against gas price volatility in the marketplace.

Director McGowan proposed the possibility of abandoning, instead of decommissioning, the propane air plant. Mr. Doyle recommended bringing information back to the Board to more fully explain the rationale for choosing the latter option.

Mr. Doyle pointed out that the LNG Plant capital improvement plan proposal was presented for informational purposes only and the finalized proposal will be presented to the Board at the December 2020 Board Meeting in affiliation with the presentation of the 2021 budget. He urged Board Members to continue to raise any questions they may have during the interim until they feel they have been adequately informed to make a decision on the appropriate course of action.

Chairperson Howard announced that prior to concluding the Committee Meetings, she wished to call attention to Senior Vice-President and Chief Operations Officer Dave DeBoer's upcoming retirement from his position at the District. She congratulated him and thanked him for all he has done for the Board and for the District over the many years of his exceptional career, noting he has been a key contributor to many of the District's successes and that his work ethic and professionalism as well as his patience and kindness will be greatly missed. President Mark Doyle also expressed his thanks to Mr. DeBoer and reported on some of Mr. DeBoer's notable accomplishments at the District. Mr. DeBoer relayed his gratitude to the Board and to those with whom he worked over the years, and thanked Director Howard, Mr. Doyle and other Board Members for their comments.

At 9:45 a.m., Chairperson Howard asked whether any Board Members had any further comments to make or whether there were any members of the public who wished to speak. There were none. Chairperson Howard announced that the regular monthly Board Meeting would convene at 9:55 a.m.


Mark E. Doyle
Secretary and President

MED/mjm

METROPOLITAN UTILITIES DISTRICT
Minutes of the Regular Monthly Board Meeting
October 1, 2020

Chairperson Gwen Howard called to order the regular monthly Board Meeting for the Metropolitan Utilities District Board of Directors at 9:45 a.m. at the Omaha Douglas Civic Center's Legislative Chamber located at 1819 Farnam Street.

Advance notice of the Committee Meetings and regular monthly Board Meeting was published in the print version of *The Omaha World-Herald* on September 20, 2020 and its online version from September 20 through September 26, 2020. 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 October 1, 2020 meetings were posted to the M.U.D. website on September 23, 2020. The meetings were recorded and uploaded to the District website after the meetings concluded.

Chairperson Howard reminded those in attendance in the Chamber that due to an Omaha City Council ordinance, all attendees must abide by the requirement for wearing a facemask or face covering in indoor public settings in response to the COVID-19 pandemic, and she urged all those in attendance to continue to be mindful of social distancing.

AGENDA NO. 1

ROLL CALL

On a roll call vote, the following Directors acknowledged their attendance: Gwen Howard, Tim Cavanaugh, Tanya Cook, Dave Friend, Jack Frost, and Mike McGowan. Director Jim Begley was absent.

AGENDA NO. 2

OPEN MEETINGS ACT NOTICE

Chairperson Howard announced that a copy of the Open Meetings Act was located on the wall of the Legislative Chamber.

AGENDA NO. 3

PLEDGE OF ALLEGIANCE

Chairperson Howard announced that the Pledge of Allegiance would be recited and invited all those in attendance to participate.

AGENDA NO. 4

APPROVAL OF MINUTES FOR COMMITTEE MEETINGS AND REGULAR MONTHLY BOARD MEETING FOR SEPTEMBER 3, 2020

Director Frost moved to approve the minutes for the Committee Meetings and regular monthly Board Meeting for September 3, 2020, which was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 5
CAPITAL EXPENDITURES

Director Friend moved to approve the capital expenditures as outlined in Mr. DeBoer's letter to the Committee dated September 18, 2020, which was seconded by Director Begley and carried on a roll call vote.

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

AGENDA NO. 6
ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

Director Friend moved to approve the acceptance of contracts and payment of final estimates as outlined in Mr. DeBoer's letter to the Committee dated September 21, 2020. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 7
BIDS ON MATERIALS AND CONTRACTS

Director Friend moved to approve Management's recommendation regarding the bids on materials and contracts as outlined in Mr. Zellars' letter dated September 18, 2020. The motion was seconded by Director Begley.

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

AGENDA NO. 8
MAIN EXTENSIONS

Director Friend moved to approve the main extensions as outlined in Mr. O'Brien's letter dated September 22, 2020, which was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 9
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 September 17, 2020. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 10
SETTLEMENT OF CIVIL LITIGATION

Director Cook moved to approve the proposed settlement of civil litigation as outlined in Mr. Mendenhall's letter to the Committee dated September 23, 2020 and as explained previously in a 'privileged and confidential' communication that Mr. Mendenhall shared with the Board in advance of the regular monthly Board Meeting. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 11
OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION

Chairperson Howard asked if any Board Members or any member of the public had any comments to share. Director McGowan requested an update on the District's headquarters building remodeling project and the employee transitioning. Mr. Zellars reported that the project was ahead of schedule and on budget. The second floor is to be completed by October 26, 2020, the first floor by early December and the January 7, 2021 Board Meeting is expected to take place at the new HQ building as planned. He noted that some additional tasks will be carried over into the Spring of 2021 such as landscaping and roofing restoration. Employees are kept apprised of the status via a bi-weekly email and Management continues to hold a daily phone conference on matters related to the pandemic which includes discussions on the phasing-in options for employee occupancy. However, District personnel are still contending with the pandemic and any transitioning will be methodical and mindful of health and safety concerns.

AGENDA NO. 12
CLOSED SESSION – LNG SITE OPTIMIZATION & CHEMICAL FACILITY ANTI-TERRORISM (“CFATS”) DISCUSSION AND REAL ESTATE NEGOTIATIONS

At 10:02 a.m. Chairperson Howard announced the Board would be going into Closed Session for the purpose of discussing LNG site optimization and chemical facility anti-terrorism (“CFATS”) discussion, and real estate negotiations. The motion was offered by Director Cook which was seconded by Director Frost and carried on a roll call vote.

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

Chairperson Howard announced that the Board and District personnel participating in the Closed Session would remain in the Legislative Chamber due to the number of participants and the need for use of the audiovisual equipment, and requested that all those not participating in the Closed Session to please leave the Chamber through the main doors.


At 10:34 a.m., Director Cavanaugh offered a motion to return to Open Session which was seconded by Director Frost and carried on a roll call vote.

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

Director Frost offered a motion to adjourn which was seconded by Director Cavanaugh and carried on a roll call vote.

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

The meeting was adjourned at 10:35 a.m.



Mark E. Doyle
Secretary and President

MED/mjm

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

Approved by the Board
November 5, 2020

REVISED

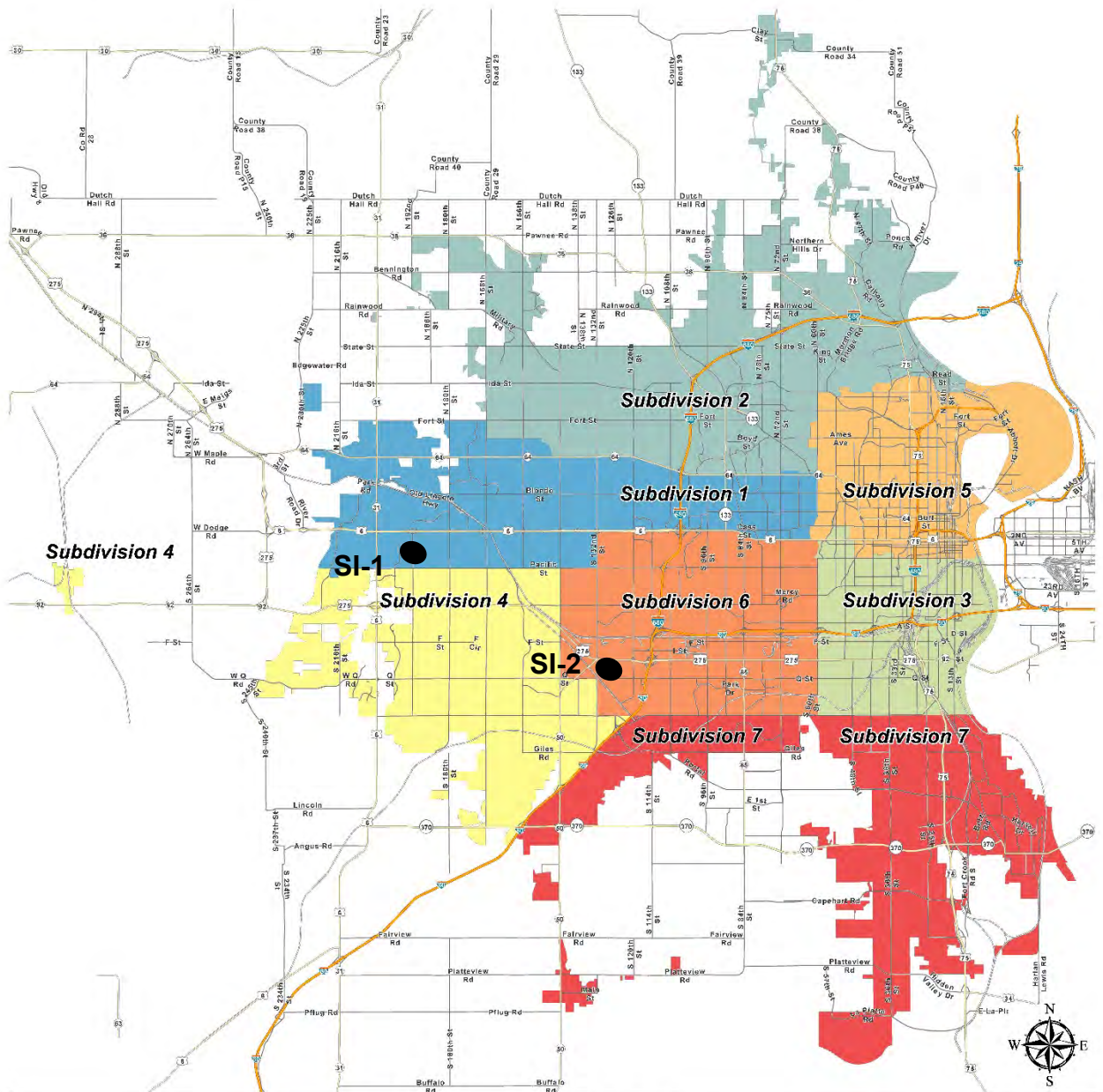
October 28, 2020

Subject: CAPITAL EXPENDITURES

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

From: Dave W. DeBoer, Senior Vice President, Chief Operations Officer

The following items will be on the November 5, 2020 Committee Agenda for consideration and the Board Agenda for ratification:



MUD Subdivision Map

SYSTEM IMPROVEMENTS

1. 100053001432 and 100067001413 - \$752,085 – Install 550 feet of 30-inch water main in 192nd Street, Grey Fawn Plaza and Harney Street. This work is required to eliminate conflicts with proposed grading, paving and storm sewers being done along 192nd Street from north of Grey Fawn Plaza to south of Harney Street for a Douglas County road widening project. This project is anticipated to start in February 2021. This work is reimbursable as the mains were installed in permanent easement. **(Subdivision 1 – Begley)**

2. 100093001307 and 100041000094 - \$224,000 – Install 475 feet of water main in 132nd Street south of Renfro Circle. This work is required to eliminate conflicts with proposed bank stabilization and bridge pier reinforcement being done along the West Papillion Creek for a City of Omaha project. This work is anticipated to start in January 2021. The sections of water main to be abandoned were installed in 1963 and 1979. This work is not reimbursable as the main is in public right-of-way. **(Subdivision 6 – McGowan)**

BUILDINGS, PLANTS AND EQUIPMENT

1. 100097000002 - \$749,360 – Professional services to develop a long-term distribution system master plan. The District's distribution system is a network of over 3,000 miles of mains, water towers, reservoirs and pump stations working together to move water across the city to provide reliable water service and fire protection to approximately 218,000 customers. The metro area's growth and water demands change over time, impacting the operational effectiveness of our large distribution assets. Professional engineering services is requested to develop a long-term distribution system master plan ("plan"). The plan will provide a comprehensive roadmap for major capital improvements necessary to provide water service to a growing distribution system and changing water usage over the next 30 years. The plan will evaluate these impacts to existing major infrastructure to maximize utilization and reduce cost of our major assets. This includes some near-term considerations, including large volume water customers (data centers) along Highway 50 in Sarpy County and continuing metropolitan growth toward the west. Additionally, the plan will analyze capacity and improvements necessary to provide service to Plattsmouth as their water treatment plant was impacted by the March 2019 flood and as they consider the District as a source of water. The plan will analyze the pressure zones to identify potential facility improvements for return on investments, including reduced main breaks and energy savings. The schedule of major capital improvements will include a trigger-based structure allowing flexibility to adapt the schedule as needed. It is requested that the President be allowed to enter into an agreement with HDR Engineering Inc. to provide services required to develop the master plan. HDR has extensive experience with master plan projects for large utilities. Their background with the District's hydraulic model provides unique knowledge and efficiencies for analyzing and developing our plan.

2. 100084001264 - \$610,000 – Propane cavern water pump replacement, 117th and Fort Streets. The existing pump is original to cavern construction in the 1960s. The pump is used almost every day and is important to remove ground water infiltration from the cavern. The pump was last pulled for service in 1990. Based on the existing pump's age and importance, it should be replaced to permit reliable operation of the facility. While the well pump is being replaced, the well casing will also be logged or inspected to ensure reliable operation. WSP USA is the preferred consultant to complete work at the District's propane storage facilities. WSP has many decades of experience in all facets of storage caverns and have designed and built most of the caverns in North America in the last half century. WSP has provided an engineering estimate to procure and provide services to replace the existing cavern water pump. This C&A will authorize the President to enter agreement with WSP USA Inc. to complete the replacement of the cavern water pump. If approved, WSP will procure the replacement pump in the fall of 2020 and replace the pump in the summer of 2021.

3. 100084001231 and 100084001232 - \$946,014 – Security fence replacement to 8-foot chain-link fence with mow strip, Operations and Construction Centers and LNG Production Facility and Propane Air Plant. Due to the age and condition of the District's security fences at the Operations and Construction Centers along with the LNG Production and Propane Air Plants, they are to be replaced and raised from 6 foot to 8 foot chain-link security fences, uniformly matching other sections of fence previously replaced. The Operations and Construction Center will replace 6,265 feet of fencing and the LNG Production and Propane Air Plants will replace 6,315 feet of fencing. The fences will have three strand barbed wire 45-degree outriggers, extending away from our facility (a correction to the current outriggers). Concrete mow strips will now be utilized extending the full length of the fences, providing greater structural stability, ease of maintenance and an extended lifespan. Critical sections of the new fences will also have in place a cable system utilized to protect against and deter motor vehicle breaches. The increase in fence height is per District standards and the enduring effort to further advance the District's security posture regulated by the Cybersecurity and Infrastructure Security Agency (CISA) via the Department of Homeland Security (DHS). Updated fencing will provide the District a greater level of security and protection for personnel, facilities and our assets as we fulfill our goal of safely providing life-sustaining water and gas to our rate payer owners.

4. 10086000733 - \$194,000 - SAP BW/4HANA Runtime Edition Licenses. Information Technology Services is requesting to procure BW/4HANA runtime licenses from SAP to migrate the current BW on HANA environment to BW4Mode. This is required to go-live with the ongoing BW migration project and in preparation for the District's technology plan to implement BPC 11 (Business Planning and Consolidation) solution in 2021. With the ongoing BW migration project, expected to go-live before end of year, the baseline conversion of BW4 compatible objects will be completed and will benefit us in adopting new technological approach to improve Business Analytics and adhoc reporting solutions for the District needs. While this item is not in the 2020 budget, it is included in the 2021 proposed budget. SAP has agreed to terms that allow business benefit in 2020 and financial commitment in 2021.

5. 100088000767 - \$888,000 - Purchase 25 extended cab 4x4 pickups, various departments. The District is seeking approval to purchase 25 half-ton extended cab 4x4 pickups. This purchase is phase one of a multi-year plan to renew the District's pickup fleet. The District has 112 half-ton pickups of which there are more than 50 that exceed Transportation's and industry recommended replacement cycle of 10 years and 120,000 miles. The current average pickup mileage in the fleet is over 90,000 miles. The pickups that will be replaced in this phase range in mileage from 125,000 to 190,000. This request is in the proposed 2021 capital budget. Approval is being requested now to gain three months of order time to minimize additional maintenance costs of the existing trucks and to ensure the new trucks can be placed into service prior to spring 2021 construction season. These pickups will be used by various departments. There are currently no dedicated CNG upfits available.

