

METROPOLITAN UTILITIES DISTRICT

Committee Meetings

8:15 a.m.

February 1, 2023

DRAFT AGENDA

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

Construction and Operations – Friend, Sidzyik, Cavanaugh

1. Capital Expenditures [Gina Langel - SVP, Chief Operations Officer] – **Tab 5**
2. Consultant Selection - Platte South Capital Improvement Plan
[Mike Koenig - Vice-President, Water Operations] – **Tab 6**
3. Acceptance of Contracts and Payment of Final Estimates
[Stephanie Henn – Director, Plant Engineering] – **Tab 7**
4. Bids on Materials and Contracts
[Jon Zellars – VP, Procurement & Enterprise Services] – **Tab 8**
5. Interlocal Agreement with Nebraska Department of Health & Human Services
[Mark Mendenhall – SVP, General Counsel] – **Tab 9**

Services & Extensions – Friend, Begley, Howard

1. Main Extensions [Masa Niiya –VP, Engineering] – **Tab 10**

Personnel – Begley, Sidzyik, Friend

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

Judicial and Legislative – Cavanaugh, Cook, Howard

1. First Legislative Report for 2023
[Rick Kubat - Governmental Relations Attorney] – **Tab 12**

Insurance & Pension – Howard, McGowan, Cook

1. 2022 Retirement Plan and Other Post-Employment Benefits - Investment Review [Joseph Schaffart – SVP, Chief Financial Officer and Joseph Wolfram, Vanguard Institutional Advisory Services] – **Tab A – INFORMATION ONLY**

Governance – Begley, Cook, Cavanaugh

1. Rules of Order and Procedure
[Mark Mendenhall – SVP, General Counsel] - **Tab B – INFORMATION ONLY**

Public Comment

(Turn over for regular monthly Board Meeting agenda)

METROPOLITAN UTILITIES DISTRICT
Regular Monthly Board Meeting

9:00 a.m.

February 1, 2023

DRAFT AGENDA

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes – Committee Meetings & Regular Board Meeting for January 4, 2023
- CONSTRUCTION & OPERATIONS 5. Capital Expenditures
6. Consultant Selection for Platte South Capital Improvement Plan
7. Acceptance of Contracts and Payment of Final Estimates
8. Bids on Materials and Contracts
9. Interlocal Agreement with Nebraska Department of Health & Human Services
- SERVICES & EXTENSIONS 10. Main Extensions
- PERSONNEL 11. Wage and/or Salary Increases and Ratifications
- JUDICIAL & LEGISLATIVE 12. First Legislative Report for 2023
- BOARD 13. Other Matters of District Business for Discussion
14. Public Comment
15. CLOSED SESSION – Litigation, Personnel and Real Estate

Adjourn Regular Board Meeting

(Turn over for Committee Meetings agenda)

METROPOLITAN UTILITIES DISTRICT

Minutes of Committee Meetings

January 4, 2023

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

Advance notice of the meeting was published in the print version of *The Omaha World-Herald* on Sunday, December 25, 2022 and on its online platform for seven consecutive days beginning with the date of the first print publication. Notice was also provided on the MUD website at www.mudomaha.com and other social media platforms. Agendas and all pertinent Board materials to be presented at the January 4, 2023 Committee and Board Meetings were emailed to Directors and posted to the MUD website by December 29, 2022.

Vice-Chairperson Cook announced that the meeting was being livestreamed and a recording of the meeting would be uploaded to the MUD website after the meeting's conclusion.

Safety Briefing

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

President Mark Doyle congratulated Mr. Hunter on his recent gubernatorial appointment to the position of State Fire Marshal and commended him for having spearheaded a great many safety and security measures that were instrumental in effectuating a culture change at the District.

Vice-Chairperson Cook invited newly elected MUD Director Bob Sidzyik to recite his oath of office (as required under Neb. Rev. Stat., §11-102), and welcomed him to take his seat at the table of the MUD Board of Directors.

Roll Call

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

Community Giving Drive Recap

Vice-Chairperson Cook reported that the District's Community Giving Drive fundraiser in November 2022 raised \$85,500 for utility assistance and she extended her thanks and appreciation to all those who contributed to the very worthy effort.

Open Meetings Act Notice

Vice-Chairperson Cook announced that a copy of the Open Meetings Act was located on the wall in the back of the Board Room.

Construction and Operations – Friend, Frost, Cavanaugh

Senior Vice-President and Chief Operations Officer Gina Langel presented the proposed capital expenditures as outlined in her letter to the Committee dated December 29, 2022. One item presented for approval involved the plan to abandon 16 miles of high-risk mains and install or rehabilitate approximately 15.5 miles of water mains as part of the Water Infrastructure Replacement (WIR) Program. Ms. Langel reminded the Board that a risk model is used to determine which mains are to be replaced and which are to be rehabilitated. The District plans to use the condition assessment program for higher consequence distribution size mains. These projects will yield data that will assist in making more precise replacement or rehabilitation decisions on sections of mains. Four miles of water mains are planned for conditional assessment in 2023.

Director Cavanaugh inquired as to whether the mains subject to replacement as ranked by the risk model could be made available to the Board and the public in a map format. Vice-President of Engineering Masa Niiya stated that the information may be available in a map format. The prioritization of the projects is based on a risk model that utilizes 60-plus years of main break history. Ms. Langel stated the District is confident in the informative capability of the model for predicting and assessing the likelihood and consequence of main failure. Mr. Doyle noted the distribution of the map and accompanying information is well-timed because much misinformation was apparent at the recent Omaha City Council meeting streetcar discussion. Mr. Doyle noted the model is scientific and serves as the basis for the District's strategy for prioritizing and addressing main rehabilitation and replacements. Mr. Niiya noted that the risk model serves as a snapshot and roadmap, but the ongoing data collection of main break information will be evaluated annually and adjusted as needed going forward.

Director of Plant Engineering Stephanie Henn reviewed the Acceptance of Contracts and Payment of Final Estimates as outlined in her letter to the Committee dated December 23, 2022.

Ms. Henn reviewed the Amendment No. 1 regarding the Platte West lime grit removal system upgrades as outlined in her letter to the Committee dated December 14, 2022.

Vice-President of Procurement and Enterprise Services Jon Zellars reviewed the bids on materials and contracts as outlined in the letter to the Committee dated December 23, 2022 from Director of Procurement Sherri Meisinger.

Services & Extensions – Friend, Begley, Howard

Vice-President of Engineering Masa Niiya reviewed the proposed main extensions as outlined in his letter to the Committee dated December 29, 2022.

Personnel - Begley, Frost, Friend

Vice-President of Human Resources Bonnie Savine reviewed the wage and/or salary increases and ratifications as outlined in her letter to the Committee dated December 21, 2022.

Ms. Savine presented the proposed promotion of Director of Engineering Design Jeffery Schovanec to the position of Vice-President of Construction as outlined in her letter to the Committee dated December 22, 2022.

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

Senior Vice-President and Chief Information Officer Joseph Schaffart presented the Gas Department bond reimbursement Resolution as outlined in his letter to the Committee dated December 27, 2022. Mr. Schaffart reported to the Committee that the Board approval of the District's 2023 budget last December 7, 2022, included bond financing that will yield proceeds of \$65.9 million for the Gas Department, with an assumed issuance date of October 31, 2023. The bond issuance is intended to fund design services, construction management services and construction costs for a new construction center and the remodel of the existing construction center. The accompanying Resolution identifies a bond issuance of up to \$72,500,000 and includes an approximate ten percent "margin of safety" in the event estimated costs for the qualified projects change between the present time and the date of the bond issuance. The Resolution will enable the District to use proceeds from the anticipated bond issuance to fund qualified expenditures occurring up to 60 days prior to the date of the attached resolution, as well as prospective qualified expenditures through the date of the bond issuance and beyond.

Committee of the Whole

Vice-Chairperson Cook noted that a copy of the 2023 appointments for each of the committees was distributed to all sitting Board members and included in their Board Books, and unless anyone had comments, no discussion was necessary.

Public Comment

Vice-Chairperson Cook asked if any member of the public would like to address the Board. There were none. Vice-Chairperson Cook asked if any Board Member had any comments to share. Director Cavanaugh commended the District's field employees

who endured frigid temperatures and physically demanding circumstances the past couple weeks responding to an increased number of water main breaks, which for many included having to cancel vacation plans during the holiday season in order to protect and maintain the gas and water distribution systems.

President Doyle commented on the emergency situations that occurred during the past month due to the winter cold snap, which included 1,500 customer calls to the emergency phone line over the course of one week (from December 21st to December 27th) and a higher-than-normal number of main breaks (17). Despite the extremely challenging conditions, no safety incidents occurred as a result. Mr. Doyle reported that during this period, the District had adequate gas supply, due in part to utilization of the District's peak shaving plants. Mr. Doyle also indicated the District set another record for gas send-out. To further complicate matters, an unprecedented Missouri River ice jam was and will continue to be closely monitored. Because of the existence of the District's three water plants, the ice jam did not threaten the District's overall water supply to the District's customers. However, concerns about the potential damage that the ice jam could cause to the Florence water treatment plant prompted daily meetings with multiple federal, state and local organizations to monitor the status and explore potential responses and preparations of various contingency plans. Mr. Doyle noted the value of social media sites such as Next Door for disseminating information about outages or emergency situations in a timely manner.

Director Begley invited new Director Bob Sidzyik to share information about himself.

Director McGowan complimented Mr. Doyle on his letter distributed to all employees reviewing the events that had occurred due to the weather and thanking employees for enduring the difficult circumstances in order to get their jobs done and done right.