6. 100088000768 - \$111,000 - Purchase eight 14,000 lb. tandem axle trailers to be utilized with new Kubota R430 tractors, Construction. The District is seeking approval to purchase eight 14,000 lb. tandem axle trailers to be utilized with new Kubota R430 tractors already on order. The trailers will be used by the District's Construction Division 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 for use within the District's fleet. The surplus trailers will be sold at auction with the surplus Kubota tractors.

7. 100087000624 - \$79,100 - Purchase eight small hydraulic breakers and four breaker tops to be utilized with new Kubota R430 tractors, Construction. The District is seeking approval to purchase eight small hydraulic breakers and four breaker tops to be utilized with new Kubota R430 tractors already on order. The breakers will be used by the District's Construction Division to break concrete when performing gas and water repairs. The breaker tops will allow four of the older breakers to be adapted for use on the new machines. The breakers will be replacements for 18-year-old breakers that have reached a point wherein they are no longer economical to maintain for use within the District's fleet.

8. 100088000766 - \$52,500 - Purchase one integrated plastic pipe straightening/rerounding system and trailer combination, Construction. The District is seeking approval to purchase one integrated plastic pipe straightening/rerounding system and trailer combination. This trailer will be used by the District's Construction Division to transport, straighten and install 3-inch and larger plastic pipe. This trailer will be a replacement for a 2001 trailer that has reached a point wherein it is no longer economical to maintain for use within the District's fleet.



Dave W. DeBoer
Senior Vice President, Chief Operations Officer

Approved:



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

October 26, 2020

Subject: ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

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

From: Stephanie L. Henn, Director, Plant Engineering

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. Est. 2 - Cedar Construction, 100055001295, Install water mains in Srp1A, Phase 1, Gold Coast Rd., 147 th to 154 th Sts.	March 5, 2020	\$329,060.00	\$348,670.00	\$68,638.50

Comments: There was a decrease in unit quantities of \$30,890.00 and there was an increase of \$50,500.00 for Change Order No. 1 due to coordination issues including tree removal and replacement, lost time and productivity and extra machinery rental.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
b. Est. 4 - Cedar Construction, 100057000470, 100055001290, 100051001044, Install water mains in Privada, 204 th St. and W. Center Rd.	August 13, 2019	\$1,599,802.00	\$1,602,645.54	\$394,877.47

Comments: There was a decrease in unit quantities of \$32,476.46. There were also increases of \$12,360.00 for Change Order No. 1 (due to changes to the water main installation procedures for poly wrap and shoring requirements) and \$22,960.00 to install the main in frost conditions, to install a concrete vault for deep main installation and for two mobilization charges.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
c. Est. 1 - Cedar Construction, 100055001321, Install water mains in Waterford Crossing, Replat 27, 156 th and Ida Sts.	March 5, 2020	\$105,427.50	\$102,023.00	\$15,406.75

Comments: There was a decrease in unit quantities of \$14,184.50. There were also increases of \$9,800.00 for Change Order No. 1 (to perform a live tap connection to an existing water main) and \$980.00 to remove a section of sidewalk.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
d. Est. 4 - Cedar Construction, 100055001301, Install water mains in Newport Vista, 168 th St. and Bennington Rd.	October 2, 2019	\$715,427.00	\$714,265.00	\$57,011.06

Comments: There was a decrease in unit quantities of \$20,457.00. There were also increases of \$16,795.00 for Change Order No. 1 (due to changes to the water main installation procedures for poly wrap and shoring requirements) and \$2,500.00 for the contractor to remobilize to the site to complete work due to delays in paving.

Contract	Board Approval Date	Amounts		
		*Unit Price Bid	Actual	Final
e. Est. 4 - TAB Construction, 100055001310, Install water mains in Copper Valley, 167 th and Fort Sts.	November 7, 2019	\$131,841.30	\$136,341.30	\$22,078.20

Comments: There was a decrease in unit quantities of \$2,160.25 and a decrease of \$1,431.17 due to a sample tap damaged by the contractor that needed repair. There were also increases of \$6,135.42 for Change Order No. 1 (for additional labor, materials and equipment needed due to the water main being deeper than expected) and \$1,956.00 for removal/replacement of sidewalk and erosion control blanket.

*Based upon Engineering's estimated unit quantities.

Approved:



Cory J. O'Brien
Vice President,
Engineering & Construction



Stephanie L. Henn
Director, Plant Engineering



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

October 22, 2020

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

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

From: Jon A. Zellars, Vice President, Procurement and Enterprise Services

The following items will be on the November 5, 2020 Committee Agenda for consideration and the November 5, 2020 Board Agenda for approval. The recommended bid is bolded and listed first. Nonlocal bidders have been indicated in italics.

WATER/GAS MAIN CONTRACTS

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Relocate 30" Ductile Water Main along South 192 nd Street between Harney and Leavenworth Streets 100053001432 100067001413 R2029 Engineering Estimate: \$623,000.00 (A C&A in the amount of \$752,085.00 will be presented to the Board on November 5, 2020 for approval.)	18/4	Judds Bros. Constr. <i>Roloff Construction</i> <i>Kersten Construction</i> <i>Cedar Construction</i>	\$557,100.00 633,435.00 791,830.92 814,820.00
Cast Iron Water Main Replacement, 132 nd Street, South of Renfro Circle 100093001307 100041000094 R2053 Engineering Estimate: \$160,300.00 (A C&A in the amount of \$224,000.00 will be presented to the Board on November 5, 2020 for approval.)	18/4	M.E. Collins <i>Cedar Construction</i> <i>Valley Corporation</i> <i>Kersten Construction</i>	\$159,988.00 213,120.00 267,693.92 321,665.50

INFORMATION TECHNOLOGY

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Contact Center Upgrade (56-month Subscription)	1/1	<i>Sirius</i>	\$647,500.00

OTHER

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Security Fence Replacement, Operating & Construction Center, LNG Production Facility & Propane Air Plant 100084001231 100084001232 GP2402 (A C&A in the amount of \$946,014.00 will be presented to the Board on November 5, 2020 for approval)	3/1	Elkhorn Fence	\$814,616.00

Eight (8) Small Hydraulic Breakers 100087000624 *Bid rejected, does not meet specifications (A C&A in the amount of \$79,100.00 will be presented to the Board on November 5, 2020 for approval.)	10/4	Murphy Tractor Bobcat of Omaha A-1 Iron Corporation Ditch Witch	\$52,000.00 34,335.00* 42,792.00* 48,320.00*
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Twenty-Five (25) 1/2 ton, SuperCab, 4x4, Pickups 100088000767 *bid rejected, does not meet specifications (A C&A in the amount of \$888,000.00 will be presented to the Board on November 5, 2020 for approval.)	12/4	Sid Dillion Ford Anderson Ford Baxter Ford Gene Steffy Auto	\$723,325.00 731,350.00 737,250.00 688,075.00*
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Eight (8) 14,000 lbs. Tandem Axle Trailer 100088000768 *bid rejected, does not meet specifications (A C&A in the amount of \$111,000.00 will be presented to the Board on November 5, 2020 for approval.)	12/4	DuoLift Mfg. Bobcat of Omaha <i>Northern Truck (Bid 1)</i> Ditch Witch <i>Northern Truck (Bid 2)</i>	\$90,280.00 100,000.00 76,272.00* 90,200.00* 184,632.00*
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ANNUALS

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Ready Mixed Concrete (January 1, 2021 to December 31, 2022)	6/1	Lyman-Richey Corp.	\$216,900.00



Jon Zellars
Vice President, Procurement and Enterprise Services
(402) 504-2478

Approved:



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



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

October 22, 2020

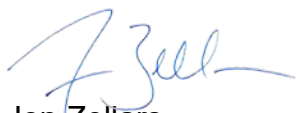
Subject: NOTICE OF PURCHASES BETWEEN \$25,000 - \$50,000

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

From: Jon Zellars, Vice President, Procurement and Enterprise Services

During the month of October, the following items were purchased or contracted for and are being submitted to the Board to be placed on file. The purchase or contract was initiated with the low bidder which is bolded and listed first. Nonlocal bidders have been indicated in italics.

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidder</u>	<u>Amount Bid</u>
One (1) Integrated Plastic Pipe Straightening/Re-rounding System and Trailer Combination 100088000766 (A C&A in the amount of \$52,500.00 will be presented to the Board on November 5, 2020 for approval.)	4/2	Ditch Witch <i>Groebner</i>	\$42,750.00 45,831.52
Automotive and Construction Passenger Tires (November 1, 2020 to October 31, 2021)	8/4	Bauer Built Tire Heartland Tire Pomp's Tire	\$35,406.23 36,435.87 37,652.67



Jon Zellars
Vice President, Procurement and Enterprise Services
(402) 504-2478

Approved:



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



Mark E. Doyle
President

Approved by the Board
November 5, 2020

METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

October 23, 2020

Subject: AUTHORIZATION FOR DECLARATION OF SURPLUS AND SALE OF
PROPERTY – 4105 S 148 STREET ABANDONED WELL HOUSE

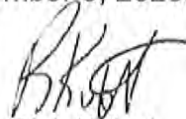
To: Judiciary and Legislative Committee
cc: All Board Members; Messrs. Doyle, DeBoer, Schaffart, Ausdemore,
Mendenhall, and all Vice Presidents

From: Rick Kubat, Government Relations Attorney

Management is requesting the authorization to declare property including a well house located at 4105 South 148 Street in Omaha, Douglas County, Nebraska as surplus property. The well house referred to as R7 has been abandoned, decommissioned and is no longer a functioning part of the District's water distribution system. There is no current nor foreseeable use for the property. Board approval will authorize the District's General Counsel to negotiate or otherwise arrange for the sale of the property in such a manner as he deems appropriate and in the best interest of the District. The property to be sold is described as follows, to wit:

COLONIES REPLAT I -THE- LOT 1 BLOCK 0 70 X 115,
Parcel #082568680008, commonly known as 4105 S 148
Street, Douglas County, Nebraska, consisting of
approximately 0.1847 of an acre, also known as Wellhouse
#R7.

This matter will appear on the agenda at the Judiciary & Legislative Committee meeting and Board of Directors meeting on November 5, 2020.



Rick Kubat
Government Relations Attorney

Approved:



Mark Mendenhall
Senior Vice President, General Counsel



Mark E. Doyle
President

RESOLUTION

WHEREAS, a portion of the real estate owned by the Metropolitan Utilities District of Omaha as part of its water distribution system, generally located at 4105 South 148 Street in Omaha, Douglas County, Nebraska, will not be used for any distribution facilities; and

WHEREAS, the Board of Directors hereby determines that there will not be in the foreseeable future any need for the real estate hereinafter described for any of the operations of the District and finds that it is in the best interests of the District that said real estate be sold; and

WHEREAS, the General Counsel of the District should be authorized and directed to negotiate or otherwise arrange for the sale of the property in such a manner as he deems appropriate and in the best interest of the District. The property to be sold is described as follows, to wit:

COLONIES REPLAT I -THE- LOT 1 BLOCK 0 70 X 115,
Parcel #082568680008, commonly known as 4105 S 148
Street, Douglas County, Nebraska, consisting of
approximately 0.1847 of an acre, also known as Wellhouse
#R7.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that the real estate described above is hereby declared surplus property of the District, and the General Counsel of the District is hereby authorized and directed to negotiate and otherwise arrange for the sale of the property in such a manner as he deems appropriate and in the best interest of the District.

Adopted:

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

October 27, 2020

Subject: PROPOSED 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

Management is seeking Board authority to ratify a purchase agreement for the purchase of 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"). The District and the Sellers, Jensen Properties, LTD and Kenneth and Julia Taylor have entered into a purchase agreement which is attached hereto.

The agreement contemplates Board approval at the next meeting of this Board, which is the November 5, 2020 meeting. The agreement also contemplates that the District will begin due diligence to determine if the Property is appropriate for its needs. The due diligence process is underway. If the District determines the Property is appropriate for its needs, Management will bring a subsequent recommendation to authorize closing on the purchase.

Several years ago, Management identified the need to secure additional land to support a secondary construction center. Management identified the need based on concerns that the existing construction center, located near 61st Ave and Grover Streets, was fully utilized. In addition, Management determined there is a concern, from a continuity of operations perspective, that its fleet of equipment were largely stored in one place. The Property would support an additional construction center yet to be designed thereby decreasing stress on the existing construction center while also securing the District's ability to continue to operate if the existing construction center was compromised.

Over the last 3 months, Management has been in negotiations led by the Law Department with the support of Investors Realty to purchase the Property. The attached agreement reflects a purchase price of \$1,750,000 for the Property. The agreement then provides the District with 90 days to complete due diligence, including boundary and topographic survey work, traffic analysis, environmental analysis and conceptual drawings plus an additional 180 days to secure re-zoning by the City of Omaha.

Management will provide periodic updates over the next 3 months and, if the Property is determined to be appropriate for its needs, another recommendation to authorize expenditure of the funds to close.



Mark Mendenhall
Senior Vice President/General Counsel
402-504-7129

Approved:



Mark Doyle
President
402-504-7187



PURCHASE AND SALE AGREEMENT

(This is a legally binding contract. If not understood, seek legal advice.)

Investors Realty, Inc., Broker

Whereas, the Metropolitan Utilities District of Omaha, a political subdivision of the State of Nebraska ("Buyer") and Jensen Properties LTD, a Nebraska limited partnership and Julia Taylor, a single person, (collectively the "Seller") each desires to enter into this Purchase and Sale Agreement ("Agreement") to respectively buy and sell the property described herein subject to the terms of this Agreement;

Whereas Buyer desires to purchase land to construct a shop and material storage and laydown area, and related uses, to support its mission of providing potable water and natural gas services to its customers within the Omaha, Nebraska metropolitan area and Seller owns that certain real estate described herein and desires to sell said property;

Now therefore, the parties hereto do agree to the following:

1. **Address:** Southeast corner of State Street and Blair High Road, Omaha, NE 68122
2. **Legal Description:** The Legal Description will be determined by survey. The property is comprised of two tax parcels containing approximately 52.61 acres, described below with information from the Douglas County Assessor, together with (i) any improvements; and (ii) any and all rights, titles, powers, privileges, easements, licenses, rights-of-way and interests appurtenant to and which benefit the Property and/or the improvements (the "Property"). The Property is generally depicted on the attached Exhibit "A".

Parcel #	Description:
0141050019	LANDS SEC-TWN-RGE 28-16-12 -EX IRREG S 148.5 E 545.69 FT- NW 1/4 LYING N & E OF RELOCATED HWY 133 & S & W OF ABAND RR 45.02 AC
0141140015	LANDS SEC-TWN-RGE 28-16-12 -EX PT DEED TO DOUGLAS COUNTY WD 1647-261 & PT DEEDED TO STATE- ABANDONED RR RWY N 1/2 NW 1/4 & -EX IRREG E 127.06 FT ABANDONED RR RWY SE 1/4 NW 1/4

3. **Personal Property:** The only personal property included with the sale of the Property is as follows: None.
4. **Conveyance:** Seller represents that it has good, valid and marketable title subject to easements, covenants, and restrictions currently of record, in fee simple, and agrees to convey title to the Property to Buyer or its nominee by special warranty deed subject to easements, covenants and restrictions currently of record, free and clear of all liens and encumbrances or special taxes levied or assessed against the Property. The Property is currently leased to a farm tenant through February 28, 2021. If the Deposit, identified in paragraph 6 below, has become non-refundable on or before February 28, 2021, the Property will be conveyed free and clear of tenants in possession. Otherwise, the Property will be conveyed subject to any lease agreement applicable to the Property to end on February 28, 2022. The sale and purchase of the Property is subject to all applicable building codes and zoning laws, and other governmental laws and regulations.
5. **Assessments:** Intentionally deleted.
6. **Purchase Price:** Buyer agrees to pay One Million Seven Hundred Fifty Thousand and no/100 Dollars (\$1,750,000.00) (the "Purchase Price") at Closing (as defined in section 12) on the following terms: Twenty-Five Thousand and no/100 Dollars (\$25,000.00) (the "Deposit") deposited with Missouri River Title, 11239 Chicago Circle, Omaha, NE 68154 (the "Title/Escrow Agent") within three (3) business days after full execution of this Agreement. The Title/Escrow Agent will provide a receipt to both parties confirming receipt of the Deposit immediately upon receipt of same. The Deposit shall become non-refundable as provided in paragraph 7B, below. Otherwise, in the event of a breach of this Agreement by Buyer, the Seller may, as its sole option, retain the Deposit as liquidated damages as Seller's sole remedy for failure to carry out the terms of this Agreement; it being the agreement of the parties that upon the happening of such event, the Seller may have sustained damages, the exact amount of which would not be easily ascertained and the Deposit is agreed by the parties to be equitable compensation to Seller for the actual loss which

may have been sustained. The Deposit amount shall be credited against the Purchase Price subject to adjustment as set forth herein and the balance of the Purchase Price is to be paid in immediately available funds to the Title/Escrow Agent at Closing.