At 9:38 a.m., Vice-Chairperson Cook announced that the Committee Meetings had concluded, and the Board would reconvene for the regular monthly Board Meeting in ten minutes.



Mark E. Doyle
Secretary and President

MED/mjm

METROPOLITAN UTILITIES DISTRICT
Minutes of the Regular Monthly Board Meeting
January 4, 2023

Vice-Chairperson Tanya Cook called to order the regular Board Meeting of the Metropolitan Utilities District Board of Directors at 8:15 a.m. at its headquarters building located at 7350 World Communications Drive.

Advance notice of the meeting was published in the print version of *The Omaha World-Herald* on Sunday, December 25, 2022 and on its online platform for seven consecutive days beginning with the date of the first print publication. Notice was also provided on the MUD website at www.mudomaha.com and other social media platforms. Agendas and all pertinent Board materials to be presented at the January 4, 2023 Committee and Board Meetings were emailed to Directors and posted to the MUD website by December 29, 2022.

Vice-Chairperson Cook announced that the meeting was being livestreamed and a recording of the meeting would be uploaded to the MUD website after the meeting's conclusion.

AGENDA NO.1

Roll Call

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

AGENDA NO. 2

OPEN MEETINGS ACT NOTICE

Vice-Chairperson Cook announced that a copy of the Open Meetings Act was located on the wall in the back of the Board Room.

AGENDA NO. 3

PLEDGE OF ALLEGIANCE

Vice-Chairperson Cook invited all who wished to participate to recite the Pledge of Allegiance.

AGENDA NO. 4

APPROVAL OF MINUTES FOR COMMITTEE MEETINGS, PUBLIC HEARING AND REGULAR MONTHLY BOARD MEETING FOR DECEMBER 7, 2022

Director Cavanaugh moved to approve the minutes for the Committee Meetings, Public Hearing and regular monthly Board Meeting for December 7, 2022, which was seconded by Director Begley and carried on a roll call vote.

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

Director Sidzyik abstained from the vote to approve the minutes because he was not present and not yet seated as a Director at the time the December 7, 2022 Board Meeting took place.

AGENDA NO. 5

ELECTION OF CHAIRPERSON (new Chairperson presides) and ELECTION OF VICE-CHAIRPERSON

Director Begley moved to appoint Director Cook as Board Chairperson which was seconded by Director Cavanaugh and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard
Voting No: None

Director Cavanaugh moved to select Director Begley for Vice-Chairperson which was seconded by Director Cook and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard
Voting No: None

AGENDA NO. 6

CAPITAL EXPENDITURES

Director Cavanaugh moved to approve the proposed capital expenditures as presented in the Committee Meetings by Senior Vice-President and Chief Operations Officer Gina Langel and as outlined in her letter to the Committee dated December 29, 2022. The motion was seconded by Director Begley and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard
Voting No: None

AGENDA NO. 7

ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

Director Cavanaugh moved to approve the proposed acceptance of contracts & payment of final estimates as presented in the Committee Meetings by Director of Plant Engineering Stephanie Henn and as outlined in her letter to the Committee dated December 23, 2022. The motion was seconded by Director McGowan and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard
Voting No: None

AGENDA NO. 8**AMENDMENT NO. 1 FOR PLATTE WEST LIME GRIT REMOVAL SYSTEM UPGRADES**

Director Cavanaugh moved to approve the proposed Amendment No. 1 for Platte West lime grit removal system upgrades as presented in the Committee Meetings by Director of Plant Engineering Stephanie Henn and as outlined in her letter to the Committee dated December 14, 2022. The motion was seconded by Director Begley and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

AGENDA NO. 9**BIDS ON MATERIALS AND CONTRACTS**

Director Cavanaugh moved to approve the bids on materials and contracts as presented by Vice-President of Procurement and Enterprise Services Jon Zellars and as outlined in the letter to the Committee dated December 23, 2022 from Director of Purchasing Sherri Meisinger. The motion was seconded by Director Howard and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

AGENDA NO. 10**MAIN EXTENSIONS**

Director Cavanaugh moved to approve the proposed main extensions as presented by Vice-President of Engineering Masa Niiya and as outlined in his letter to the Committee dated December 29, 2022, which was seconded by Director Begley and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

AGENDA NO. 11**WAGE AND/OR SALARY INCREASES AND RATIFICATIONS**

Director Begley moved to approve the wage and/or salary increases and ratifications as presented by Ms. Savine in the Committee Meeting and as outlined in her letter dated December 21, 2022. The motion was seconded by Director Howard and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

AGENDA NO. 12**SELECTION OF VICE-PRESIDENT OF CONSTRUCTION**

Director Begley moved to approve the selection of Jeffery Schovanec for the position of Vice-President of Construction as presented by Ms. Savine in the Committee Meetings and as outlined in her letter dated December 22, 2022. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

AGENDA NO. 13**GAS DEPARTMENT BOND REIMBURSEMENT RESOLUTION**

Director McGowan moved to approve the proposed Gas Department Bond Reimbursement Resolution as presented in the Committee Meetings by Senior Vice-President and Chief Financial Officer Joseph Schaffart and as outlined in his letter to the Committee dated December 27, 2022. The motion was seconded by Director Howard and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

AGENDA NO. 14**APPOINTMENT OF COMMITTEES**

Chairperson Cook stated that the Committee memberships had already been addressed earlier in the Committee meetings, no vote would be necessary, and the Board would move forward with the next agenda item.

AGENDA NO. 15**OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION**

Chairperson Cook asked whether any Directors had any matters of District business for discussion. Ms. Savine and Mr. Mendenhall provided an update on the hiring process for the new Senior Vice-President and Chief Financial Officer in response to Director McGowan's inquiry. Mr. Doyle provided an update on former Board Member Jack Frost. Mr. Doyle discussed the March 4th Heat the Streets event in which MUD teams up with OPPD to raise funds for utility assistance, noting that this year's co-chairs will be MUD Director Gwen Howard along with her daughter, OPPD Director Sara Howard.

AGENDA NO. 16**PUBLIC COMMENT**

Chairperson Cook asked whether there were any members of the public who would like to address the Board. There were none.

AGENDA NO. 18

CLOSED SESSION – LITIGATION, PERSONNEL & REAL ESTATE

At 9:54 a.m., Director Begley moved to go into Closed Session for the purpose of discussing litigation, personnel and real estate, which was seconded by Director Howard and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

At 10:30 a.m., Director Begley moved to return to Open Session which was seconded by Director Howard and carried on a roll call vote.

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

Chairperson Cook asked if any Directors or members of the public had any comments to share. There were none.

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

Voting Yes: Cavanaugh, Begley, Cook, Sidzyik, McGowan, Howard

Voting No: None

The regular monthly Board meeting was adjourned at 10:30 a.m.

A handwritten signature in blue ink, reading "Mark E. Doyle".

Mark E. Doyle
Secretary and President

MED/mjm

METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

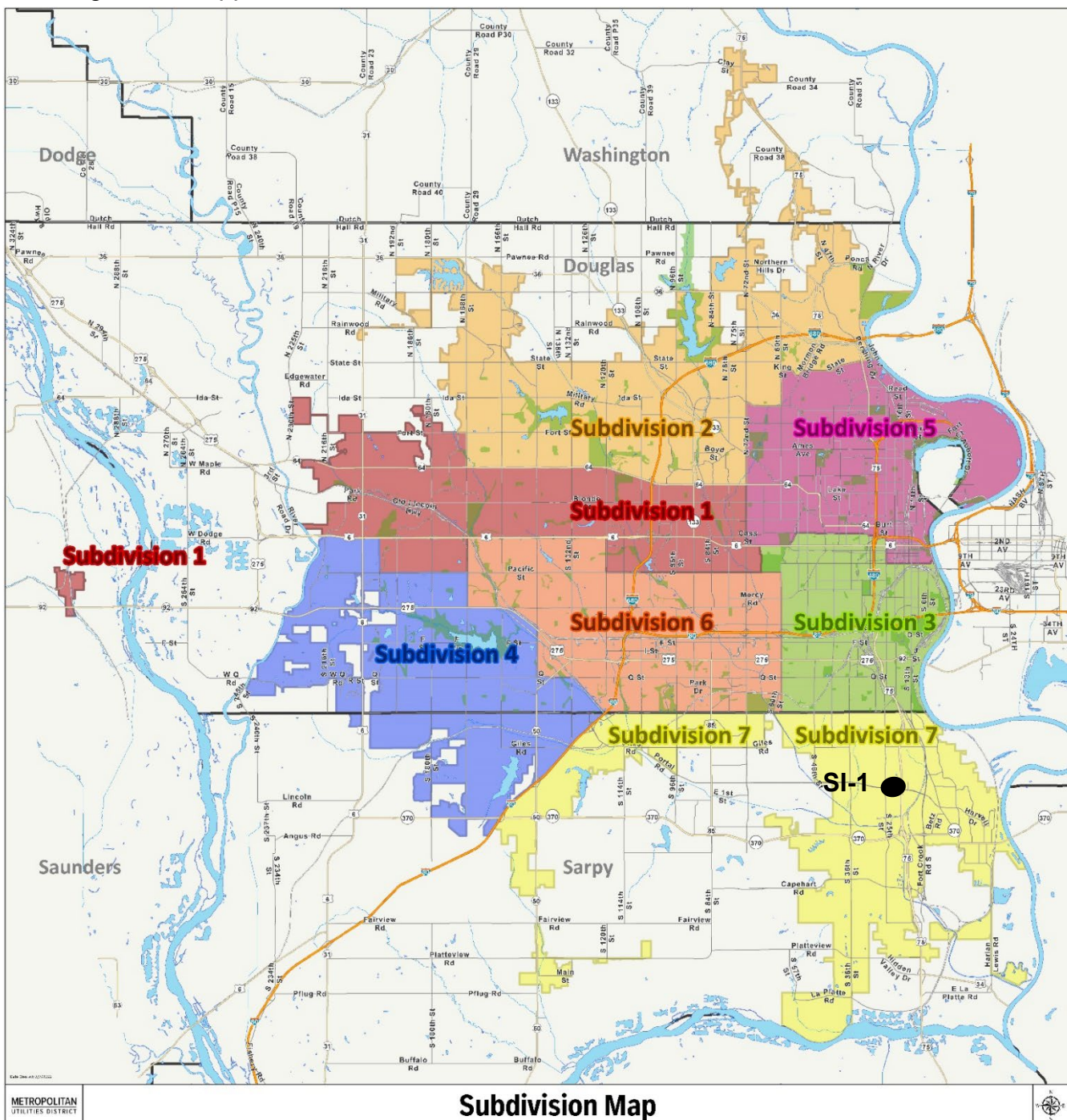
January 23, 2023

Subject: CAPITAL EXPENDITURES

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

From: Gina Langel, Senior Vice President, Chief Operations Officer

The following items will be on the February 1, 2023, Committee Agenda for consideration and the Board Agenda for approval:



SYSTEM IMPROVEMENTS

1. **100054001054 and associated job numbers – \$254,100 – Install 930 feet of 4- and 6-inch gas main and install regulator station piping, 15th Street and Cornhusker Road.** This work is required to replace a gas valve and relocate the gas main in Cornhusker Road near the Kennedy Freeway overpass. The valve and gas main are 16 feet deep in major paving, which makes maintenance and repair work exceptionally challenging, slow, expensive and creates safety concerns. This project will relocate the gas main and valve to standard depth outside of pavement. The existing main in Cornhusker was installed in 1969, two decades before construction of the JFK Expressway and the associated Cornhusker Road overpass, onramps and offramps that added fill over the existing main. This project will also replace a below-ground regulator station with an above-ground regulator station due to depth and water intrusion of the existing vaults. Importantly, safety will be enhanced during maintenance operations. Combining the gas main relocation and regulator station replacement will result in cost and public impact reductions compared to performing the work separately. This project is anticipated to start in July 2023. **(Subdivision 7 – Sidzyik)**

BUILDINGS, PLANTS AND EQUIPMENT

1. **100083001167, 100083001168 and 100083001174 - \$779,350 – Replace roofs at Rainwood Pump Station, Skyline Pump Station, and Walnut Hill Engine Building.** The roofs at each of these facilities are in poor condition and in need of replacement. Planned repairs for 2022 were delayed one year due to budget constraints.



Gina Langel
Senior Vice President, Chief Operations Officer

Approved:



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT*Inter-Department Communication*

January 17, 2023

Subject: CONSULTANT SELECTION: ARCHITECTURAL AND ENGINEERING DESIGN SERVICES FOR DESIGN AND CONSTRUCTION PHASE SERVICES OF THE ADMINISTRATIVE BUILDING ADDITION AND SITE ENTRANCE IMPROVEMENTS AT THE PLATTE SOUTH WATER PRODUCTION FACILITY – 100033000002

To: Mark Doyle, President

From: Kris L. Thompson, Senior Design Engineer – Major Projects

In 2022 the District completed a Capital Improvements Plan (CIP) for the Platte South Water Production Facility which identified several projects to be completed between 2023 and 2033. Projects 1A and 2 identified in the CIP include an administrative building addition and site entrance/security improvements.

The goals for the project include accommodating current and future operational needs and providing better accessibility to conference room space and restrooms. This project will also provide a guard shack and security fencing to create a more secure entrance to the facility.

The Water Department is seeking approval to hire an architectural and engineering firm to perform the design and construction phase services for this project. A capital expenditure (100033000002) of \$460,000 is also being routed for approval of these services. Funding for this project was included in the 2022 Water Department Bond Issuance.

Requests for qualifications and proposal packages were developed and publicly advertised for the architectural and engineering planning and design services for the project. Three (3) firms submitted their qualifications and proposals. Each were thoroughly reviewed by the project team and all three (3) firms were invited for interview. The firms are listed below.

- Burns & McDonnell
- HDR Engineering
- Jackson-Jackson & Associates

A Selection Committee consisting of Doug Whitfield, Nick Blake, Melissa Polito, Nate Williams, and Kris Thompson evaluated the proposals and attended each firm's proposal presentation/interview. The consultants were evaluated on qualifications, previous relevant experience, project personnel, approach to the work, references, and unique aspects each firm could bring to the project.

Based on the submitted qualifications, proposals, and presentations/interviews, the review committee independently “scored” each firm and unanimously selected Jackson-Jackson & Associates to perform the architectural and engineering design services for this project. Jackson-Jackson & Associates will lead a team of consulting firms consisting of InfraStructure, Farris Engineering, Big Muddy Workshop, and Ehrhart Griffin & Associates. All of these consultants have significant experience in their area of expertise that is applicable to this project. Ferris Engineering and InfraStructure have performed quality work for the District in the past. Jackson-Jackson presented a strong approach to the project and provided unique ideas to keep the project on schedule and under budget.

Approval of the aforementioned capital expenditure in the amount of \$460,000 will allow the President to enter into an agreement with Jackson-Jackson & Associates for architectural and engineering design and construction services for the administrative addition and site entrance improvements at the Platte South Water Production Facility.

Your approval is requested.

DocuSigned by:

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Kris L. Thompson
Sr. Design Engineer – Major Projects

DocuSigned by:

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Douglas L. Whitfield
Director,
Platte South Water Production Facility

DocuSigned by:

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Michael A. Koenig
Vice President,
Water Operations

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Gina Langel
Sr. Vice President,
Chief Operations Officer

METROPOLITAN UTILITIES DISTRICT*Inter-Department Communication*

January 20, 2022

Subject: ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES**To:** Committee on Construction and Operations
cc: all Board Members, Doyle, Mendenhall, Schaffart, Ausdemore, Langel, Lobsiger, and all Vice Presidents**From:** Stephanie L. Henn, Director, Plant Engineering

The following items will be on the February 1, 2023, Committee Meeting for consideration and the Board Meeting Agenda for approval. Work has been satisfactorily completed on the following contracts and final payment is recommended:

Contract	Contract Approval Date	Amounts	
		Contract Bid	Actual
a. Hayes Mechanical, WP1850, 100083001142, Replace Boilers at Platte South Water Production Facility; 4001 La Platte Rd., Bellevue, NE 68123	2/22/2022	\$144,500.00	\$148,787.37

Comments: There was an overall net increase in this project of \$4,287.37, due to Change Order No. 1 primarily for some electrical work and other items associated with building integration. These items were not known during the design and bidding process. This is a 3% increase to the overall contract price. All work required by the contract has been completed by the Contractor and is acceptable and in compliance with the Contract and Specifications. **Approval of this final also approves Change Order No. 1.**

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
b. Q3 Contracting, GP2579, 100092001653, 100042000104, 100082000040, 100082000041, 100082000042, 100082000043, Contracted Cast Iron Gas Main Replacement; 66 TH St. to 72 ND St. & Maple St. to Cuming St.	1/5/2022	\$2,889,927.43	\$2,277,592.46

Comments: There was an overall net decrease in this project of \$612,334.97, primarily due to the project being able to be installed outside of, rather than under paving. At the time the project was designed in early 2021, during the pandemic, and built in 2022, all the City of Omaha's paving stipulations were not finalized, so the project was estimated assuming the worst-case scenario, with paving replacement needed. Also, included in this overall decrease is an increase for additional traffic control to meet the City of Omaha traffic stipulations. This is the second of seven contracted gas projects from 2022, representing approximately 17% of the entire 2022 contracted gas work. All work required by the contract has been completed by the Contractor and is acceptable and in compliance with the Contract and Specifications.

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
c. Q3 Contracting, GP2580, 100092001654, 100082000040, 100082000041, 100082000042, 100042000105, 100082000043, Contracted Cast Iron Gas Main Replacement; 56 th to 66 TH St. & Maple St. to Western Ave.	1/5/2022	\$1,214,025.24	\$1,114,872.81

Comments: There was an overall net decrease in this project of \$99,152.43, primarily due to the project being able to be installed outside of, rather than under paving. At the time the project was designed in early 2021, during the pandemic, and built in 2022, all the City of Omaha's paving stipulations were not finalized, so the project was estimated assuming the worst-case scenario, with paving replacement needed. Also, included in this overall decrease is an increase, primarily for additional traffic control to meet the City of Omaha traffic stipulations. This is the third of seven contracted gas projects from 2022, representing approximately 8.3% of the entire 2022 contracted gas work. All work required by the contract has been completed by the Contractor and is acceptable and in compliance with the Contract and Specifications.

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
d. Cedar Construction, WP1865, 100055001385, Install Water Mains in Cheyenne Ridge; 168 th St. & Ridgemont St.	3/2/2022	\$543,240.00	\$537,893.09

Comments: There was an overall net decrease in this project of \$5,346.91, due to a reduction in unit quantities and Change Order No.1. Change Order No. 1 was previously approved in August 2022 and introduced a new set of unit quantities and schedule of values because the project was redesigned from ductile iron to PVC. All work required by the contract has been completed by the Contractor and is acceptable and in compliance with the Contract and Specifications.