The Title/Escrow Agent agrees to disburse the Deposit in accordance with this Agreement except as provided in paragraph 7 B below.

7. **Applicable Conditions:** This Agreement is conditioned upon and is ineffective as to the parties unless and until the happening of each of the following events. If each of the same have not occurred within the time stated and to the explicit satisfaction of Buyer, this offer shall be null and void, and any Deposit promptly returned to Buyer by the Title/Escrow Agent.

A. **Contingent on Board Approval:** This Agreement is contingent upon approval of the Buyer's Board of Directors (the "Board") during the Board's regularly scheduled November meeting (the "Board Meeting"). In the event the Buyer does not receive approval of the Board as prescribed above, Buyer shall provide Seller written notice of same within three (3) days of the Board Meeting and this Agreement shall be deemed cancelled, ineffective and without meaning and the Deposit shall be immediately returned to the Buyer.

B. **Due Diligence Period:** Buyer shall have ninety (90) days after the Effective Date, as defined above, (the "Due Diligence Period") to obtain final Potter Street Plans from SID #413, which are the plans for the installation of Potter Street, which plans shall include, but are not limited to construction plans, cost estimates, cost share arrangements between SID #413 and other stakeholders and a schedule (the "Potter Street Plans"), to perform or to have performed a diligent inspection of the Property, acquisition and review of surveys, environmental studies, soils studies and such other studies as Buyer determines necessary for its analysis, and to complete a site layout, building plans, construction cost estimation and to have completed all pre-development meetings and filed a completed application for rezoning of the Property for Buyer's intended uses. Further, during that Due Diligence Period, Buyer shall determine, to Buyer's sole satisfaction, that the Property is suitable for Buyer's intended use, adequate ingress, egress and parking are available for Buyer's purposes, appropriate and necessary utilities are available to the site, and the results of any soils assessments, environmental assessments, ALTA survey and any other tests or assessments reasonably necessary to evaluate the Property are satisfactory. During this Due Diligence Period, Seller shall provide access to the Property to Buyer and Buyer's agents, contractors, inspectors, and representatives. Buyer will promptly repair and restore any damage to the Property caused by such investigations. Buyer will not permit any liens or encumbrances to arise against the Property in connection with their investigation, and shall indemnify, defend and hold Seller harmless against any and all loss, liability, and costs relating to Buyer's (or Buyer's agents, employees, or representatives) entry and investigations of the Property. Seller shall be given copies of and rights to use of all due diligence items, including but not limited to surveys, environmental studies, and soil tests that Buyer procures with respect to the Property.

Buyer may, in its sole discretion, terminate this Agreement at any time prior to the end of the Due Diligence Period for any reason or no reason at all with written notice given to Seller on or before the last day thereof. Upon such termination, Title/Escrow Agent shall immediately release and return the Deposit to Buyer within five (5) business days of written notice of termination. Seller specifically acknowledges and waives any claim for damages as a result of Buyer's termination of this Agreement pursuant to this provision, however, notwithstanding any other provision in this Agreement to the contrary, the indemnity provisions in the last sentence of the immediately preceding paragraph shall survive termination of this Agreement and Closing, as the case may be.

In the event Buyer does not terminate this Agreement on or before the last day of the Due Diligence Period, the Deposit shall become non-refundable, except for Seller's default, and all objections based upon title or inspection items being explored or explorable during the Due Diligence period shall be deemed acceptable and waived, except for the completion of the zoning of the Property according to the application to be filed before the end of the Due Diligence Period.

Further, if Buyer has not received the final Potter Street plans from SID #413 or has not completed the rezoning of the Property for Buyer's intended uses by the end of the Due Diligence Period, Buyer may extend the Due Diligence Period by one-hundred eighty (180) days (the "Zoning Contingency Period") with written notice to Seller during the Due Diligence Period. During the Zoning Contingency Period, Buyer shall diligently pursue rezoning of the Property.

8. **Taxes:** All consolidated real estate taxes which become delinquent in the year in which Closing takes place shall be treated as though all are current taxes, and those taxes shall be prorated as of the Closing Date, and all the prior years' taxes, interest, and other charges, if any, will be paid by Seller.

9. **Rents, Deposit and Leases, If Rented:** Seller is entitled to all rents under farm tenant leases on the Property.

10. **Sanitary and Improvement District (S.I.D.):** Intentionally deleted.

11. **Title:** The date this Agreement becomes fully executed by both Buyer and Seller shall be the effective date (the "Effective Date"). Within ten (10) days after the Effective Date, Buyer shall obtain from Missouri River Title, 11239 Chicago Circle, Omaha, NE 68154 (the "Title Company") and deliver to Seller an A.L.T.A. commitment for a standard owner's policy of title insurance (the "Title Commitment") with respect to the Property issued by the Title Company, together with copies of all documents listed as an exception thereon. Buyer shall notify Seller within twenty (20) days after receipt of any title objections or exceptions and the curative steps requested by Buyer. If Seller is unable or unwilling to take such curative steps within forty-five (45) days thereafter, Buyer may either (i) terminate this Agreement and receive a refund of the Deposit, without offset, in which case neither party will have any further obligation to the other or (ii) waive the title objections and proceed to Closing, subject to the other terms and conditions of this Agreement.

12. **Closing:** Subject to the terms and conditions of this Agreement, Closing shall occur within thirty (30) days of the earlier of (i) the approval of the rezoning or (ii) the end of, the waiver of, or the satisfaction of the Zoning Contingency Period, or the (iii) the mutual agreement of the Buyer and Seller (the "Closing Date"). **Time is of the essence.** The Closing shall occur at a time mutually agreeable to Buyer and Seller on the Closing Date. Such mutual agreement shall be made in writing and communicated to the Title/Escrow Agent. Possession of the Property will be delivered on the Closing Date.

13. **Escrow Closing:** Buyer and Seller acknowledge and understand that Closing will be handled by the Title Company and that the Broker is authorized to transfer any funds it receives from Buyer or Seller pertaining to the Closing to the Title Company. After said transfer, Broker shall have no further responsibility or liability to Buyer or Seller for the accounting for said funds.

14. **Other Costs and Prorations:**

A. **State Documentary Tax:** State Documentary Tax on the deed, if any, shall be paid by the Seller.

B. **Additional Amounts:** All operating costs of the Property shall be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part attributable to periods of time prior to the Closing Date and Buyer pays that part of such costs attributable to periods of time from and after the Closing Date. Any and all utility deposits made by Seller shall be returned to or credited to Seller on the Closing Date. To the extent that amounts to be apportioned under this Section 14(C) cannot be determined precisely on the Closing Date, calculations on the Closing Date will be made upon the basis of reasonable estimates of the amounts in question, and appropriate post-closing cash adjustments will be made between the parties within ten (10) business days after the actual amounts become known, and any payments due from one party to the other in connection therewith will be made promptly. The provisions of this subsection shall survive the Closing.

C. **Attorney's Fees:** Each of the parties will pay its own attorney's fees, except that a party defaulting under this Agreement or any of Seller's Closing Documents or Buyer's Closing Documents will pay the reasonable attorney's fees and court costs incurred by the non-defaulting party to enforce its rights regarding such default.

- D. **Recording Costs:** Seller will pay the cost of recording all documents necessary to place record title in the condition required by this Agreement. Buyer will pay the cost of recording all other documents.
- E. **Title Insurance:** Buyer and Seller will equally share the cost of an owners Title Insurance Policy. Buyer will be responsible for the cost of any endorsements requested by Buyer.
- F. **Escrow Closing Fees:** Escrow closing fees charged by the Title/Escrow Agent shall be equally divided between Buyer and Seller.
15. **Wood Infestation:** Intentionally Deleted.
16. **Smoke Detector:** Intentionally deleted.
17. **Condition of Property:** Seller represents to the best of Seller's knowledge, information and belief ,and without investigation there are no latent defects in the Property. Seller agrees to maintain improvements on the Property, if any, in working condition until delivery of possession.
18. **Environmental:** Except as otherwise disclosed to Buyer in writing, Seller represents to the best of the Seller's knowledge, information and belief, and without investigation, there are no conditions present or existing with respect to the Property which may give rise to or create environmental hazards or liabilities and there are no enforcement actions pending or threatened with respect thereto.
19. **As-Is/Where-Is:** Buyer acknowledges and agrees that Seller is selling and conveying to Buyer, and Buyer is accepting, the Property "AS IS, WHERE IS, WITH ALL FAULTS", except as provided in Section 17 of this Agreement and except as may be expressly provided in any document executed by Seller and delivered to Buyer at Closing. Except as expressly set forth in this Agreement, Buyer acknowledges that it has not relied and will not rely on, and Seller has not made and is not liable for or bound by, any express or implied warranties, representations or information pertaining to the Property furnished by Seller or any agent representing or purporting to represent Seller. Buyer represents that it is a knowledgeable, experienced and sophisticated purchaser of real estate and that, except as expressly set forth in this Agreement, it is relying solely on its own expertise and that of its representatives in purchasing the Property. Buyer further acknowledges that it will conduct such investigations and inspections of the Property as Buyer deems necessary and shall rely exclusively on the same.
20. **Agency:** The REALTOR(S) involved in this transaction are:
Tim Kerrigan, CCIM, SIOR, and JP Raynor, J.D., CCIM, SIOR, both of Investors Realty, Inc. are acting as limited agents for Buyer.
Brian Kuehl, and RJ Neary, CCIM, SIOR, CRE both of Investors Realty, Inc. are acting as limited agents for Seller.
21. **Broker Compensation:** Buyer and Seller acknowledge that Investors Realty, Inc. is being paid a fee by Seller pursuant to Seller's separate agreement with Investors Realty, Inc. Seller and Buyer represent to the other that, except as specifically set forth herein, no other agent, broker, finder, representative or other person or entity acting pursuant to authority of either of the parties will be entitled to any commission or finder's fee in connection with the transaction contemplated under this Agreement. In the event that any other broker, agent or finder perfects a claim for a commission, broker or finder's fee, the party responsible for the contact or communication on which the broker, agent or finder who perfected such claim shall indemnify, save harmless and defend the other party from said claim and all costs and expenses (including reasonable attorneys' fees) incurred by the other party in defending against the same and any commission, fee or compensation payable to the other broker, agent or finder with respect thereto.
22. **Offer Expiration:** This offer to purchase is subject to acceptance by Seller on or before October , 2020.
23. **Notice:** Any notice, or other communication which may or shall be given or served by Seller to or on Buyer, or by Buyer to or on Seller, shall be deemed to have been given or served on the date the same is deposited in the United States Mail, registered or certified, return receipt requested, postage prepaid or given to a nationally recognized

overnight courier service for next business day delivery and addressed as set forth below. The addresses set forth below may be changed at any time by the parties by notice given in the manner provided above.

If to Seller: Jensen Properties, LTD.
Attn: Julia Taylor
1613 Baldwin Cir
Council Bluffs, IA 51503

With a Copy to: Investors Realty, Inc.
Attn: Brian Kuehl and RJ Neary
12500 I Street Ste 160
Omaha, NE 68137
bkuehl@investorsomaha.com (e-mail is for convenience only, not for formal notice)
rjneary@investorsomaha.com (e-mail is for convenience only, not for formal notice)

If to Buyer: Metropolitan Utilities District
Attn: Mark Mendenhall, General Counsel
1723 Harney Street
Omaha, NE 68102
mark_mendenhall@mudnebr.com (e-mail is for convenience only, not for formal notice)

With a Copy to: Investors Realty, Inc.
Attn: Tim Kerrigan and JP Raynor
12500 I Street Ste 160
Omaha, ME 68137
tkerrigan@investorsomaha.com (e-mail is for convenience only, not for formal notice)
jpraynor@investorsomaha.com (e-mail is for convenience only, not for formal notice)

24. **Enforceability:** If any provision of this Agreement is held to be illegal, invalid or unenforceable, such provision shall be fully severable. This Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof.

25. **Counterparts:** This Agreement may be executed in multiple counterparts, including but not limited to facsimile and electronic mail transmittal, and each shall be deemed to constitute an original for all purposes.

26. **Entire Agreement:** This Agreement contains the entire agreement between Seller and Buyer, and there are no other terms, conditions, promises, undertakings, statements or representations, either written or oral or express or implied, concerning the sale contemplated by this Agreement. This Agreement shall supersede any and all prior communications or agreements between the parties.

27. **Governing Law; Jurisdiction/Venue:** This Agreement shall be construed in accordance with the laws of the State of Nebraska.

28. **Authority/Representation/Warranty:**

A. Buyer is duly and legally authorized to enter into this Agreement and Buyer's representative executing this Agreement is authorized to act on behalf of and bind Buyer to the terms of this Agreement.

B. Seller is duly and legally authorized to enter into this Agreement and Seller's representative executing this Agreement is authorized to act on behalf of and bind Seller to the terms of this Agreement.

29. **Insurance:** Any risk of loss to the Property shall be borne by the Seller until title has been conveyed to the Buyer. In the event, prior to Closing, any structure on the Property is materially damaged by fire, explosion or any other cause, Buyer shall have the right to rescind this Agreement, and Seller shall then refund the Deposit to Buyer. Buyer agrees to provide its own hazard insurance.

30. **Changes in Condition of Property:** There shall not have occurred prior to Closing, without Buyer's prior written consent (i) any change to title or survey matters previously reviewed, or (ii) any material changes to the condition of the Property or its occupancy or operations except as may be expressly provided for in this Agreement, including, without limitation any change of zoning or potential or threatened change of zoning of the Property, the commencement or potential commencement of a condemnation action affecting the Property or any violation of any law, regulation rule or ordinance relating to the Property or physical defects of the Property not known by Buyer prior to the Closing Date, and (iii) the discovery of Hazardous Substances in, under or on the Property.

31. **Assignment of the Purchase Agreement:** The Buyer shall have the privilege of assigning this Agreement to any person, partnership, corporation, L.L.C. or L.L.P which is affiliated with or controlled by Buyer. prior to Closing, however, no such assignment or transfer shall release the Buyer signing this Agreement from primary liability for timely performance of all of Buyer's obligations under this Agreement. Buyer shall deliver to Seller an executed copy of any such assignment in which event the Seller shall close the transaction with the Assignee of the Buyer.


32. **Documentation:** Within five (5) days after the Effective Date hereof, Seller shall deliver to Buyer copies of the following documents (the "Diligence Documents"), if in Seller's possession or control.

- A. Seller is aware of no surveys of the Property in Seller's possession or control;
- B. environmental surveys, studies, and notices;
- C. any notices from governmental agencies received within the past two (2) years regarding zoning, eminent domain, life safety or traffic.
- D.

Approved as to Form:



Buyer: Metropolitan Utilities District, a political subdivision of the State of Nebraska

By: 

Print Name: Mark E. Doyle

Its: President

Date: September 17, 2020

Seller: Jensen Properties, LTD., a Nebraska limited partnership

By: 
Julia E. Taylor (Oct 9, 2020 10:28 CDT)

Print Name: Julia E. Taylor

Its: General Partner

Date: October 9, 2020

Seller: Julia E. Taylor, a single person


Julia E. Taylor (Oct 9, 2020 10:28 CDT)

Date: October 9, 2020

Exhibit "A" – The Property is comprised of 2 tax parcels and is outlined below




MUD Purchase Agreement for State and Blair High Road final signed by buyer 2020_10_08


Final Audit Report


2020-10-09


Created:	2020-10-09
By:	Charlene Etheridge (cetheridge@investorsomaha.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAPB0np9auyC30IO3PqJQmNxGEfGQyMAi


"MUD Purchase Agreement for State and Blair High Road final signed by buyer 2020_10_08" History

 Document created by Charlene Etheridge (cetheridge@investorsomaha.com)
2020-10-09 - 3:07:27 PM GMT- IP address: 64.253.164.162

 Document emailed to Julia E. Taylor (jtaylor220@cox.net) for signature
2020-10-09 - 3:08:15 PM GMT

 Email viewed by Julia E. Taylor (jtaylor220@cox.net)
2020-10-09 - 3:17:43 PM GMT- IP address: 24.252.54.200

 Document e-signed by Julia E. Taylor (jtaylor220@cox.net)
Signature Date: 2020-10-09 - 3:28:16 PM GMT - Time Source: server- IP address: 24.252.54.200

 Agreement completed.
2020-10-09 - 3:28:16 PM GMT

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

Approved by the Board
November 5, 2020

October 22, 2020

Subject: Wage and/or Salary Increases and Ratifications, November 2020 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, DeBoer, Mendenhall and Schaffart

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: **Allen Gansemer**
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: August 28, 2006

Employee: **Alan Grashorn**
Current position (department): Geographic Information System Tech I (Infrastructure Integrity)
New position (department): Geographic Information System Tech II (Infrastructure Integrity)
Current rate; step/grade: \$27.35; Step 4
Proposed rate; step/grade: \$30.16; Step 2
Percent of increase: 10.27%
District hire date: February 5, 2018

Employee: **Julie Fuehring**
Current position (department): Customer Account Clerk IV (Customer Accounting)
New position (department): Customer Account Clerk V (Customer Accounting)
Current rate; step/grade: \$31.25; Step 4
Proposed rate; step/grade: \$34.22; Step 4
Percent of increase: 9.50%
District hire date: June 6, 2011

Employee: **Chad Koehler**
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: January 2, 2002

Employee: **Shane Moultroupe**
Current position (department): Meter Mechanic (Meter Services)
New position (department): Industrial Gas Meter Technician (Meter Services)
Current rate; step/grade: \$27.52; Entry
Proposed rate; step/grade: \$31.65; Entry
Percent of increase: 15.01%
District hire date: July 29, 2019

Employee: **Chad Warriner**
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: January 6, 2003

Employee: **Jeremy Welker**
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Plant Maintenance Person I (Florence)
Current rate; step/grade: \$26.51; Step 3
Proposed rate; step/grade: \$29.21; Step 2
Percent of increase: 10.18%
District hire date: November 26, 2018

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: Matthew Guinn
Current position (department): Water Maintenance Trainee (Water Distribution)
New position (department): Water Maintenance Worker (Water Distribution)
Current rate; step/grade: \$28.03; Step 4
Proposed rate; step/grade: \$29.68; Step 2
Percent of increase: 5.89%
District hire date: October 1, 2018

Employee: Jaylan Newsome
Current position (department): Water Maintenance Trainee (Water Distribution)
New position (department): Water Maintenance Worker (Water Distribution)
Current rate; step/grade: \$28.03; Step 4
Proposed rate; step/grade: \$29.68; Step 2
Percent of increase: 5.89%
District hire date: October 1, 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.

Employee: David Bellairs
Current position (department): Director, Energy Acquisitions (Gas Operations)
New position (department): Director, Energy Acquisitions (Gas Operations)
Current rate; step/grade: \$134,926; SPA – 08
Proposed rate; step/grade: \$141,672; SPA – 09 (Job Re-Evaluation)
Percent of increase: 5.00%
District hire date: September 4, 2001

Employee: Charan Enugula
Current position (department): ERP Technical/Functional Analyst II (Information Technology)
New position (department): Senior ERP Technical/Functional Analyst (Information Technology)
Current rate; step/grade: \$106,035; SPA – 05
Proposed rate; step/grade: \$111,337; SPA – 06
Percent of increase: 5.00%
District hire date: May 1, 2015

Employee: **Stephanie Lemonds**
Current position (department): Procedure & Financial Planning Analyst (Accounting)
New position (department): Manager, Financial Planning & Analysis (Accounting)
Current rate; step/grade: \$97,826; SPA – 04
Proposed rate; step/grade: \$102,718; SPA – 07
Percent of increase: 5.00%
District hire date: May 22, 2017

Employee: **Megan Murray**
Current position (department): Supervisor, Credit Services (Corporate Communications & Customer Success)
New position (department): Manager, Customer Experience (Corporate Communications & Customer Success)
Current rate; step/grade: \$97,826; SPA – 04
Proposed rate; step/grade: \$102,717; SPA – 05
Percent of increase: 5.00%
District hire date: September 30, 2002

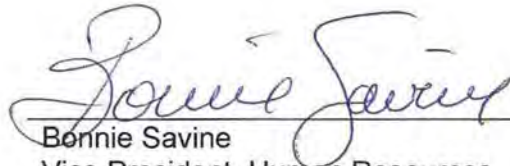
Employee: **Roger Sawyer**
Current position (department): System Administrator II (Information Technology)
New position (department): Senior System Administrator (Information Technology)
Current rate; step/grade: \$97,826; SPA – 04
Proposed rate; step/grade: \$102,718; SPA – 05
Percent of increase: 5.00%
District hire date: May 27, 2008

Employee: **John Sutton**
Current position (department): Buyer (Purchasing)
New position (department): Manager, Stores (Stores)
Current rate; step/grade: \$90,132; SPA – 03
Proposed rate; step/grade: \$94,639; SPA – 06
Percent of increase: 5.00%
District hire date: April 7, 1986

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.

There are no New Hire Ratifications for this month



Bonnie Savine
Vice President, Human Resources



Mark A. Mendenhall
Senior Vice President, General Counsel



Mark E. Doyle
President

2021 Budget Working Draft

Personnel
Capital Projects

November 2020



Personnel

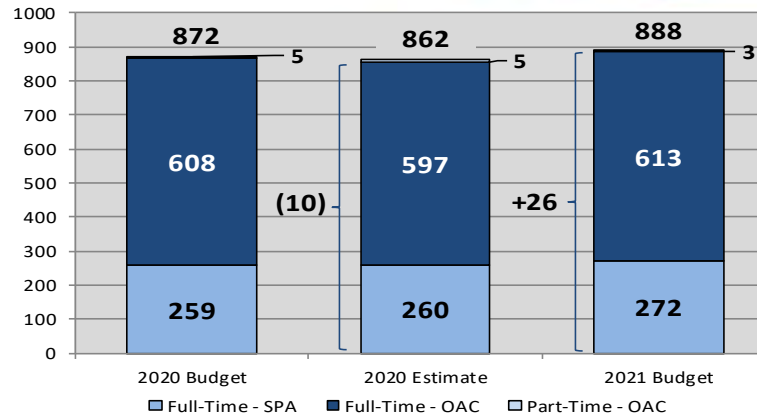


2021 Personnel Budget

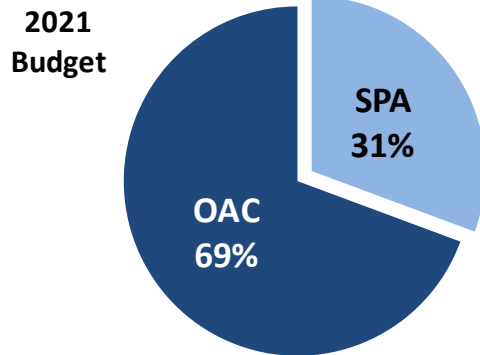
(Water & Gas Combined)

As of December 31

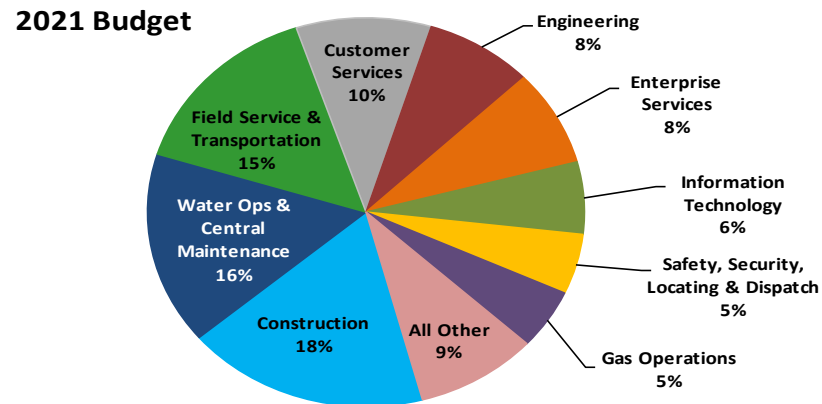
	2020 Budget	2020 Estimate	2021 Budget
Full-Time - SPA	259	260	272
Full-Time - OAC	608	597	613
Total Full-Time	867	857	885
Part-Time - OAC	5	5	3
Total Employees	872	862	888



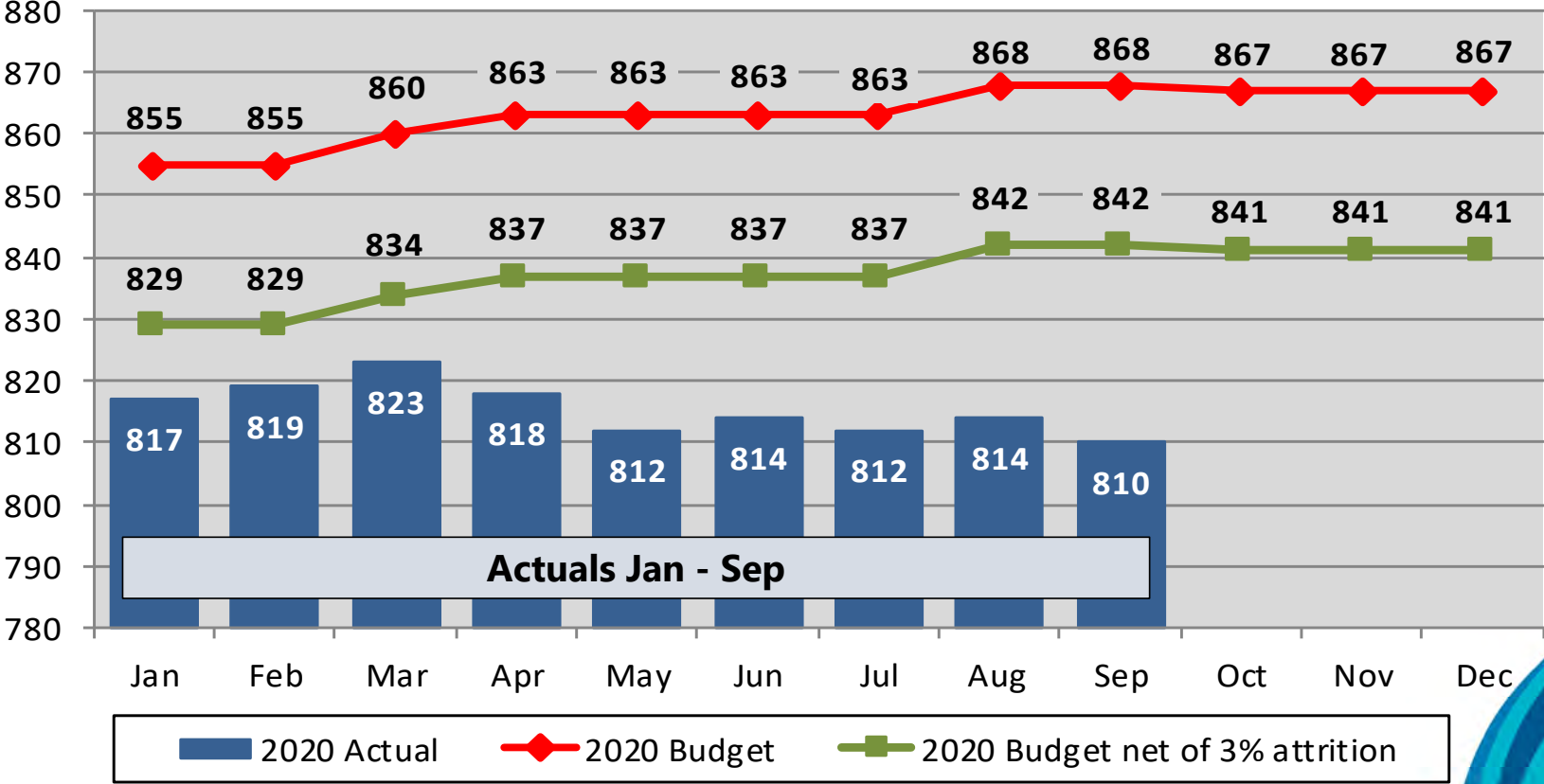
Employees by Type



Headcount by Department



Full-Time Employees Monthly Trend



Travel & Memberships Summary



Travel & Memberships Summary

2021 Budget

<u>TRAVEL</u>	<u>2020 Budget</u>	<u>2021 Budget</u>	<u>Increase (Decrease)</u>
TOTAL AS SUBMITTED	\$ 321,430	\$ 309,150	\$ (12,280)
Budget Adjustment	(90,155)	(96,800)	(6,645)
TOTAL TRAVEL	\$ 231,275	\$ 212,350	\$ (18,925)

	<u>2020 Budget</u>	<u>2021 Budget</u>	<u>Increase (Decrease)</u>
<u>MEMBERSHIPS - Funded by MUD</u>			
Individual Memberships	\$ 40,698	\$ 53,672	\$ 12,974
Company-wide Memberships	\$ 143,450	\$ 144,550	\$ 1,100
TOTAL MEMBERSHIPS - Funded by MUD	\$ 184,148	\$ 198,222	\$ 14,074

MEMBERSHIPS - Funded by NNG Marketing Incentive Fund

TOTAL MEMBERSHIPS - Funded by NNG	\$ 183,373	\$ 207,228	\$ 23,855
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Capital Expenditures Water Department



Water Department Plant Additions and Replacements

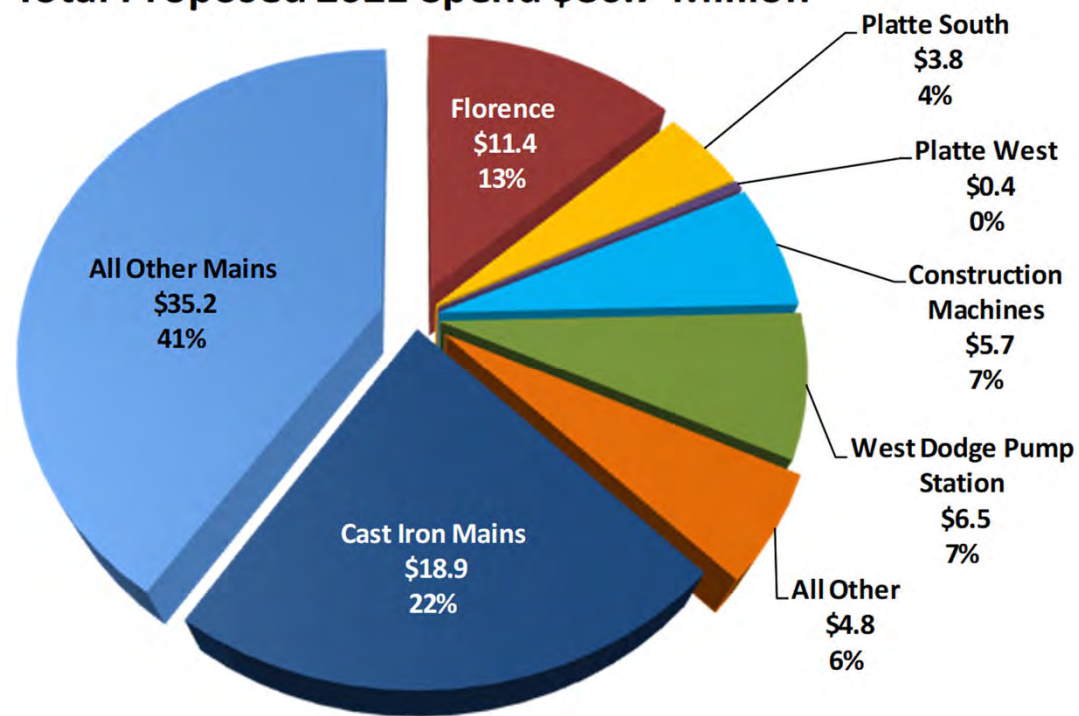
(\$ in Millions)