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

Approved:

DocuSigned by:

Stephanie L. Henn

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Stephanie L. Henn
Director, Plant Engineering

DocuSigned by:

Masa Miya

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Masa Niiya
Vice President
Engineering

DocuSigned by:

Gina Langel

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Gina Langel
Senior Vice President
Chief Operations Officer

DocuSigned by:

Mark Doyle

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Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

January 20, 2023

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

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

From: Sherri A Meisinger, Director, Procurement

The following items will be on the February 1, 2023 Committee Agenda for consideration and the February 1, 2023 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>
Install Water Mains in Windsor West Phase IV Lots 98-227, SW of 180 th & Giles Rd. 100055001431 WP1986 Engineering Estimate: \$628,340.00 (A C&A in the amount of \$714,855.00 will be presented to the Board on February 1, 2023 for approval.)	18/2	Cedar Construction <i>Kersten Construction</i>	\$566,340.00 611,235.00

RATIFICATION – JOINT CONTRACT

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders*</u>	<u>Bid Amount</u>
Joint Contract – City of Omaha Project OPW 53896; Grover Street - 50 th to 60 th Streets 100053001515, 100041000110 100067001492, 100093001350 100097000000, 100097000001 100095000001, R2118 Engineering Estimate: \$2,311,900.00 *If different than the water main subcontractor, the general contractor of City of Omaha Project OPW 53896 is in parenthesis. **The District and the City of Omaha previously agreed as part of the joint contracting process that the lowest overall bid for the project be accepted. (C&A for An Annual Water Infrastructure Replacement approved January 4, 2023 in the amount of \$24,195,000.00.)	2/2	Hawkins Const. Compass Utility (Vrana)	\$2,119,919.12** 3,111,484.00

OTHER

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Replace Roofs at Rainwood Pump Station, Skyline Pump Station & Walnut Hill Engine Building 100083001167 100083001168 100083001174 WP1968 (A C&A in the amount of \$779,350.00 will be presented to the Board on February 1, 2023 for approval.)	5/3	Anderson Ent. Arbor Roofing <i>McKinnis Roofing</i>	\$635,815.00 637,135.00 1,015,300.00
Four (4) Kubota R430 Tractors with Backhoe 100087000664 (C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)	1/1	Kubota of Omaha	\$287,566.60
Two (2) Small Mini-Excavators for Construction 100087000665 (C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)	1/1	Kubota of Omaha	\$134,000.00

ANNUALS

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Perform Sanitary Sewer Lateral Inspections for Cross Bores Caused by Recent Natural Gas Pipe Installations In the City of Omaha and the Surrounding Areas Extension #1 (March 1, 2023 to February 29, 2024)	1/1	Backlund Plumbing	\$803,375.00



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

Approved:



Jon Zellars
Vice President, Procurement and Enterprise Services



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



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT

January 25, 2023

Subject: MUD – NEBRASKA DEPARTMENT OF HEALTH AND
HUMAN SERVICES INTERLOCAL AGREEMENT

To: C & O Committee (Friend, Cavanaugh and Sidzyik)
cc: All Board Members; President Doyle; Senior Vice
Presidents Langel, Ausdemore, Schaffart and Lobsiger
and all Vice Presidents

From: Mark Mendenhall, Senior Vice President, General Counsel

The District operates a testing laboratory to test treated water to ensure compliance with the Nebraska Safe Drinking Water Act, Neb. Rev. Stat. § 71-5301. The Safe Drinking Water Act requires the Nebraska Department of Health and Human Services ("DHHS") to complete such testing itself or DHHS can accept testing results from certified laboratories pursuant to an agreement between it and the laboratory.

The District, DHHS and the Nebraska Department of Environment and Energy ("NDEE") have agreed to renew the existing interlocal agreement which allows DHHS and NDEE to accept testing results from the District's certified laboratory. The agreement also allows the parties to renew the agreement for up to two additional one-year periods.

The Interlocal Act, specifically Neb. Rev. Stat. 13-804 further requires that:

Any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the Interlocal Cooperation Act. Appropriate action by ordinance, resolution, or otherwise pursuant to law of the governing bodies of the participating public agencies shall be necessary before any such agreement may enter into force.

The Agreement is attached to this memo and I recommend the Board authorize the Chief Operations Officer to execute the same.



Mark Mendenhall
SVP / General Counsel

Approved



Mark E. Doyle
President

INTERLOCAL AGREEMENT RENEWAL

BETWEEN THE

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND

Metropolitan Utilities District

This interlocal agreement (hereinafter "Agreement") renewal is entered into by and between the Nebraska Department of Health and Human Services, Division of Public Health, Nebraska Public Health Environmental Health Laboratory (NPHEL) (hereinafter "DHHS"), and Metropolitan Utilities District (hereinafter "Local Agency"), to exercise a renewal of the Agreement, as set forth below.

DHHS and Local Agency are hereby exercising the option to renew the Agreement, as set forth in Section 1.1.1 of the Agreement.

Original Agreement Term:	December 31, 2021 through December 30, 2022.
Renewal Term:	December 31, 2022 through December 30, 2023.
Renewal Number:	first (1st)
Number of Renewals Remaining:	1
Total Not to Exceed Amount for This Renewal Term:	\$0.00

This renewal period shall be governed by the specifications, pricing, and the terms and set forth per the above-referenced Agreement.

Current Agreement Value Original Agreement + All Executed Renewal Periods	
Original Agreement Value:	\$0.00
Renewal 1 Total Amount:	\$0.00
Total Agreement Value:	\$0.00

Additional Modifications

The Agreement between the parties is hereby amended as follows:

Section 2, Subsection 2.2.9 is amended to read:

2.2.9. Report All SDWIS Sample Analytical Results electronically to NDEE Drinking Water Monitoring and Compliance Program daily.

The following attachments are attached hereto and, as amended, hereby incorporated into this amendment:

- Original Interlocal Agreement, executed on January 3, 2022

All other terms and conditions remain in full force and effect.

IN WITNESS THEREOF, the parties have duly executed this Agreement hereto, and each party acknowledges the receipt of a duly executed copy of this Agreement with original signatures.

FOR DHHS:

Nebraska Department of Health and Human Services
Division of Public Health

DATE: _____

FOR LOCAL AGENCY:

Metropolitan Utilities District

DATE: _____

APPROVED AS TO FORM:

Mark Mendenhall

SVP General Counsel
Metropolitan Utilities District

DATE: _____

ATTACHMENT

INTERLOCAL AGREEMENT

BETWEEN

THE NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES AND

METROPOLITAN UTILITIES DISTRICT

This interlocal agreement, including any addenda and attachments (collectively, "Agreement") is entered into by and between the Nebraska Department of Health and Human Services (DHHS), and METROPOLITAN UTILITIES DISTRICT ("Local Agency") (collectively, "Parties").

PURPOSE: The purpose of this Agreement is to use laboratory analyses for drinking water samples performed by the local Agency for Public Water Supply Systems (PWS) in Nebraska to show compliance under the Nebraska Safe Drinking Water Act (NSDWA), Neb. Rev. Stat. §§71-5306 et seq

1. DURATION

- 1.1. **TERM.** This Agreement is in effect from December 31, 2021 through December 30, 2022.
 - 1.1.1. This Agreement has the option to be renewed for two (2) additional one (1) year periods as mutually agreed upon in writing by the parties.
- 1.2. **TERMINATION.** This Agreement may be terminated, in whole or in part, at any time upon mutual written consent, or by either party for any reason upon submission of written notice to the other party at least thirty (30) days prior to the effective date of termination. Either party may also terminate the Agreement to the extent otherwise provided herein. Upon either termination or expiration of this Agreement, the Parties shall confer as to the disposal of any real or personal property involved in the Agreement, and agree, in writing as to the manner of method of disposal.

2. RESPONSIBILITIES

- 2.1. **DHHS** shall do the following:
 - 2.1.1. DHHS and Nebraska Department of Environment and Energy (NDEE) agrees to accept testing results for certified methods and analytes that the Local Agency performs for public water supply systems in Nebraska for use under the Nebraska Safe Drinking Water Act (NSDWA) that meet the provisions of this contract.
- 2.2. **Local Agency** shall do the following:
 - 2.2.1. For all compliance samples, the Local Agency must comply with all current Environmental Protection Agency Requirements, Nebraska Title 179 Chapter 20 (Nebraska Laboratory Certification Requirements for Testing Drinking Water) and recommendations to perform these laboratory analyses for use under the NSDWA.
 - 2.2.2. Use only a methodology set out in 40 CFR 141.852(a) and (c), and the Manual for the Certification of Laboratories Analyzing Drinking Water, 5th Edition, January 2005.
 - 2.2.3. Use Colilert Quantitray for testing all total coliform/*E.coli* initial repeats and all total coliform/*E.coli* specials.
 - 2.2.4. Maintain records of all data, and report data as set out in Chapter V of the Manual for the Certification of Laboratories Analyzing Drinking Water, 5th Edition, January 2005. The Local Agency must keep all of its records a minimum of five years. All data must be available for review by the Department at all times. The Local Agency agrees that it must comply with and adequately document the following:
 - A) Requirements and recommendations set out in 40 CFR 141.852(a) and (c) and this agreement; and
 - B) Chain-of-custody procedures
 - 2.2.5. Annually analyze a Proficiency Test PT sample set with acceptable results for each test method and analyte for which certification is requested. Proficiency Test samples must be purchased from a Proficiency Test provider approved by National Environmental Laboratory

Accreditation Program (NELAP). The approved Proficiency Test provider must send results of the Proficiency Test samples directly to the Department. PT samples must be analyzed in the same manner as routine samples.