LINE NO	DESCRIPTION	2020 BUDGET	2020 ACT/EST	2021 BUDGET	VARIANCES	
					2020 ACT/EST VS.	2021 BUDGET VS.
					2020 BUDGET	2020 BUDGET
<u>Mains</u>						
1	Water Construction Mains (WCM)	\$ 2.9	\$ 2.1	\$ 5.9	\$ (0.8)	\$ 3.0
2	Water Cast Iron Main Replacement (WCI)	19.5	17.7	18.9	(1.8)	(0.6)
3	Water Construction Relocation Mains (WCR)	4.0	5.0	3.4	1.0	(0.6)
4	* Water Construction Contract Mains (WCC)	9.5	12.9	12.5	3.4	3.0
5	* Water Construction Developer Mains (WCD)	0.4	1.0	0.5	0.6	0.1
6	* Water Construction Pioneer Main (WCP)	8.4	14.8	12.9	6.4	4.5
7	Water Main District (WMD)	0.2	-	-	(0.2)	(0.2)
	Total Mains	44.9	53.4	54.1	8.5	9.2
<u>Other Distribution System Property</u>						
8	Replacement of Obsolete/Broken Hydrants	0.3	0.2	0.3	(0.1)	-
9	Replacement of Obsolete/Broken Valves	0.4	0.5	0.5	0.1	0.1
	Total Other Distribution System Property	0.7	0.8	0.8	0.1	0.1
<u>Buildings, Land and Equipment</u>						
10	Buildings, Land and Equipment Platte West	0.9	0.3	0.4	(0.6)	(0.5)
11	Buildings, Land and Equipment Florence	16.7	16.5	11.4	(0.2)	(5.3)
12	Buildings, Land and Equipment Platte South	3.8	1.2	3.8	(2.6)	-
13	Buildings, Land and Equipment - Other	0.5	1.5	8.4	1.0	7.9
14	Repumping	0.8	0.3	1.4	(0.5)	0.6
15	Construction Machines	3.0	1.4	5.7	(1.6)	2.7
16	Furniture, Equipment and Miscellaneous	1.2	0.4	0.8	(0.8)	(0.4)
	Total Building, Land and Equipment	26.9	21.6	31.9	(5.3)	5.0
17	Salvage Credits on Construction Machines	(0.1)	(0.1)	(0.1)	-	-
	Total Plant Additions and Replacements	\$ 72.4	\$ 75.6	\$ 86.7	\$ 3.2	\$ 14.3
	Funds received on Reimbursable Projects above *	\$ 16.4	\$ 18.5	\$ 17.7	\$ 2.1	\$ 1.3

* Components of certain main types are paid for by customers/developers.

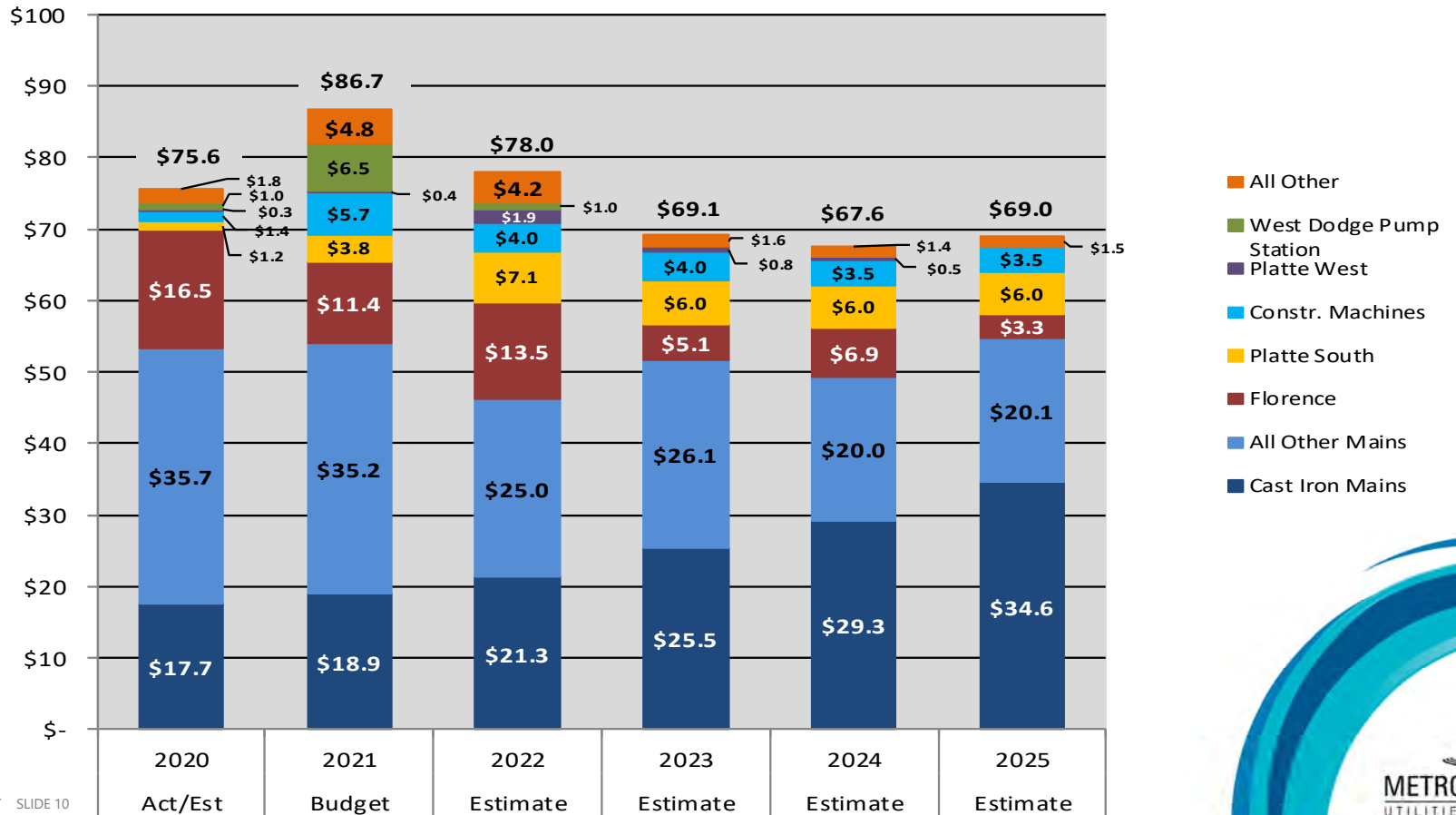
Water Department Plant Additions and Replacements by Type

Total Proposed 2021 Spend \$86.7 Million



Water Department Five Year Projection of Plant Additions and Replacements

(\$ in Millions)



Capital Expenditures Gas Department



Gas Department Plant Additions and Replacements

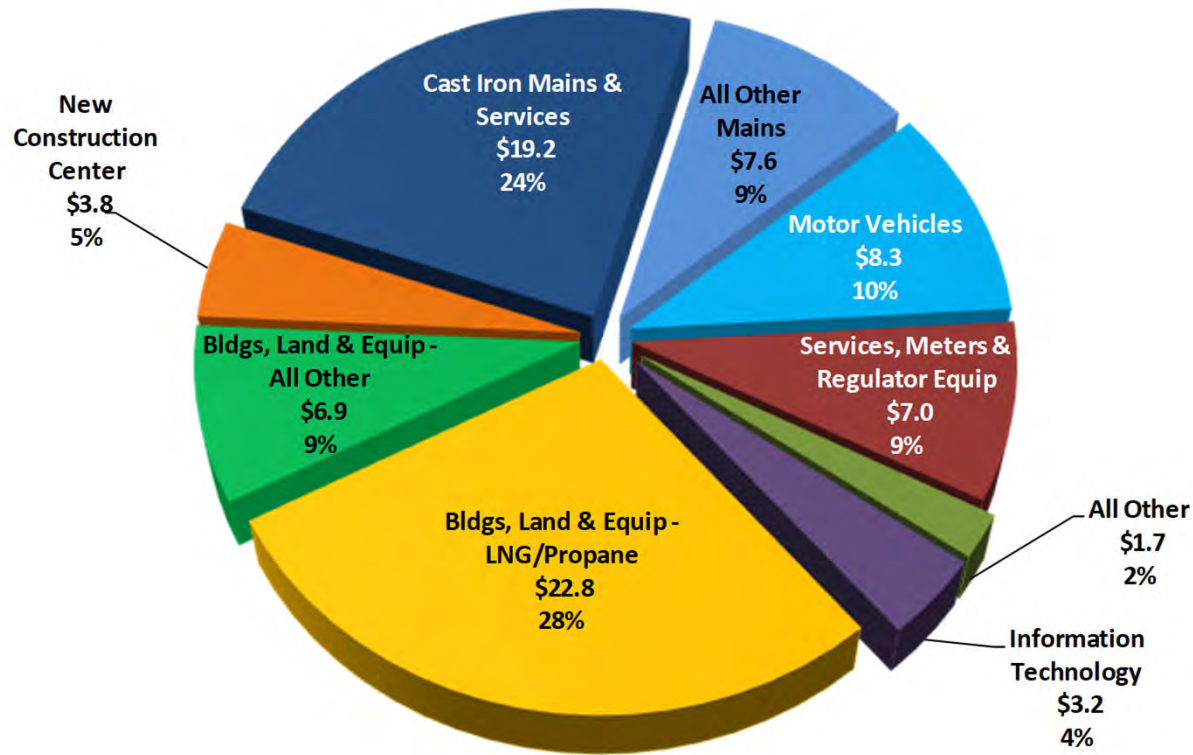
(\$ in Millions)

LINE NO	DESCRIPTION	2020 BUDGET	2020 ACT/EST	2021 BUDGET	VARIANCES	
					2020 ACT/EST VS. 2020 BUDGET	2021 BUDGET VS. 2020 BUDGET
<u>Mains</u>						
1	Gas Construction Mains (GCM)	\$ 1.5	\$ 0.5	\$ 1.8	\$ (1.0)	\$ 0.3
2	Gas Cast Iron Main Replacement (GCI)	10.5	10.8	10.5	0.3	-
3	Gas Construction Relocation Mains (GCR)	2.5	4.0	2.8	1.5	0.3
4	Gas Revenue Mains (GRM)	3.3	2.2	3.0	(1.1)	(0.3)
	Total Mains	17.8	17.5	18.1	(0.3)	0.3
5	Replacement of Small Gas Valves	0.1	0.1	0.1	-	-
<u>Other Distribution System Property</u>						
6	Metering Equipment	1.9	2.0	1.7	0.1	(0.2)
7	New Services	2.6	2.6	2.8	(0.0)	0.1
8	Leaking Service Replacement	2.1	2.0	2.1	(0.0)	0.1
9	GIR Service Replacements (MUD)	4.6	4.9	4.8	0.3	0.2
10	GIR Service Replacements (Contracted)	3.5	4.5	3.9	1.0	0.4
11	Regulator Stations Infrastructure	0.1	-	0.1	(0.1)	0.0
12	Regulator Stations & Equipment	0.2	0.1	0.3	(0.1)	0.1
	Total Other Distribution System Property	15.0	16.1	15.6	1.1	0.6
<u>Buildings, Land and Equipment</u>						
13	* Buildings, Land and Equipment - LNG/Propane	3.3	0.4	22.8	(2.9)	19.5
14	Buildings, Land and Equipment - All Other	7.8	11.7	10.7	3.9	2.9
15	Information Technology Equipment	4.2	2.7	3.2	(1.5)	(1.0)
16	Motor Vehicles	6.2	1.5	8.3	(4.7)	2.1
17	Furniture, Equipment and Miscellaneous	7.6	0.4	1.3	(7.2)	(6.3)
	Total Buildings, Land and Equipment	29.1	16.7	46.3	(12.4)	17.3
<u>Major System Retirements</u>						
18	Service Piping Abandonments	0.5	0.4	0.5	(0.1)	-
19	Salvage Credits on Motor Vehicles	(0.1)	(0.1)	(0.1)	-	-
	Total Plant Additions and Replacements	\$ 62.4	\$ 50.7	\$ 80.5	\$ (11.7)	\$ 18.2
	Gas Cost Adjustment recovered in Projects above *	\$ 3.1	\$ 0.4	\$ 22.8	\$ (2.7)	\$ 19.7

* The cost of certain projects is recovered via the Gas Cost Adjustment component of rates.

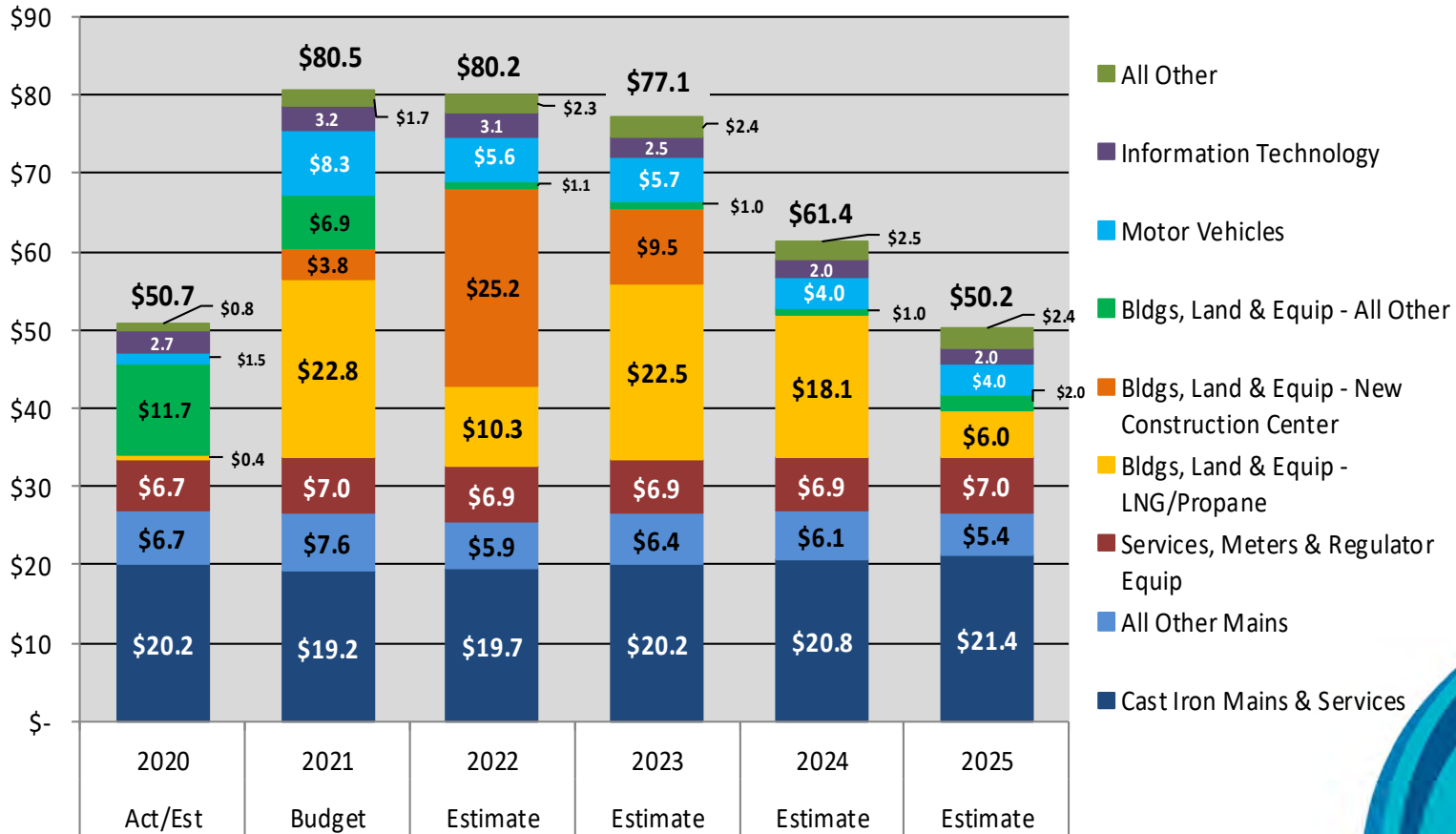
Gas Department Plant Additions and Replacements by Type

Total Proposed 2021 Spend \$80.5 Million



Gas Department Five Year Projection of Plant Additions and Replacements

(\$ in Millions)