- 2.2.6. Notify the Department in writing of any major changes in laboratory personnel, equipment, or location that may affect Local Agency's Drinking Water Certification within 30 days. A major change includes, but is not limited to, the loss or replacement of the Laboratory Director, Quality Assurance Officer, primary analyst or a situation in which a trained and experienced analyst is no longer available to analyze water samples in any situation that affects the Local Agency's ability to meet the provisions of this Agreement. Refer to Nebraska Administrative Code, Title 179, Chapter 20, Section 20-003.05 (Nebraska Laboratory Certification Requirements for Testing Drinking Water) for additional information. The Department reserves the right to disapprove any replacement personnel or major laboratory change proposed by the Local Agency.
- 2.2.7. Provide the NDEE Drinking Water Monitoring and Compliance program all final sample aThe purpose of this Contract is to use laboratory analyses for drinking water samples performed by the local Agency for Public Water Supply Systems (PWS) in Nebraska to show compliance under the Nebraska Safe Drinking Water Act (NSDWA), Neb. Rev. Stat. §§71-5306 et seq analytical Results in compliance with the Safe Drinking Water Information System upload requirements. These requirements are set out in the document titled Reporting of Sample Analytical Results from outside Laboratories to Nebraska's Safe Drinking Water Information System. Additional copies can be requested from the Drinking NDEE Water Program.
- 2.2.8. For total coliform/*E.coli* testing, furnish proper initial repeat sample bottles and perform the required analysis for contracted Public Water Supply Systems (PWS) in a timely manner that will allow the PWS(s) to meet current requirements of the Nebraska's Public Water Supply Systems regulations, Title 179. This requires the laboratory to be ready and able to process coliform samples any day of the year.
- 2.2.9. Report all Sample Analytical Results electronically to NDEE Drinking Water Monitoring and Compliance Program daily.
- 2.2.10. Report via e-mail Monday through Friday by the end of the same business day any of the following results to ndee.drinkingwater@nebraska.gov. The NDEE Drinking Water Monitoring and Compliance emergency phone number, (402) 499-6922, should be used for reporting after 5:00 PM and on weekends.
 - 2.2.10.1. All Positive total coliform sample results and *E.coli* positive sample results.
 - 2.2.10.2. All Nitrate results over 10.0 mg/L and any confirmation results.
 - 2.2.10.3. Any other contaminant result that is double the maximum contaminant level (MCL) allowed in drinking water.
- 2.2.11. Provide individuals, as determined necessary by the Department, to testify as witnesses in administrative hearings about tests performed by the Local Agency under this agreement. Such provision includes reasonable time prior to such hearings to prepare for the hearings with Department staff and to review the Local Agency's records in preparation of such hearings.
- 2.2.12. Laboratories Certified by Reciprocity:
 - 2.2.12.1 Must notify DHHS certification program when they are scheduled for an onsite inspection/audit by their accrediting body.
 - 2.2.12.2 Must allow the DHHS certification program to be present during said onsite inspection/audit
 - 2.2.12.3 Must provide to the DHHS certification program a copy of the report on the onsite inspection/audit. This includes the assessment of the Quality Assurance Program to the DHHS certification program.
 - 2.2.12.4 Must provide to the DHHS certification program any corrective action reports that are associated with pertinent findings from the onsite inspection/audit.

- 2.3. **Best Efforts.** The parties shall use their best efforts to accomplish their respective responsibilities in a timely and efficient manner. The failure of one party to perform its responsibilities shall not relieve the other party of its responsibilities.

3. INDEPENDENT AGENCIES

- 3.1. DHHS and the Local Agency are independent agencies within the State of Nebraska. This Agreement shall not create an employer-employee relationship between the Parties or between any of the employees of one party with the other party. The Agreement does not create a business partnership or joint venture under Nebraska law, or any joint entity as set forth in the Interlocal Cooperation Act, Neb. Rev. Stat. §§ 13-801 et seq.

4. WRITTEN AGREEMENT

- 4.1. *Amendment.* This Agreement may be modified only by written amendment, executed by both parties. No alteration or variation of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the Parties.
- 4.2. *Integration.* This written Agreement constitutes the entire agreement between the Parties, and any prior or contemporaneous representations, promises, or statements by the Parties, which are not incorporated herein, shall not serve to vary or contradict the terms set forth in this Agreement.
- 4.3. *Severability.* Should any part, term or provision of this Agreement be determined to be invalid, the remainder of this Agreement shall not be affected, and the same shall continue in full force and effect.
- 4.4. *Survival.* All provisions hereof that by their nature are to be performed or complied with following the expiration or termination of this Agreement, shall survive the expiration or termination of this Agreement.

5. COMPLIANCE WITH LAW

- 5.1. If required by the Interlocal Cooperation Act, the Local Agency shall ensure that this Agreement is properly filed with the Nebraska Auditor of Public Accounts by the applicable deadline, in accordance with Neb. Rev. Stat. § 13-513.
- 5.2. *Civil Rights and Equal Opportunity Employment.* The Parties shall comply with all applicable local, state and federal law regarding civil rights, including but not limited to, Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d et seq.; the Rehabilitation Act of 1973, 29 U.S.C. §§ 794 et seq.; the Americans with Disabilities Act of 1990 ("ADA"), 42 U.S.C. §§ 12101 et seq.; the Age Discrimination in Employment Act, 29 U.S.C. §§ 621 et seq.; the Age Discrimination Act of 1975, 42 U.S.C. §§ 6101 et seq.; and the Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§ 48-1101 to 48-1125.
- 5.3. The Parties shall comply with all other applicable federal, state, county and municipal laws, ordinances, and rules and regulations in the performance of this Agreement. This may include, but is not limited to, confidentiality requirements for the particular information being accessed or the data being shared, as may be more fully set forth herein.

6. LIABILITY

- 6.1. Nothing in this Agreement shall be construed as an indemnification by one party or the other for liabilities of a party or third parties for property loss or damage or death or personal injury arising out of and during the performance of this Agreement. Any liabilities or claims for property loss or damages or for death or personal injury by a party or its agents, employees, contractors or assigns or by third persons shall be determined according to applicable law.
- 6.2. Nothing in this Agreement shall relieve either party of any obligation or responsibility imposed upon it by law.

7. RECORDS

- 7.1. The Parties agree to provide reasonable access to each other's records and personnel, as necessary, to ensure compliance with any funding requirements, or to provide records for any federal or state oversight authority.
- 7.2. The Parties shall maintain all records related to this Agreement as consistent with any applicable record retention schedules, or any other retention requirement mandated by law.

8. NO THIRD PARTY BENEFICIARY RIGHTS

- 8.1. No entity not a party to this Agreement is an intended beneficiary of this Agreement, and no entity not a party to this Agreement shall have any right to enforce any term of this Agreement.

9. NOTICES

9.1. Notices shall be in writing and shall be effective upon mailing. All written notices shall be sent to the following addresses:

FOR DHHS:
Russ Fosler
Nebraska Department of Health and
Human Services

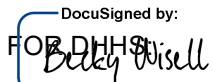
301 Centennial Mall South
Lincoln, NE 68509-5026
(402) 471-4964
russ.fosler@nebraska.gov

FOR LOCAL AGENCY:
Christopher Fox
Metropolitan Utilities District
2710 Grebe St


Omaha, NE 68111
(402) 449-8182
chris.fox@mudnebr.com

9.2. Either party may change the individual to be notified under this section via letter sent by U.S. Mail, postage prepaid, or via email.

IN WITNESS THEREOF, the Parties have duly executed this Agreement hereto, and that the individual signing below has authority to legally bind the party to this Agreement, and, if applicable, that this Agreement has been authorized by the Party's governing body.

DocuSigned by:
FOR DHHS:

Becky Wisell

Administrator

DocuSigned by:
FOR LOCAL AGENCY:

Mark Mendenhall

SVP / General Counsel

Department of Health and Human Services

Metropolitan Utilities District

DATE: _____

DATE: _____

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

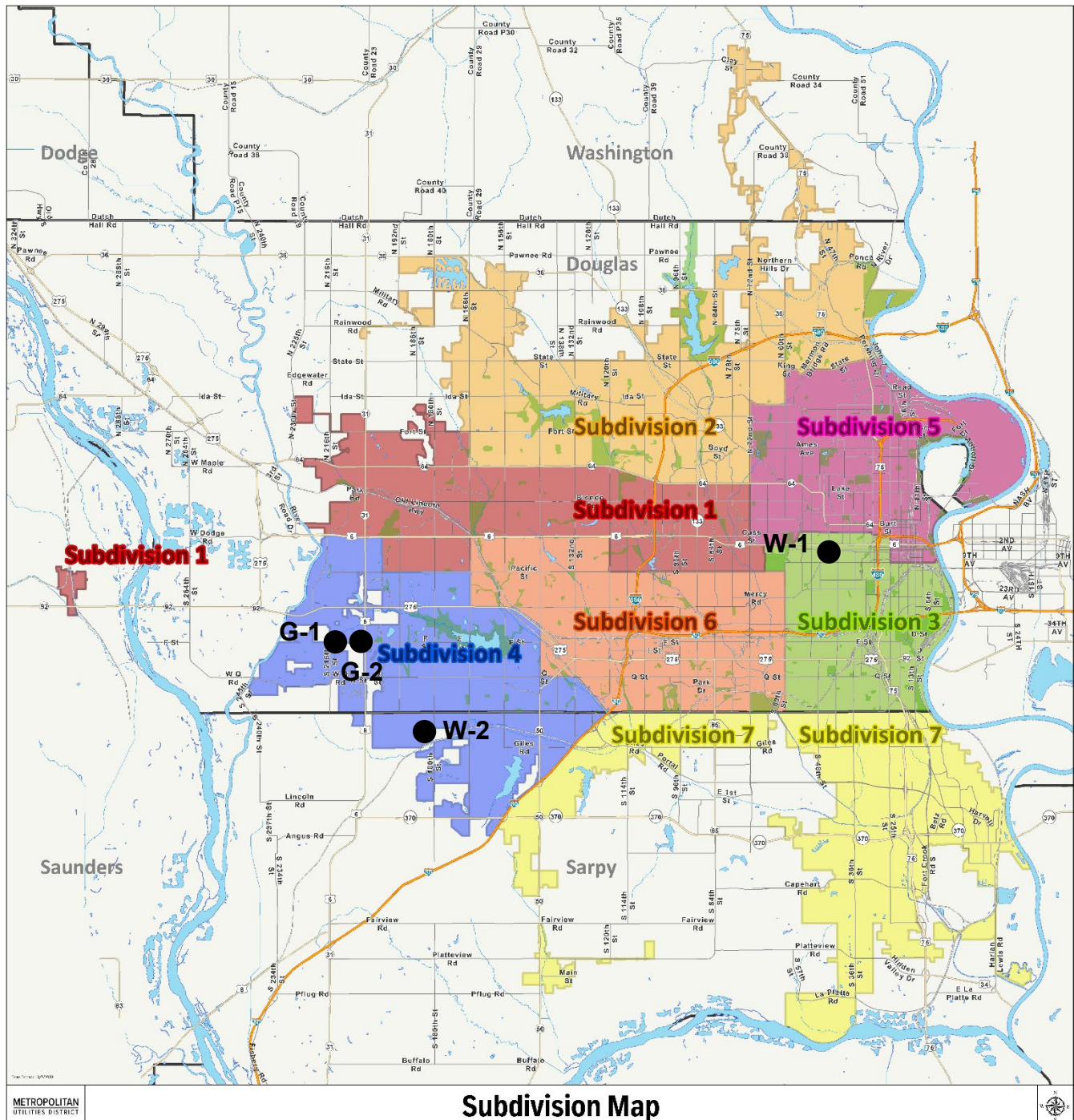
January 23, 2023

Subject: MAIN EXTENSIONS

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

From: Masa Niiya, Vice President, Engineering

The following main extensions will be on the February 1, 2023, Committee Agenda for consideration and the Board Agenda for approval:



WATER MAINS:

1. **UNMC SADDLE CREEK CAMPUS, Subdivision 3, Howard:** This work is being done to provide water service and fire protection to seven commercial lots in UNMC Saddle Creek Campus, 46th and Farnam Streets. Work is requested to be completed by June 2023. (City of Omaha's zoning jurisdiction, UNMC Nebraska Medicine)

Subdivision: UNMC Saddle Creek Campus

Project Number: WP 1913

Project Cost: \$633,512

Applicant Contribution: \$122,164

Construction by Applicant: \$511,348

M.U.D. Cost: \$0.00

2. **WINDSOR WEST SUBDIVISION, Subdivision 4, Cavanaugh:** This work is being done to provide water service and fire protection to 130 single residence lots in Windsor West Subdivision, 180th Street and Giles Road. Pioneer main fees are due to the existing 36-inch water mains in 192nd Street in the amount of \$90,068. (Sarpy County's zoning jurisdiction, Peter Katt)

Subdivision: Windsor West Subdivision

Project Number: WP 1986

Project Cost: \$714,855

Applicant Contribution: \$804,923

Construction by Applicant: \$0.00

M.U.D. Cost: \$0.00

GAS MAINS:

1. **IRON BLUFF SUBDIVISION (PHASE 1), Subdivision 4, Cavanaugh:** This work is being done to provide gas service to 92 single residence lots and 1 multi-family lot in Iron Bluff Subdivision, George B. Lake Parkway and "F" Street. Work is requested to be completed by May 2023. To properly expand our system to serve future developments, it is necessary to oversize 3,160 feet of 2-inch mains to 4-inch mains at a District cost of \$38,856. The applicant has agreed to pay the cost of the deficiency in the amount of \$3,520. (City of Omaha's zoning jurisdiction, Lockwood Development).

Subdivision: Iron Bluff Subdivision

Project Number: GP 2728

Project Cost: \$171,403

Developer Equivalent Cost: \$132,547

Developer Adjusted Estimated Cost: \$118,318

Allowable Revenue Credits: \$114,798

Deficiency: \$3,520

2. **IRON BLUFF SUBDIVISION (PHASE 2), Subdivision 4, Cavanaugh:** This work is being done to provide gas service to 1 multi-family lot, 1 school lot and 11 commercial lots in Iron Bluff Subdivision, 204th and "F" Streets. Work is requested to be completed by July 2023. The applicant has agreed to pay the cost of the deficiency in the amount of \$15,145. (City of Omaha's zoning jurisdiction, Lockwood Development).

Subdivision: Iron Bluff Subdivision

Project Number: GP 2729

Project Cost: \$86,078

Developer Equivalent Cost: \$86,078

Developer Adjusted Estimated Cost: \$76,838


Allowable Revenue Credits: \$61,693

Deficiency: \$15,145

Approved:



Gina Langel
Sr. Vice President, Chief Operations Officer



Masa Niiya
Vice President, Engineering



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

January 19, 2023

Subject: Wage and/or Salary Increases and Ratifications, February 2023 Board Meeting

To: Personnel Committee members Begley, Friend, and Sidzyik

cc: Board Members Cavanaugh, Cook, Howard, and McGowan

President Doyle, and Senior Vice Presidents Ausdemore, Langel, Lobsiger, 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.

There are no recommendations for approval this month

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.

There are no recommendations for approval this month

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

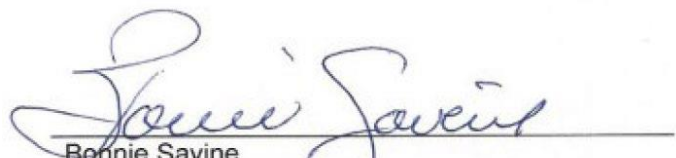
The following SPA employees are selected for promotion. It is recommended the President be authorized to increase the salary of these employees. These SPA positions have been evaluated, graded, appropriate job descriptions completed, and posting guidelines fulfilled. The effective date for these salaries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

Employee:	Nathan Williams
Current position (department):	Design Engineer (Plant Engineering)
New position (department):	Senior Plant Engineer (Plant Engineering)
Current rate; step/grade:	\$89,264; SPA – 05
Proposed rate; step/grade:	\$102,320; SPA – 07
Percent of increase:	14.63%
District hire date:	March 11, 2019

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

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

January 25, 2023

Subject: FIRST LEGISLATIVE REPORT – 2023 SESSION

To: Judicial and Legislative Committee

cc: All Board Members; Doyle, Mendenhall, Ausdemore, Schaffart, Langel, Lobsiger; all Vice Presidents; Nowka

From: Rick Kubat, Government Relations Attorney

The ninety-day long session of the Nebraska Legislature began on January 4th and is tentatively set to adjourn on June 9th. The listing of new bills introduced in the 2023 session are provided below. Management's recommendations for newly introduced legislation are provided below for Board consideration. Along with the bills detailed below, there are numerous other legislative proposals that could impact the District. These bills will be closely monitored and included on future legislative reports with recommended positions on each respective matter if it is determined that a position is necessary.

LB 40 (Blood) – Establishes the Riparian Protection and Water Quality Practices Act (Act). Requires Nebraska's Department of Agriculture to consult with local management authorities to develop a summary of watercourses for inclusion in a comprehensive local watershed management plan and to create buffer protection maps. The District is defined as a water management authority. LB 40 requires riparian buffers and water quality practices to: (a) protect state water resources from erosion and runoff pollution, (b) stabilize soils, shores, and banks, and (c) protect or provide riparian corridors. The bill requires landowners with property adjacent to a water source identified on a buffer-protection map to maintain buffers in accordance with the Act. The bill requires the District, with assistance from the Dept. of Agriculture, to assist landowners with riparian protection requirements including planning, technical assistance, implementation of approved alternative practices, and tracking progress towards compliance. The District would be required to notify the Dept. of Agriculture if a landowner is not in compliance. The Dept. of Agriculture is authorized to levy civil penalties not to exceed \$1,000 per violation. The bill further provides categories of exempted properties to include land enrolled in a Conservation Reserve Program, recreational use, regulated by a National Pollutant Discharge Permit, part of a water-inundation cropping system, or in a temporary non-vegetated condition. Management is recommending that the District support the underlying goals of LB 40 with the recommendation that financing be made available to support volunteer agricultural practices.

Mgmt. Rec: Support
Status: Referred to Natural Resources Committee

LB 122 (Bostelman) – Changes provisions of the One-Call Notification Act. Current law enables the State Fire Marshall (SFM) to investigate One-Call violations specifically related to natural gas. LB 122 expands the duties of the SFM to investigate One-call violations to include water, fiber, sewer, electricity and all other utilities. The bill requires initial complaints be filed with the SFM. It requires the SFM to investigate each complaint. It creates the Underground Excavation Safety Committee (UESC), referred to as a “hit court”. The UESC would be comprised of two excavators and two operators appointed by the Governor and a designee of the SFM. The Committee would determine whether complaints constitute One-Call violations and be empowered to impose civil penalties less than \$10,000. Penalties may include the requirement of completion of educational courses established by the SFM. In cases where the hit court determines penalties should exceed \$10,000, the matter would be referred to the Attorney General for prosecution in the same manner complaints are handled under current law.

Mgmt. Rec: Neutral
Status: January 31 Transportation & Telecommunications Committee hearing

LB 161 (McDonnell) – Prohibits employers from requiring employees to wear electronic communication devices to track an employee’s location or travel patterns or to confirm contacts with other employees. An exception is provided if the Governor proclaims a state of emergency related to a pandemic. Under the pandemic exclusion, employee tracking information is to be used only for the limited purpose of contact tracing. Senator McDonnell was informed by the District and other employers that tracking systems are used for vehicular safety and to track the location of District assets. Senator McDonnell’s office has indicated that the intent of the bill is to provide an exception for the tracking of employer property. Provided this exclusionary language becomes part of the bill, Management is recommending a neutral position.

Mgmt. Rec: Neutral
Status: January 30 Business and Labor Committee hearing

LB 171 (McKinney) – LB 171 is a bill intended to “clean up” the District’s enabling act which is found in Neb. Rev. Stat. § 14-2101 through §14-2157. Every year, the Urban Affairs Committee picks a chapter under their jurisdiction to update and remove obsolete statutory language. The intended purpose of “clean-up” is not to make any substantive law changes. The bill moves the enabling act into its own section of law that will be known as the Metropolitan Utilities Act. Below are two changes made under LB 171 Management would like to bring to your attention.

1. The Bill eliminates language that the District “may”, by resolution, move to subdivisions and replaces it with “shall”. Those involved in bill drafting have taken the position that once the District moved to subdivision elections, there is no mechanism under current law that would permit the District to move back to at-large elections.
2. Current law requires a two-thirds vote of the “full” Board for termination of a regular full time employee. LB 171 changes the language to two-thirds of the Board. This

change would permit employee removal if 4 of 6 Directors voted for termination *if* a Board Director was absent. Current law requires two thirds of the full Board which is interpreted as 5 Directors regardless of the number of Directors that are absent.

Mgmt. Rec: Neutral
Status: Referred to Urban Affairs Committee

LB 205 (von Gillern) – Would establish the Government Neutrality in Contracting Act. Unless otherwise required by federal law, a government entity shall ensure that any requests for proposals or bid specifications for a public contract or the procurement procedures for a public contract *do not contain*:

- (a) A term that requires, prohibits, encourages, or discourages bidders, public contractors, or subcontractors from entering into or adhering to a collective-bargaining agreement relating to construction under the public contract; or
- (b) A term that discriminates against bidders, public contractors, or subcontractors based on status as a party or nonparty to, or the willingness or refusal to enter into, a collective-bargaining agreement relating to construction under the public contract; or
- (c) Contract award pass or fail scoring criteria regarding a bidder's hiring requirements, labor assignments, local headquarters, political affiliation, political activity, or demographic makeup.

Mgmt. Rec: Neutral
Status: Referred to Government, Military and Veterans Affairs Committee

LB 237 (Wayne) – Appropriates \$1 million from the General Fund to the Department of Environment and Energy for the Low-Income Weatherization Assistance Program, to aid in carrying out energy efficiency audits and weatherization improvements.

Mgmt. Rec: Support
Status: Referred to the Appropriations Committee

LB 267 (Brewer) – Provides for the prioritization of resources for the protection of critical infrastructure utility workers to include specific District employees during any civil defense emergency. It provides priority access to personal protective equipment, medical screening, testing, preventative health services, medical treatment, and the administration of vaccines in the event of an emergency involving a severe threat to human health.

Mgmt. Rec: Support
Status: January 30 Business and Labor Committee hearing

LB 270 (McKinney) – Changes provisions to the Landlord and Tenant Act and rental registration ordinances. LB 270 provides requirements for a city or village when rental property is condemned to include meeting with residents of the rental property and providing a plan for providing housing, food, transportation, moving expenses, and legal

services for residents. Of interest to the District is a provision contained within LB 270 that would require landlords to remove and replace lead service lines.

Mgmt. Rec: Support
Status: Referred to Judiciary Committee

LB 292 (Cavanaugh M.) - No land within the Lake Development District, as designated by the Department of Natural Resources under the JEDI bill passed last year shall be acquired by the State or any political subdivision of the State through the use of eminent domain.

Mgmt. Rec: Neutral
Status: Referred to Natural Resources Committee

LB 389 (Linehan) – Would prohibit the use of Tax Increment Financing (TIF) for any property that has used TIF in the preceding 50 years.

Mgmt. Rec: Neutral
Status: January 31 Urban Affairs Committee hearing

LB 394 (Erdman) – LB 394 changes the calculation of fair market value and severance damages when an entity uses eminent domain. Current law allows for fair market value and all compensable damages suffered by the condemnee including, but not limited to, reasonable severance damages and condemnee's abstracting, or more generally, title research expenses. LB 394 divides out compensation for agricultural lands and all other property. For property other than agricultural land, the damages include: (i) The fair market value of the condemned property; (ii) Reasonable severance damages; and (iii) The condemnee's abstracting expenses. For agricultural land, the damages include: (i) Two times the fair market value of the condemned property; (ii) Reasonable severance damages; and (iii) the condemnee's abstracting expenses.

Mgmt. Rec: Oppose
Status: Referred to the Judiciary Committee

LB 477 (Wayne) – Appropriates \$100 million of general fund dollars for the Omaha Streetcar Authority. Fifty percent or \$50 million is to be used to establish a North Omaha line.

Mgmt. Rec: Neutral
Status: Referred to the Appropriations Committee

LB 506 (Bostar) – Appropriates \$200 million in American Rescue Plan (ARPA) dollars to the City of Lincoln for an alternative water supply. Appropriates \$20 million to small and rural communities for reverse osmosis to address nitrates.

Mgmt. Rec: Neutral
Status: Referred to the Appropriations Committee

LB 613 (McDonnell) – Appropriates \$45 million of general fund dollars over a two-year period to the Nebraska Department of Environment and Energy for the removal of lead service lines for District customers. Up to ten percent of the funds may be used for workforce training.

Mgmt. Rec: Support
Status: Referred to the Appropriations Committee

LB 636 (Albrecht) – Prohibits municipal ordinances from limiting fuel choices. LB 636 would prohibit regulations or ordinances limiting fuel choices to include propane and natural gas.

Mgmt. Rec: Support
Status: Referred to the Natural Resources Committee

LB 672 (Hansen) – Appropriates \$30 million of the Drinking Water Facilities Loan Fund to the Nebraska Department of Environment and Energy for loan funds for municipal water grants. Provides up to fifty percent loan forgiveness to expand municipal drinking water treatment plants and related expenditures. Management is recommending a neutral position on LB 672 because the target of this legislation is presumed to be for the City of Blair.

Mgmt. Rec: Neutral
Status: Referred to the Appropriations Resources Committee

LB 691 (Linehan) – Amends Nebraska Revised Statute 14-3,109. If a fixed rail or streetcar system is constructed in a city, all project-related costs for natural gas and water utilities shall be paid by the city or owner of the fixed rail or streetcar system. Project-related costs include any and all necessary utility work required for the construction of such a project and shall include engineering services for any and all gas and water utility work.

Mgmt. Rec: Support
Status: Referred to the Urban Affairs Committee

LB 693 (Linehan) – If a City of the Metropolitan class uses Tax Increment Financing for any project that includes a fixed rail or streetcar system, an authority shall pay for all project-related costs for natural gas and water utilities. Project-related costs shall include any and all necessary utility work required for the construction of a fixed rail or streetcar system and shall include engineering services performed for any and all gas and water utility work.

Mgmt. Rec: Support
Status: Referred to the Urban Affairs Committee

LB 734 (Bostar) – Creates a Class II Felony if an actor intentionally causes a substantial interruption or impairment of public communication, transportation, supply of

water, gas or power, or other public service if such impairment or interruption is a significant contributing factor in death or serious injury to any person.

Mgmt. Rec: Support
Status: Referred to the Judiciary Committee

LB 746 (Cavanaugh M.) – Beginning on the effective date of the bill, if the total amount of ad valorem taxes estimated to be generated exceeds \$20 million for a Tax Increment Financed project, such project shall be submitted to a vote of the people.

Mgmt. Rec: Neutral
Status: Referred to the Urban Affairs Committee



Richard A. Kubat
Government Relations Attorney

Approved:



Mark A. Mendenhall
Senior Vice President/General Counsel



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Departmental Communication

January 24, 2023

Subject: 2022 RETIREMENT PLAN AND OPEB INVESTMENT REVIEW


To: Insurance and Pensions Committee

cc: All Board Members; Doyle, Ausdemore, Langel, Lobsiger, Mendenhall and all Vice Presidents

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

Attached please find a report from Vanguard Institutional Advisory Services (VIAS) that presents 2022 investment performance for the Retirement and Other Post-Employment Benefits (OPEB) trust funds. The composite investment returns for the year ending December 31, 2022, were (-17.05%) and (-17.45%) for the Retirement and OPEB plans respectively (net of fees). The composite returns for the three-month period ending December 31, 2022, were 7.02% and 7.61% for the Retirement and OPEB plans respectively (net of fees). As a point of reference, the investment return assumption for the Retirement trust is 6.75%, as delineated in the Investment Policy Statement that governs its investment practices. The Investment Policy Statement for the OPEB trust does not specify a return assumption, but rather addresses the return goal as follows: "The Fund's long-term total return objective (income plus market appreciations) is to earn the highest possible rate of return consistent with the Plan's tolerance for risk."

This item will be on the February 1, 2023, Board Committee Meeting agenda for discussion and review purposes only. Joseph Wolfram, Senior Investment Consultant with Vanguard Investment Advisory Services, will provide a brief presentation to the Board regarding investment performance and will be available to answer any questions. This information was also presented at the January 23, 2023, meeting of the Insurance and Pension Committee.