Thank You



2021 Budget Working Draft

Appendix



Personnel



Number of Employees

2020 Budget vs. 2020 Estimate

(as of December 31)

Department	2020 Budget			2020 Estimate			Increase / (Decrease)		
	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total
President's Office	6	-	6	6	-	6	-	-	-
Legal	9	-	9	9	-	9	-	-	-
Human Resources	11	-	11	11	-	11	-	-	-
Enterprise Services*	71	-	71	66	-	66	(5)	-	(5)
Accounting & Rates	19	-	19	19	-	19	-	-	-
Safety, Security, Locating & Dispatch	43	-	43	41	-	41	(2)	-	(2)
Field Service Operations & Transportation	131	1	132	136	-	136	5	(1)	4
Gas Operations	39	1	40	39	1	40	-	-	-
Water Operations & Central Maintenance	136	2	138	135	2	137	(1)	-	(1)
Infrastructure Integrity**	13	-	13	13	-	13	-	-	-
Marketing	12	-	12	12	-	12	-	-	-
Corporate Communications	9	-	9	9	-	9	-	-	-
Engineering**	70	-	70	68	1	69	(2)	1	(1)
Construction	158	-	158	154	-	154	(4)	-	(4)
Information Technology	51	-	51	52	-	52	1	-	1
Customer Services	89	1	90	87	1	88	(2)	-	(2)
TOTAL	867	5	872	857	5	862	(10)	-	(10)

(5) Enterprise Services – (1) VP, Enterprise Services; Meter Services: (4) Meter Mechanic; (1) Industrial Water Meter Mechanic; (1) Meter Reader-Reread

(2) Safety, Security, Locating & Dispatch – (1) Security Technician; (1) Administrative Clerk

+4 Field Service Operations & Transportation – +4 Customer Service Techs; +1 Transportation Specialist; (1) Part-Time Admin Clerk

(1) Water Operations – +1 Chemist, Water Quality; (1) Valve Maintenance Mechanic, Water Distribution; (1) Administrative Clerk, Water Distribution

(1) Engineering – (1) Field Engineer (Plant Engineering); Sr. Engineering Technician-Design from Full-Time (1) to Part-Time +1

(4) Construction – (2) Machine Operators; (1) Chief Welder; (1) Group Leader

+1 Information Technology – +1 Software Developer

(2) Customer Services – (2) Customer Account Clerks; (1) Customer Service Clerk; +1 Administrative Clerk

Number of Employees

September 2020 Actual vs. December 2020 Estimate

(as of last day of the month)

Department	September 2020 Actual			December 2020 Estimate			Increase / (Decrease)		
	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total
President's Office	5	-	5	6	-	6	1	-	1
Legal	9	-	9	9	-	9	-	-	-
Human Resources	10	-	10	11	-	11	1	-	1
Enterprise Services*	60	-	60	66	-	66	6	-	6
Accounting & Rates	18	-	18	19	-	19	1	-	1
Safety, Security, Locating & Dispatch	38	-	38	41	-	41	3	-	3
Field Service Operations & Transportation	127	-	127	136	-	136	9	-	9
Gas Operations	40	1	41	39	1	40	(1)	-	(1)
Water Operations & Central Maintenance	129	2	131	135	2	137	6	-	6
Infrastructure Integrity	12	-	12	13	-	13	1	-	1
Marketing	11	-	11	12	-	12	1	-	1
Corporate Communications	9	-	9	9	-	9	-	-	-
Engineering	65	-	65	68	1	69	3	1	4
Construction	146	-	146	154	-	154	8	-	8
Information Technology	49	-	49	52	-	52	3	-	3
Customer Services	82	1	83	87	1	88	5	-	5
TOTAL	810	4	814	857	5	862	47	1	48

- +1 President's Office** – +1 SVP, Chief Information Officer
- +1 Human Resources** – +1 Manager, Employment
- +6 Enterprise Services** – +1 Director, Facilities Management; +2 Building Engineers; +1 Manager, Stores; +1 Stores Material Handler; +1 Administrative Clerk, Meter Services
- +1 Accounting & Rates** – +1 Manager, Financial Planning & Analysis
- +3 Safety, Security, Locating & Dispatch** – +1 Foreman, Quality Assurance Utility Locating; +1 Sr. Utility Locator; +1 Administrative Clerk
- +9 Field Service Operations & Transportation** – +5 Sr. Customer Service Technicians; +1 Customer Service Technician; +1 Sr. Mechanic; +1 Apprentice Mechanic; +1 Stores Clerk
- (1) Gas Operations** – (1) Gas Plant Operator
- +6 Water Operations** – +1 Asst. Director, Florence; +1 Plant Maintenance Person, Florence; +1 Water Plant Engineer, Platte South; +1 Water Plant Maintenance Mechanic, Platte West; +1 Maintenance Mechanic Trainee, Central Maintenance; +1 Water Maintenance Work, Water Distribution
- +1 Infrastructure Integrity** – +1 Director, Infrastructure Integrity
- +1 Marketing** – +1 Utilization Engineer
- +4 Engineering** – +1 Asst. Director, Construction; +3 CAD Technicians; Sr. Engineering Technician-Design from Full-Time (1) to Part-Time +1
- +8 Construction** – +8 Utility Workers; +3 Group Leaders; +1 Large Boring Machine Operator; (1) Chief Welder; (1) Crew Leader; (3) Pipe Layer-Welders
- +3 Information Technology** – +1 Basis Administrator; +1 Sr. Programmer/Analyst; +1 Sr. Software Developer
- +5 Customer Services** – +3 Customer Service Clerks; +1 Sr. Training Specialist; +1 Customer Account Clerk



Number of Employees

2020 Budget vs. 2021 Budget

(as of December 31)

Department	2020 Budget			2021 Budget			Increase / (Decrease)		
	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total
President's Office	6	-	6	7	-	7	1	-	1
Legal	9	-	9	9	-	9	-	-	-
Human Resources	11	-	11	11	-	11	-	-	-
Enterprise Services*	71	-	71	68	-	68	(3)	-	(3)
Accounting & Rates	19	-	19	19	-	19	-	-	-
Safety, Security, Locating & Dispatch	43	-	43	46	-	46	3	-	3
Field Service Operations & Transportation	131	1	132	134	-	134	3	(1)	2
Gas Operations	39	1	40	40	-	40	1	(1)	-
Water Operations & Central Maintenance	136	2	138	140	2	142	4	-	4
Infrastructure Integrity**	13	-	13	13	-	13	-	-	-
Marketing	12	-	12	12	-	12	-	-	-
Corporate Communications	9	-	9	9	-	9	-	-	-
Engineering**	70	-	70	74	-	74	4	-	4
Construction	158	-	158	158	-	158	-	-	-
Information Technology	51	-	51	55	-	55	4	-	4
Customer Services	89	1	90	90	1	91	1	-	1
TOTAL	867	5	872	885	3	888	18	(2)	16

+1 President's Office – +1 Director, Inclusion

(3) Enterprise Services – (4) Meter Readers; (2) Administrative Clerk transfers to Field Service and Customer Service; (1) Industrial Water Meter Mechanic; +1 VP, Enterprise Services; +1 Senior Buyer, Purchasing; +1 Material Handler Trainee, Stores

+3 Safety, Security, Locating & Dispatch – +1 Sr. Utility Locator; +2 Utility Locators

+2 Field Service Operations & Transportation – +1 Director, Transportation; +1 Transportation Specialist; +1 Administrative Clerk from Meter Services; (1) Part-Time Administrative Clerk

-0- Gas Operations – Administrative Clerk from Part-Time to Full-Time

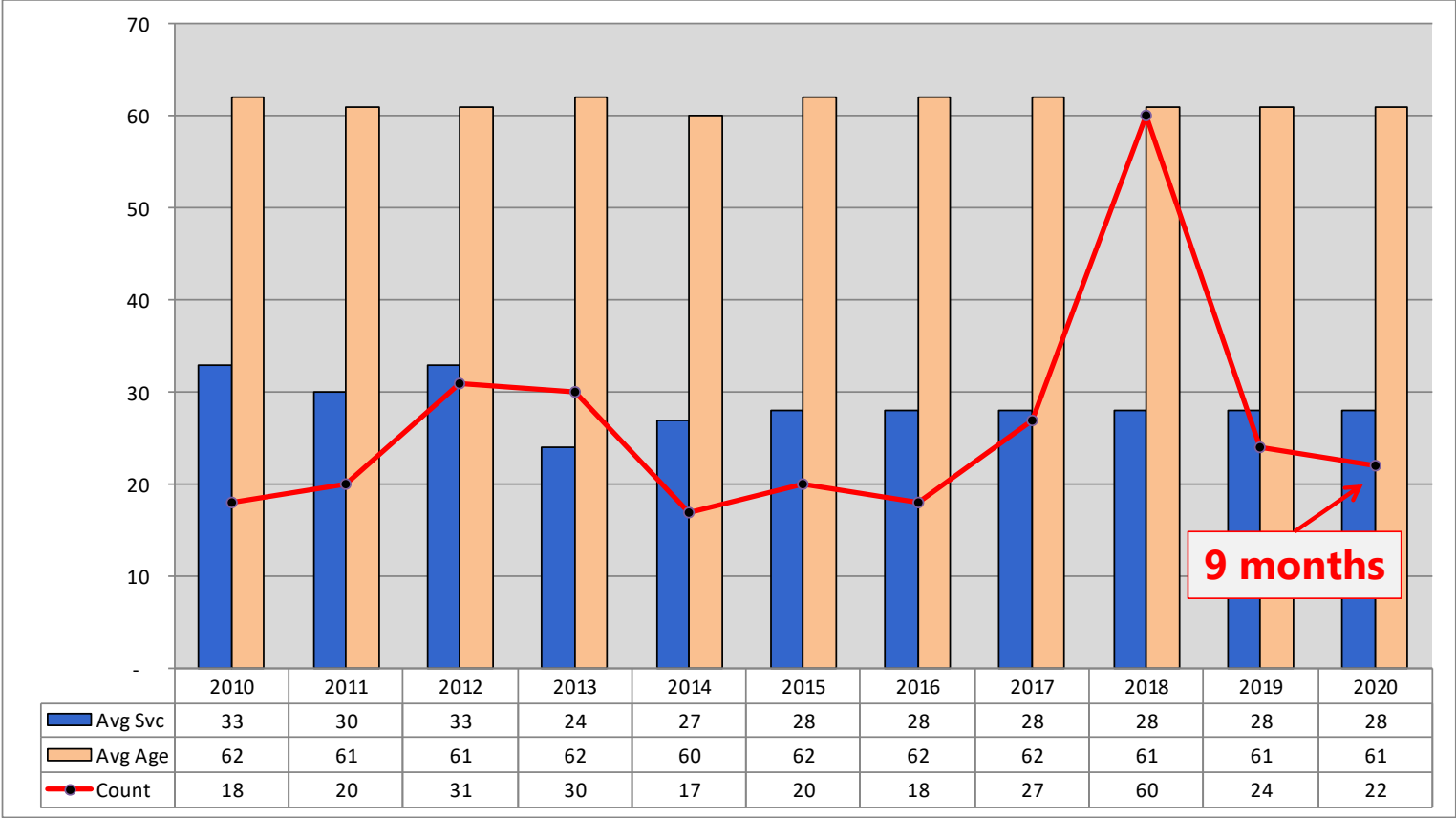
+4 Water Operations – Water Distribution: +2 Water Maintenance Workers; +1 Crew Leader; +1 General Maintenance Mechanic

+4 Engineering – +1 Sr. Compliance Engineer (Engineering Design); +2 CAD Technicians (Engineering Design); Engineer II (Plant Engineering)

+4 Information Technology – +1 Sr. Database Administrator; +1 Sr. Data Analyst; +1 Sr. Software Developer, +1 Software Developer

+1 Customer Services – +1 Administrative Clerk from Meter Services

Retirees Per Year 2011 through September 30, 2020



Employee Demographics

As of October 16, 2020

Department	Full-Time Employees	Vested Employees		
		Total	55 and older	60 and older
President's Office	5	4	3	3
Legal	9	8	4	2
Human Resources	10	4	1	1
Enterprise Services*	59	51	18	7
Accounting & Rates	18	14	5	1
Safety, Security, Locating & Dispatch	39	30	9	4
Field Service Operations & Transportation	125	111	38	9
Gas Operations	40	38	21	3
Water Operations & Central Maintenance	130	101	44	16
Infrastructure Integrity	12	9	2	1
Marketing	11	11	6	2
Corporate Communications	9	7	1	-
Engineering	67	46	17	6
Construction	145	90	22	9
Information Technology	49	38	11	5
Customer Services	81	70	28	15
TOTALS	809	632	230	84

% of Total Full-Time Employees

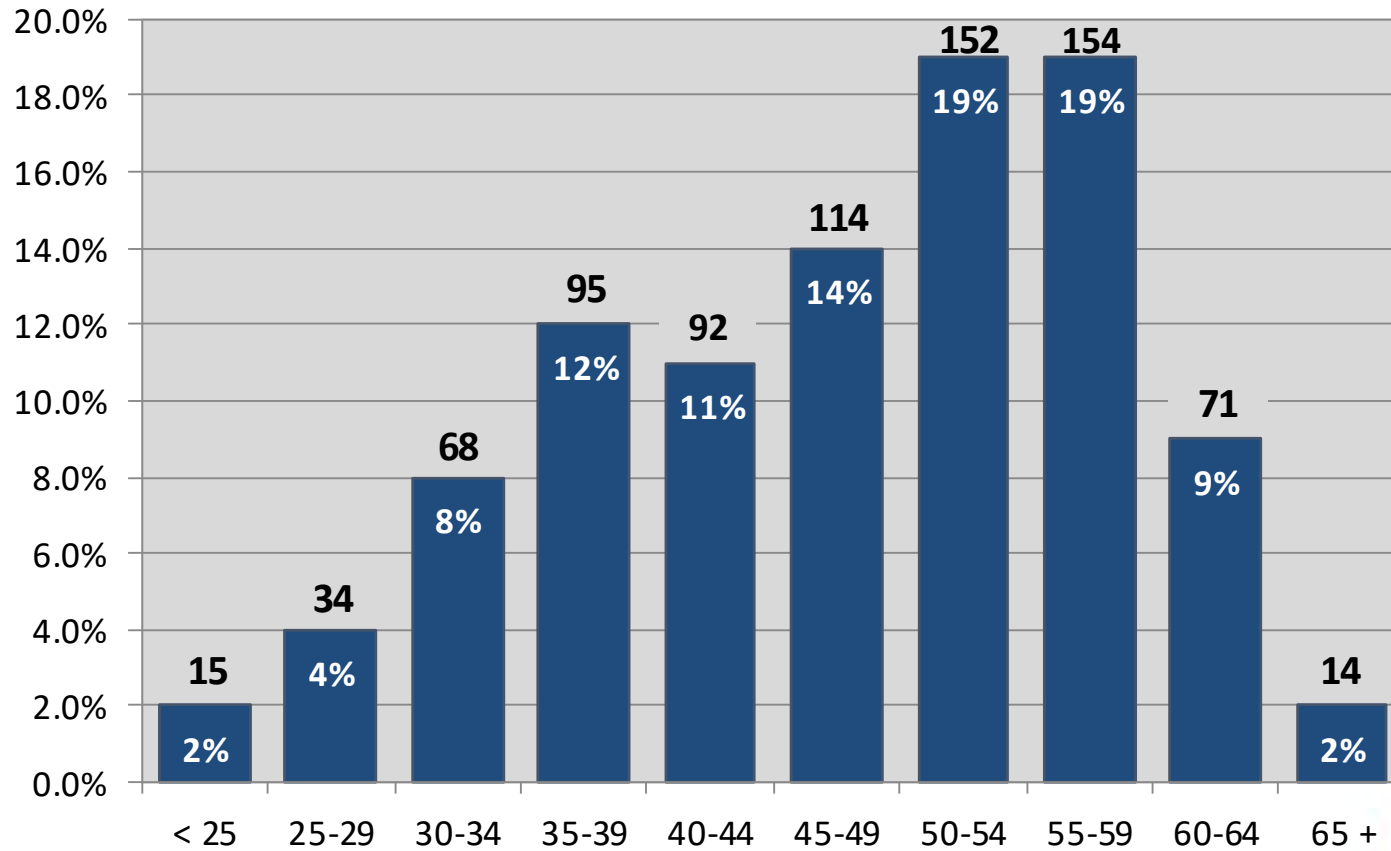
100%

78%

28%

10%

Employee by Age Group As of October 16, 2020



Travel Summary



Travel Summary 2021 Budget

	2020 Budget	2021 Budget	Increase (Decrease)
President's Office	\$ 30,750	\$ 14,000	\$ (16,750)
Legal	12,050	5,500	(6,550)
Human Resources	12,500	12,500	-
Enterprise Services	26,100	15,400	(10,700)
Accounting & Rates	12,000	9,000	(3,000)
Safety, Security, Locating & Dispatch	37,750	32,250	(5,500)
Field Services & Transportation	18,000	25,600	7,600
Gas Operations	26,900	37,700	10,800
Water Operations & Central Maintenance	21,880	23,300	1,420
Infrastructure Integrity	16,100	16,100	-
Marketing	10,400	10,800	400
Corporate Communications	6,000	10,500	4,500
Engineering	28,500	28,500	-
Construction	4,500	6,000	1,500
Information Technology	46,000	46,000	-
Customer Services	12,000	16,000	4,000
TOTAL AS SUBMITTED	\$ 321,430	\$ 309,150	\$ (12,280)
Budget Adjustment	(90,155)	(96,800)	(6,645)
TOTAL	\$ 231,275	\$ 212,350	\$ (18,925)

Memberships Summary



Memberships - Funded by MUD

2021 Budget

<u>Funded by MUD:</u>	<u>2020 Budget</u>	<u>2021 Budget</u>	<u>Increase (Decrease)</u>
President's Office	\$ 7,065	\$ 7,000	\$ (65)
Legal	2,615	2,615	-
Human Resources	5,804	5,673	(131)
Enterprise Services	1,030	1,655	625
Accounting & Rates	1,950	1,930	(20)
Safety, Security, Locating & Dispatch	2,235	3,820	1,585
Field Services & Transportation	5,354	6,254	900
Gas Operations	1,375	1,675	300
Water Operations & Central Maintenance	6,265	15,710	9,445
Marketing	805	645	(160)
Infrastructure Integrity	925	915	(10)
Engineering	1,590	2,005	415
Information Technology	2,425	2,425	-
Corporate Communications	1,260	1,850	590
TOTAL INDIVIDUAL MEMBERSHIPS	\$ 40,698	\$ 53,672	\$ 12,974
American Public Gas Association	\$ 58,000	\$ 58,000	\$ -
American Gas Association	26,500	26,800	300
American Water Works Association	21,500	21,500	-
Water Research Foundation	12,200	12,500	300
Midwest Energy Association	12,000	12,000	-
Mountain Plains Minority Supplier Development Council	3,000	3,000	-
AIM Institute	3,000	3,000	-
Nebraska Preparedness Partnership	2,500	2,500	-
National Utility Locating Contractors Association	1,500	1,500	-
National Safety Council	1,400	1,400	-
Center for Energy Workforce Development	1,250	1,250	-
NTEA (Association for the Work Truck Industry)	600	1,100	500
Total Company-wide Memberships	\$ 143,450	\$ 144,550	\$ 1,100
Total Memberships funded by MUD	\$ 184,148	\$ 198,222	\$ 14,074



Memberships Funded by NNG

2021 Budget

	<u>2020 Budget</u>	<u>2021 Budget</u>	<u>Increase (Decrease)</u>
Funded by NNG Marketing Incentive Fund:			
Prosper Omaha	\$ 75,000	\$ 75,000	\$ -
Build Omaha	40,000	40,000	-
Chamber of Commerce (various municipalities)	27,393	26,643	(750)
Metro Omaha Builders Association	395	25,000	24,605
Natural Gas Vehicles America	18,150	18,150	-
National Association of Remodeling Industry	10,000	10,000	-
Sarpy County Economic Development Corporation	9,935	9,935	-
Gateway Development Corporation (Washington County)	1,000	1,000	-
Heating Cooling Contractors Association	1,000	1,000	-
Green Omaha Coalition	500	500	-
TOTAL MEMBERSHIPS - Funded by NNG	<u>\$ 183,373</u>	<u>\$ 207,228</u>	<u>\$ 23,855</u>
TOTAL COMPANY-WIDE MEMBERSHIPS	<u>\$ 301,173</u>	<u>\$ 350,678</u>	<u>\$ 24,955</u>

Professional Services/ Consulting



Professional Services / Consulting Summary

	2020 Budget	2021 Budget	Increase / (Decrease)
President's Office	\$ 452,750	\$ 436,250	\$ (16,500)
Legal	302,000	115,968	(186,032)
Human Resources	195,260	188,480	(6,780)
Accounting & Rates	67,900	70,200	2,300
Gas Operations	45,000	55,000	10,000
Water Operations & Central Maintenance			
Florence	2,555,000	2,616,000	61,000
Platte South	262,000	1,112,000	850,000
Platte West	434,000	590,000	156,000
Water Quality	15,000	15,000	-
Central Maintenance	25,000	49,000	24,000
Total Water Operations & Central Maintenance	3,291,000	4,382,000	1,091,000
Infrastructure Integrity	400,000	1,012,700	612,700
Marketing	28,596	28,596	-
Corporate Communications	80,000	-	(80,000)
Engineering			
Plant Engineering	1,925,000	4,031,200	2,106,200
Engineering Design	1,295,000	1,545,000	250,000
Total Engineering	3,220,000	5,576,200	2,356,200
Information Technology	5,752,000	6,013,340	261,340
Customer Services	5,000	-	(5,000)
TOTAL MUD	\$ 13,839,506	\$ 17,878,734	\$ 4,039,228



Professional Services / Consulting 2021 Budget

	<u>Total</u>
President's Office	
1. Outside legal fees	\$ 350,000
2. Actuarial valuation, pension and OPEB	51,500
3. Quadrennial Pension Experience Study	18,000
4. Financial advisory services	10,000
5. Tax and compliance work on water bonds	6,000
6. Disclosure compliance services annual fee	750
Total President's Office	<u>\$ 436,250</u>
Law Department	
1. Outside legal assistance	\$ 49,968
2. Other legal (depositions, case filings, etc.)	66,000
Total Law Department	<u>\$ 115,968</u>
Human Resources	
1. Benefits Consulting	\$ 88,680
2. Consulting and programs/plans to provide leadership development training	60,000
3. Actuarial services for retirement plan projections, retiree drug subsidy, Qualified Domestic Relations Orders, and any other HR actuarial needs	15,000
4. SPA Supervisor Training, MUD University	19,800
5. SPA ad-hoc job evaluations	5,000
Total Human Resources	<u>\$ 188,480</u>



Professional Services / Consulting 2021 Budget

	<u>Total</u>
Accounting & Rates	
1. Audit of Financial Statements	\$ 70,200
Total Accounting & Rates	<u>\$ 70,200</u>
Infrastructure Integrity	
1. Water System Master Plan	\$ 800,000
2. GIS Staff Augmentation	212,700
Total Infrastructure Integrity	<u>\$1,012,700</u>
Marketing	
1. Verdis / Etal Sustainability Initiative	\$ 24,996
2. Salesforce software for four users	3,600
Total Marketing	<u>\$ 28,596</u>
Gas Operations	
1. Maintain/improve programming at LNG/Propane Air plants	\$ 25,000
2. Drawing updates/improvements	30,000
Total Gas Operations	<u>\$ 55,000</u>



Professional Services / Consulting 2021 Budget

	<u>Total</u>
Information Technology	
A. Consulting Expensed in IT Cost Centers	
1. FNTS (First National Technology Solutions) data subscription fee	\$ 3,120,000
2. Help Desk Support	150,000
3. Employee Time Accounting Proof of Concept	150,000
7. Agile Coach	100,000
8. Data Classification/Security	60,000
9. Network and Phone Enhancement Design Consultation	50,000
10. Security Penetration Training	50,000
11. PLC Password Management	25,000
12. Support for Field Service Edge and Success Factors	10,000
13. Lemur	5,000
14. CNG Pumps Software	3,000
Subtotal Consulting Expensed in IT Cost Centers	\$ 3,723,000
B. Consulting Included within Capital Projects	
3. SAP Business Planning and Consolidation	\$ 530,340
2. Employee Time Accounting	380,000
3. Implementation of SAP HANA platform that combines database, application processing, and integration services on a single platform	280,000
4. SCADA (Supervisory Control and Data Acquisition) Central Historian	250,000
5. Customer Communication Content Manager	350,000
6. Website Redesign	170,000
7. Network Hardware Lifecycle (Refresh/Upgrades)	330,000
Subtotal Consulting Included within Capital Projects	\$ 2,290,340
Total Information Technology	\$ 6,013,340



Professional Services / Consulting 2021 Budget

	<u>Total</u>	
Water Operations & Central Maintenance		
1. Florence		
A. 2021 design work associated with Florence Capital Improvement Plan (CIP)	\$2,500,000	*
B. Design Low Service Pump House ASMEI (Architectural, Structural, Mechanical, Electrical, and Instrumentation)	110,000	*
C. SCADA (Supervisory Control and Data Acquisition) programming and maintenance	6,000	
2. Platte South		
A. Development of Platte South Capital Improvement Plan (CIP)	\$ 600,000	
B. Comprehensive Engineering Report Implementation - Design	500,000	*
C. SCADA (Supervisory Control and Data Acquisition) programming and maintenance	12,000	
3. Platte West - 404 Permit Requirements		
A. Environmental monitoring - wetlands, wetland mitigation sites	\$ 360,000	
B. River gauging station maintenance	30,000	
C. Groundwater sampling	30,000	
4. Platte West		
A. SCADA (Supervisory Control and Data Acquisition) programming and maintenance	\$ 160,000	
B. All other	10,000	
5. Water Quality		
A. On site training on Gas Chromatograph and software for chemistry staff	\$ 5,000	
B. On site training on ICPMS and software for chemistry staff	5,000	
C. On site training on GC/MS and software for chemistry staff	5,000	
6. Central Maintenance		
A. RICE (Regulatory Impact Analysis for the Stationary Combustion Engine) Clean Air Act compliance monitoring	\$ 49,000	
Total Water Operations & Central Maintenance	\$ 4,382,000	

* Indicates capitalized item



Professional Services / Consulting 2021 Budget

	<u>Total</u>	
Engineering		
1. Plant Engineering		
A. Design for various capital improvement projects (based on historical average for last two years - will be included in capital budget as part of underlying projects)	\$ 1,500,000	*
B. Design for new Construction Center	1,500,000	*
C. Design West Dodge Zone 3 pump station	450,000	*
D. Concrete & soil inspection & testing for Water IR projects	175,000	*
E. Water main inspection work	200,000	*
F. Storm water pollution prevention plan (regulatory compliance requirement)	100,000	*
G. Air emissions compliance	75,000	*
H. Soil & Concrete Testing	30,000	*
I. Miscellaneous Consulting	1,200	
2. Engineering Design		
A. Design cast iron water main replacements and water main extensions (will be included in capital budget as part of underlying projects)	1,250,000	*
B. Design water main replacements and extensions	250,000	*
C. Topographic surveys for internal use in designing water main replacements and extensions	25,000	*
D. Wetlands delineation surveys, reporting and permitting	20,000	*
Total Engineering	<u>\$ 5,576,200</u>	
TOTAL MUD	<u>\$17,878,734</u>	

* Indicates capitalized item



Capital Expenditures Water Department



Main Types Included in Capital Expenditures Budget

Definitional Information - Water

WCM Main - Water Construction Mains

Construction is necessary for improvement and betterment of the system and may or may not make service available to an unserved area. All costs are borne by the District but are partially recovered through connection charges/impact fees.

WCI Main - Water Cast Iron Main Replacement (Infrastructure)

Replacement of cast iron infrastructure mains.

WCR Main - Water Construction Relocation

A relocation job required because of a highway, bridge or sewer construction project that involves distances greater than 25 feet. Relocation of less than 25 feet is maintenance, and charged to expense (and therefore, not reflected in the capital budget).

WCC Main - Water Construction Contract

The extension of a main that is requested by a customer; District costs are reimbursed by the "requestor".

WCD Main - Water Construction Developer

Water main extensions for which installation is contracted by a developer, and District costs are reimbursed.

WCP Main - Water Construction Pioneer Main

A pioneer approach main is a main connected to the existing distribution system where adequate capacity is available to meet the requirements of the applicant, and is sized to provide service to the applicant and adjacent areas. It extends to the far end of the property/development to be served. The developer contributes to the cost of these mains.

WMD - Water Main District

A water main district extends water service to partially developed areas involving multiple property ownership. Installation costs are furnished by the District and assessments are levied against the property abutting the main over a ten year period.



Water Department Five Year Projection of Plant Additions and Replacements

(\$ in Millions)

LINE NO	DESCRIPTION	2020 BUDGET	2020 ACT/EST	2021 BUDGET	2022 ESTIMATE	2023 ESTIMATE	2024 ESTIMATE	2025 ESTIMATE
<u>Mains</u>								
1	Water Construction Mains (WCM)	\$ 2.9	\$ 2.1	\$ 5.9	\$ 3.0	\$ 2.8	\$ 2.8	\$ 2.8
2	Water Cast Iron Main Replacement (WCI)	19.5	17.7	18.9	21.3	25.5	29.3	34.6
3	Water Construction Relocation Mains (WCR)	4.0	5.0	3.4	2.5	2.6	2.7	2.8
4	* Water Construction Contract Mains (WCC)	9.5	12.9	12.5	8.4	8.0	8.0	8.0
5	* Water Construction Developer Mains (WCD)	0.4	1.0	0.5	0.5	0.5	0.5	0.5
6	* Water Construction Pioneer Main (WCP)	8.4	14.8	12.9	10.6	12.2	6.0	6.0
7	Water Main District (WMD)	0.2	-	-	-	-	-	-
	Total Mains	44.9	53.4	54.1	46.3	51.6	49.3	54.7
<u>Other Distribution System Property</u>								
8	Replacement of Obsolete/Broken Hydrants	0.3	0.2	0.3	0.3	0.3	0.3	0.3
9	Replacement of Obsolete/Broken Valves	0.4	0.5	0.5	0.5	0.5	0.5	0.5
	Total Other Distribution System Property	0.7	0.8	0.8	0.8	0.8	0.8	0.8
<u>Buildings, Land and Equipment</u>								
10	Buildings, Land and Equipment Platte West	0.9	0.3	0.4	1.9	0.8	0.5	-
11	Buildings, Land and Equipment Florence	16.7	16.5	11.4	13.5	5.1	6.9	3.3
12	Buildings, Land and Equipment Platte South	3.8	1.2	3.8	7.1	6.0	6.0	6.0
13	Buildings, Land and Equipment - Other	0.5	1.5	8.4	3.8	0.1	-	-
14	Repumping	0.8	0.3	1.4	-	-	-	-
15	Construction Machines	3.0	1.4	5.7	4.0	4.0	3.5	3.5
16	Furniture, Equipment and Miscellaneous	1.2	0.4	0.8	0.7	0.8	0.7	0.8
	Total Building, Land and Equipment	26.9	21.6	31.9	31.0	16.8	17.6	13.6
17	Salvage Credits on Construction Machines	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
	Total Plant Additions and Replacements	\$ 72.4	\$ 75.6	\$ 86.7	\$ 78.0	\$ 69.1	\$ 67.6	\$ 69.0
	Funds received on Reimbursable Projects above *	\$ 16.4	\$ 18.5	\$ 17.7	\$ 11.2	\$ 15.9	\$ 12.4	\$ 13.0
	Water cast iron mains/services to be abandoned (miles)	13	12.75	16	17.5	20	22	25
	Estimated average cost of Water cast iron mains (\$ in millions)	\$ 1.50	\$ 1.39	\$ 1.18	\$ 1.22	\$ 1.28	\$ 1.33	\$ 1.38

* Components of certain main types are paid for by customers/developers.



Water Department

2021 Project Detail

	2021	2022
Buildings, Land & Equipment - Florence		
Site Piping - Construction	\$ 4,100,000	\$ 11,000,000
Basin 3 Rehabilitation - Construction	3,000,000	1,200,000
Site Piping - Design	2,000,000	500,000
Low Service Pump ASMEI (Architectural, Structural, Mechanical, Electrical, and Instrumentation)	760,500	
Low Service Pump #5 - Pump/Motor Rebuild	300,000	
Engine Building Roof Replacement	292,544	
Basin 1,2,3 Renovation - Design	260,000	
Primary Basins - Cathodic Protection Replacement	200,000	200,000
Primary Basins - Insulation Replacement	160,000	
36th & Edna Generator & Engine - Construction	140,000	
All Other < \$100,000 individually	173,014	
Total Buildings, Land & Equipment - Florence	\$ 11,386,058	
Buildings, Land & Equipment - Platte West		
Fencing Improvements in Wellfield	\$ 210,000	
Pump Director Replacement	100,000	
All Other < \$100,000 individually	82,000	
Total Buildings, Land & Equipment - Platte West	\$ 392,000	
Buildings, Land & Equipment - Platte South		
Comprehensive Engineering Report Implementation - Design/Construct	\$ 1,500,000	
Replace Filter Plant Valves and Operators	1,244,807	
Boiler replacement	220,000	
Install Material Storage Area	175,000	
Replace Handrails Around Upflow Basins	160,537	
Replace front steps	110,000	
Purchase additional land along wellfield	100,000	
All Other < \$100,000 individually	300,835	
Total Buildings, Land & Equipment - Platte South	\$ 3,811,179	

Water Department

2021 Project Detail

	<u>2021</u>	<u>2022</u>
Buildings, Land & Equipment - Other		
Design & Construct West Dodge Zone 3 Pump Station	\$ 6,550,000	1,000,000
Land Acquisition for future NW Reservoir	1,400,000	
Land Acquisition for future SW Reservoir	-	1,400,000
Replace Turner Pump Station Valves	400,000	
All Other < \$100,000 individually	92,745	
Total Buildings, Land & Equipment - Other	<u>\$ 8,442,745</u>	
Repumping		
Walnut Hill Pump Station demolition and repairs	\$ 554,335	
Fire Alarm Systems at Repump Stations	195,000	
Carbon Monoxide detectors at Repump Stations	175,000	
Poppleton Pump Station roof replacements	156,720	
Minne Luse and Rainwood engine brake controllers	150,000	
All Other < \$100,000 individually	137,060	
Total Repumping	<u>\$ 1,368,115</u>	
Furniture, Equipment and Miscellaneous		
Pressure Transient Loggers	\$ 200,000	
Mobile Surveillance Trailers	130,000	
Water Test Bench	115,000	
All Other < \$100,000 individually	313,700	
Total Furniture, Equipment and Miscellaneous	<u>\$ 758,700</u>	

Water Department

2021 Project Detail

	<u>2021</u>
Construction Machines	
(8) Kubota R430 Tractor w/backhoe & Trailer	\$ 800,000
(2) Large size (710) backhoe - Construction	540,000
(2) Medium size (410) backhoe - Construction	400,000
(4) Articulating tractor backhoe (R430) - Construction	400,000
(1) JT24 bore rig - Construction	400,000
(2) Trencher w/backhoe - Construction	375,000
(1) Large size tracked trencher - Construction	340,000
(2) JT10 bore rig - Construction	330,000
(3) Vacuum Excavators	270,000
(2) Vibratory Plows - Construction	264,000
(4) Vibratory Plows	240,000
(5) UTV w/plow, dump box & sander - 1-63rd, 3-WTP & 1-LNG Plant	175,000
(2) Medium size (326) skid loader - Construction	150,000
(2) Medium size (FX30) vacuum excavator - Construction	150,000
(1) Smaller/medium size rubber track excavator - Construction	100,000
All Other < \$100,000 individually	793,500
Total Construction Machines	<u>\$ 5,727,500</u>

Water Department

Plant Addition and Replacements

Funding Sources – “Colors of Money”

(\$ in Millions)

LINE NO	DESCRIPTION	2020 BUDGET	2020 ACT/EST	2021 BUDGET	2021 FUNDING SOURCES	
					Primary	Secondary
<u>Mains</u>						
1	Water Construction Mains (WCM)	\$ 2.9	\$ 2.1	\$ 5.9		
2	Water Cast Iron Main Replacement (WCI)	19.5	17.7	18.9		
3	Water Construction Relocation Mains (WCR)	4.0	5.0	3.4		
4	Water Construction Contract Mains (WCC)	9.5	12.9	12.5		
5	Water Construction Developer Mains (WCD)	0.4	1.0	0.5		
6	Water Construction Pioneer Main (WCP)	8.4	14.8	12.9		
7	Water Main District (WMD)	0.2				
	Total Mains	44.9	53.4	54.1		
<u>Other Distribution System Property</u>						
8	Replacement of Obsolete/Broken Hydrants	0.3	0.2	0.3		
9	Replacement of Obsolete/Broken Valves	0.4	0.5	0.5		
	Total Other Distribution System Property	0.7	0.8	0.8		
<u>Buildings, Land and Equipment</u>						
10	Buildings, Land and Equipment - Platte West	0.9	0.3	0.4		
11	Buildings, Land and Equipment - Florence	16.7	16.5	11.4		
12	Buildings, Land and Equipment - Platte South	3.8	1.2	3.8		
13	Buildings, Land and Equipment - Other	0.5	1.5	8.4		
14	Repumping	0.8	0.3	1.4		
15	Construction Machines	3.0	1.4	5.7		
16	Furniture, Equipment and Miscellaneous	1.2	0.4	0.8		
	Total Buildings, Land and Equipment	26.9	21.6	31.9		
17	Salvage Credits on Construction Machines/Transfers	(0.1)	(0.1)	(0.1)		
	Total Plant Additions and Replacements	\$ 72.4	\$ 75.6	\$ 86.7		
	Reimbursable Projects Included Above **	\$ 16.4	\$ 18.5	\$ 17.7		

"Colors of Money":

- Costs recovered via Impact Fees; various categories of main expenditures analyzed to determine fee (assessed based on meter size for new water service connections).
- Funded by "Water Infrastructure Replacement" charge and "Infrastructure" commodity component of rates.
- Funded by Service/Commodity rates.
- Funded by customers/developers - costs are not incurred unless requested by a customer/ developer; MUD sometimes serves as Pioneer main "developer", in which case, costs are recovered over time as connections occur to the Pioneer main.
- Funded via bond issuances; debt principal and interest payments funded by Service/Commodity rates.

* Bond Issuance will result in incremental bond carrying costs (principal and interest payments) to be funded by Service/Commodity rates

** Components of certain main types are paid for by customers/developers.

Capital Expenditures Gas Department



Main Types Included in Capital Expenditures Budget

Definitional Information - Gas

GCM Main - Gas Construction Mains

Construction is necessary for improvement and betterment of the system and may or may not make service available to an unserved area. All costs are borne by the District.

GCI Main - Gas Cast Iron Main Replacement (Infrastructure)

Replacement of cast iron infrastructure mains.

GCR Main - Gas Construction Relocation

A relocation job required because of a highway, bridge or sewer construction project that involves distances greater than 25 feet. Relocation of less than 25 feet is maintenance, and charged to expense (and therefore, not reflected in the capital budget).

GCC Main - Gas Construction Contract

The extension or relocation of a main that is requested by a customer; District costs are reimbursed by the "requestor".

GRM Main - Gas Revenue Main

A Gas main installed under a contract where an allowance for contribution-in-aid of construction is based on incremental net income. If 10 year revenue analysis determines that cost will be recovered, there is no contribution.



Gas Department

Five Year Projection of Plant Additions and Replacements

(\$ in Millions)

LINE NO	DESCRIPTION	2020 BUDGET	2020 ACT/EST	2021 BUDGET	2022 ESTIMATE	2023 ESTIMATE	2024 ESTIMATE	2025 ESTIMATE
<u>Mains</u>								
1	Gas Construction Mains (GCM)	\$ 1.5	\$ 0.5	\$ 1.8	\$ 1.9	\$ 2.3	\$ 2.0	\$ 1.2
2	Gas Cast Iron Main Replacement (GCI)	10.5	10.8	10.5	10.8	11.1	11.4	11.7
3	Gas Construction Relocation Mains (GCR)	2.5	4.0	2.8	2.0	2.1	2.1	2.2
4	Gas Revenue Mains (GRM)	3.3	2.2	3.0	2.0	2.0	2.0	2.0
	Total Mains	17.8	17.5	18.1	16.7	17.5	17.5	17.1
5	<u>Replacement of Small Gas Valves</u>	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<u>Other Distribution System Property</u>								
6	Metering Equipment	1.9	2.0	1.7	1.8	1.9	1.9	2.0
7	New Services	2.6	2.6	2.8	2.8	2.9	3.0	3.1
8	Leaking Service Replacement	2.1	2.0	2.1	2.0	1.8	1.7	1.6
9	GIR Service Replacements (MUD)	4.6	4.9	4.8	4.9	5.0	5.2	5.4
10	GIR Service Replacements (Contracted)	3.5	4.5	3.9	4.0	4.1	4.2	4.3
11	Regulator Stations Infrastructure	0.1		0.1				
12	Regulator Stations & Equipment	0.2	0.1	0.3	0.3	0.3	0.3	0.3
	Total Other Distribution System Property	15.0	16.1	15.6	15.8	16.0	16.3	16.7
<u>Buildings, Land and Equipment</u>								
13	* Buildings, Land and Equipment - LNG/Propane	3.3	0.4	22.8	10.3	22.5	18.1	6.0
14	Buildings, Land and Equipment - All Other	7.8	11.7	10.7	26.3	10.5	1.0	2.0
15	Information Technology Equipment	4.2	2.7	3.2	3.1	2.5	2.0	2.0
16	Motor Vehicles	6.2	1.5	8.3	5.6	5.7	4.0	4.0
17	Furniture, Equipment and Miscellaneous	7.6	0.4	1.3	1.9	2.0	2.1	2.1
	Total Buildings, Land and Equipment	29.1	16.7	46.3	47.2	43.2	27.2	16.1
<u>Major System Retirements</u>								
18	<u>Service Piping Abandonments</u>	0.5	0.4	0.5	0.4	0.4	0.4	0.3
19	<u>Salvage Credits on Motor Vehicles</u>	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
	Total Plant Additions and Replacements	\$ 62.4	\$ 50.7	\$ 80.5	\$ 80.1	\$ 77.1	\$ 61.4	\$ 50.2
	Gas Cost Adjustment recovered in Projects above *	\$ 3.1	\$ 0.4	\$ 22.8	\$ 10.3	\$ 22.5	\$ 18.1	\$ 6.0
	Gas cast iron mains/services to be abandoned:							
	Dollars	\$ 18.6	\$ 20.2	\$ 19.2	\$ 19.7	\$ 20.2	\$ 20.8	\$ 21.4
	Miles	40	40	40	40	40	40	40



Gas Department

2021 Project Detail

	2021	2022	2023
Buildings, Land & Equipment			
LNG Plant Vaporization expansion	\$ 20,000,000	\$ 10,000,000	\$ 1,000,000
LNG Plant Liquefaction Replacement	\$ -	\$ -	\$21,000,000
New Construction Center - Land, Design and Construct	3,800,000	25,200,000	9,500,000
New headquarters	2,106,237		
Construction Center roof replacement	1,697,800		
Evaluation & Renovations of Operations/Construction Centers	1,000,000	1,000,000	1,000,000
Emergency Operations, Dispatch and Security Center	750,000		
Construction Center paving and paving replacement	632,500		
LNG Tank Top Modifications	594,380		
Propane Cavern Water Pump Replacement (120th & Fort)	550,000		
LNG Plant Security Fencing	469,028		
Operating Center Security Fencing	451,800		
LNG Compressor building roof replacement	195,900		
LNG Tank Stair Improvements - Design and Construct	150,000		
Replace Odor Tank and install YZ	125,000		
Operations Compressor building roof replacement	117,540		
All Other < \$100,000 individually	830,083		
Total Buildings, Land & Equipment	\$ 33,470,268		
Information Technology			
SAP Business Planning and Consolidation implementation	\$ 530,340		
Employee Time Accounting	380,000	\$ 570,000	
SAP Licenses	400,000		
Customer Communication Content Manager	350,000		
Network Hardware Lifecycle refresh and upgrades	330,000		
SAP HANA Platform	280,000		
SCADA (Supervisory Control and Data Acquisition) Central Historian	250,000		
SAP Invoice Redesign	204,816		
Website redesign	170,000		
All Other < \$100,000 individually	359,911		
Total Information Technology	\$ 3,255,067		

Gas Department

2021 Project Detail

	<u>2021</u>
Motor Vehicles	
(25) 1/2 Ton Pickups for Various Departments	\$ 925,000
(5) Transit Van for Field Service	845,000
(20) 1/2 Ton Pickups-Extended Cab for Various Departments	800,000
(5) Valve Turner & Hydrant Truck	755,000
(4) Crew Trucks Body & Chassis	500,000
(6) E450 Cube Vans for Field Service	440,072
(3) CNG Single Axle Dump Truck for Construction	440,000
(4) F550 Maintenance Truck	400,000
(2) Straight Truck w/flatbed	345,000
(2) Tandem Axle Dump Truck	300,000
(1) CNG Crew Cab Crew Truck w/ Crane (WIR #2)	261,000
(1) CNG Bottle Trailer	250,000
(3) F550 Truck	250,000
(2) F350 Welder Truck	230,000
(2) F550 Steamer Truck	200,000
(1) Fuel Truck	150,000
All Other < \$100,000 individually	<u>1,218,000</u>
Total Motor Vehicles	<u>\$ 8,309,072</u>
Furniture, Fixtures and Equipment	
Emergency Communication System	\$ 400,000
Sensit Gold CGI (Combustible Gas Indicator)	250,000
Miscellaneous Tool Replacement > \$1,000	100,000
All Other < \$100,000 individually	<u>565,500</u>
Total Furniture, Fixtures and Equipment	<u>\$ 1,315,500</u>

Gas Department

Plant Addition and Replacements

Funding Sources – “Colors of Money”

(\$ in Millions)

LINE NO	DESCRIPTION	2020 BUDGET	2020 ACT/EST	2021 BUDGET	2021 FUNDING SOURCES			"Colors of Money":
					Primary	Secondary	Tertiary	
<u>Mains</u>								
1	Gas Construction Mains (GCM)	\$ 1.5	\$ 0.5	\$ 1.8				 Funded by Service/Commodity rates.
2	Gas Cast Iron Main Replacement (GCI)	10.5	10.8	10.5				
3	Gas Construction Relocation Mains (GCR)	2.5	4.0	2.8				
4	Gas Revenue Mains (GRM)	3.3	2.2	3.0				
	Total Mains	17.8	17.5	18.1				
5	Replacement of Small Gas Valves	0.1	0.1	0.1				 Funded by "Gas Infrastructure Replacement" charge.
<u>Other Distribution System Property</u>								
6	Metering Equipment	1.9	2.0	1.7				 Funded by addition to firm rates (Gas Cost Adjustment) related to operational "peaking" expenditures at LNG and propane caverns. Not charged to interruptible customers.
7	New Services	2.6	2.6	2.8				
8	Leaking Service Replacement	2.1	2.0	2.1				
9	GIR Service Replacements (MUD)	4.6	4.9	4.8				
10	GIR Service Replacements (Contracted)	3.5	4.5	3.9				
11	Regulator Stations Infrastructure	0.1	-	0.1				
12	Regulator Stations & Equipment	0.2	0.1	0.3				
	Total Other Distribution System Property	15.0	16.1	15.6				
<u>Buildings, Land and Equipment</u>								
13	* Buildings, Land and Equipment - LNG/Propane	3.3	0.4	22.8				 Funded via bond issuances; debt principal and interest payments funded by Service/Commodity
14	Buildings, Land and Equipment - All Other	7.8	11.7	10.7				
15	Information Technology Equipment	4.2	2.7	3.2				
16	Motor Vehicles	6.2	1.5	8.3				
17	Furniture, Equipment and Miscellaneous	7.6	0.4	1.3				
	Total Buildings, Land and Equipment	29.1	16.7	46.3				
<u>Major System Retirements</u>								
18	Service Piping Abandonments	0.5	0.4	0.5				
19	Salvage Credits on Motor Vehicles	(0.1)	(0.1)	(0.1)				
	Total Plant Additions and Replacements	\$ 62.4	\$ 50.7	\$ 80.5				
	GCA Recoverable Projects Included Above *	\$ 3.1	\$ 0.4	\$ 22.8				

* The cost of certain projects is recovered via the Gas Cost Adjustment component of rates.