Joseph J. Schaffart
Senior Vice President, Chief Financial Officer

Approved:



Mark E. Doyle
President

Attachment



Prepared for

Metropolitan Utilities District

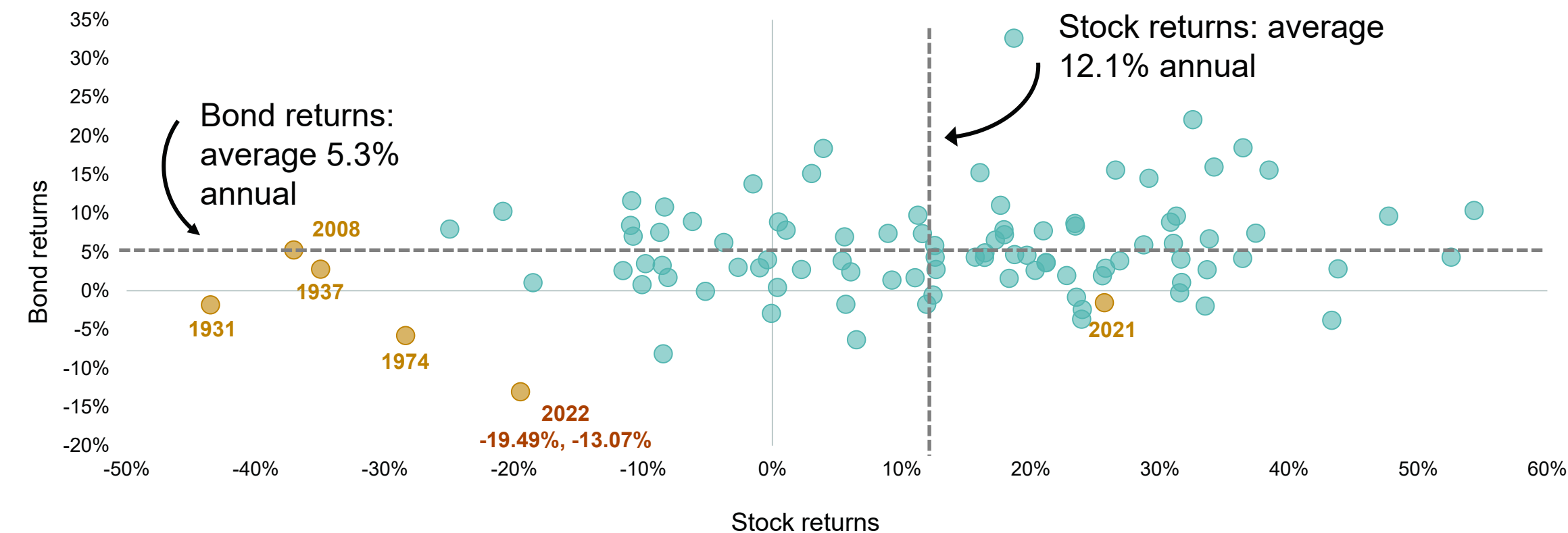
Joseph Wolfram, CFA, Senior Investment Consultant,
Vanguard Institutional Advisory Services

February 1, 2023

For institutional use only. Not for distribution to retail investors.

Manage your expectations: In the short term, an investor's experience is anything but the historical average

Annual stock and bond returns 1926 through 2022



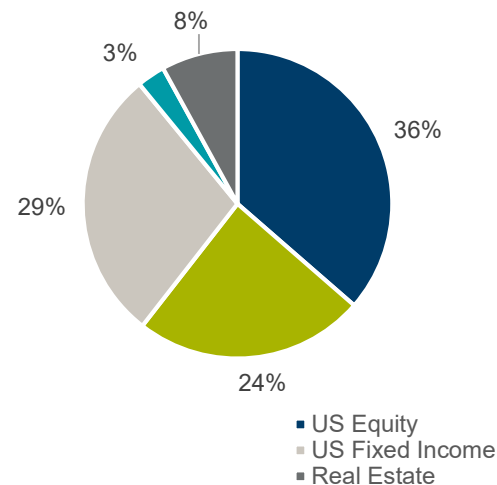
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Notes: US Stocks are represented by Standard & Poor's 500(dividends included) from 1926 through 12/31/1970; Wilshire 5000 Index from 1971 through 4/22/2008; MSCI US Broad Market Index through June 2, 2013; CRSP US Total Stock Market Index thereafter. Fixed income is represented by Standard & Poor's High Grade Corporate Index from 1926 through 1968; Citigroup High Grade Index from 1969 through 1972; Lehman Brothers U.S. Long Credit AA Index 1973 through 1975; Bloomberg U.S. Aggregate Index 1976 through 2009; Spliced Bloomberg U.S. Aggregate Float Adjusted Index thereafter (Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.

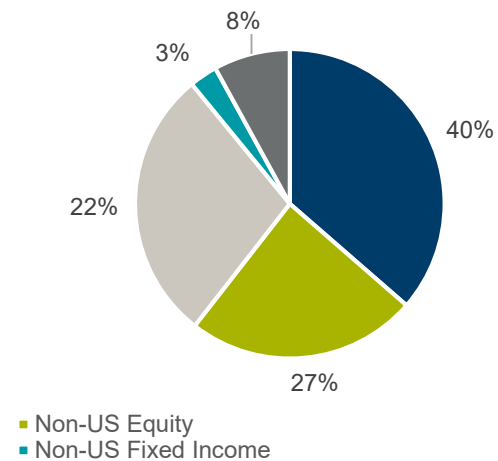
Total portfolio snapshot as of December 31, 2022

	Q1 2022 (%)	Q2 2022 (%)	Q3 2022 (%)	Q4 2022 (%)	1 Year (%)	Since Inception Pension (Feb 2009)	Since Inception OPEB (March 2016)
Pension Plan Portfolio	(5.82)	(12.13)	(6.34)	7.02	(17.05)	7.73	
OPEB Plan Portfolio	(5.81)	(12.82)	(6.59)	7.61	(17.45)		6.53
Domestic Equity	(5.45)	(16.84)	(4.45)	7.15	(19.51)	9.62	11.27
International Equity	(6.07)	(12.85)	(10.52)	14.71	(15.97)	3.85	5.27
Domestic Fixed Income	(6.10)	(5.00)	(4.34)	2.37	(12.64)	1.01	0.65
International Fixed Income	(4.98)	(5.19)	(3.28)	(0.02)	(12.89)	0.91	0.39
Real Estate fund	(5.94)	(15.48)	(11.01)	4.36	(26.17)	4.29	3.79

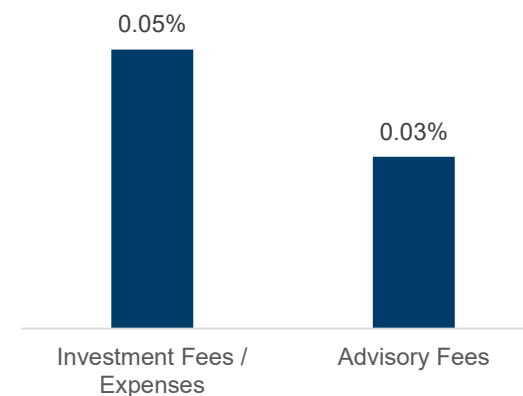
Pension policy allocation



OPEB policy allocation

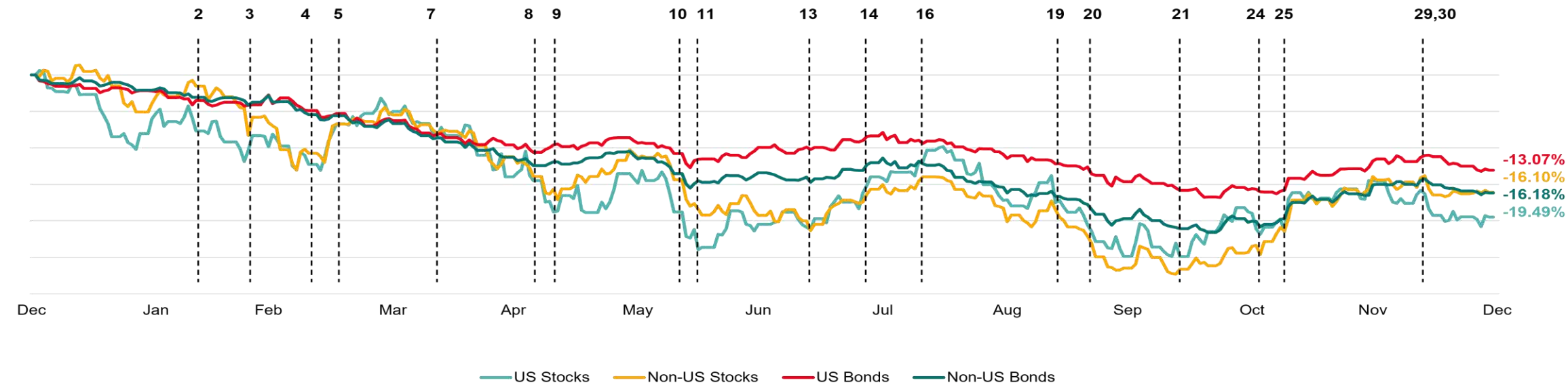


Total Fees



Source: Vanguard. Portfolio return performance is displayed net of advisory fees and expense ratios. Asset class performance is shown net of expense ratios.. Past performance is not a guarantee of future results. Returns greater than one year represent annualized returns. Returns less than one year represent cumulative returns.

2022 Performance and notable events

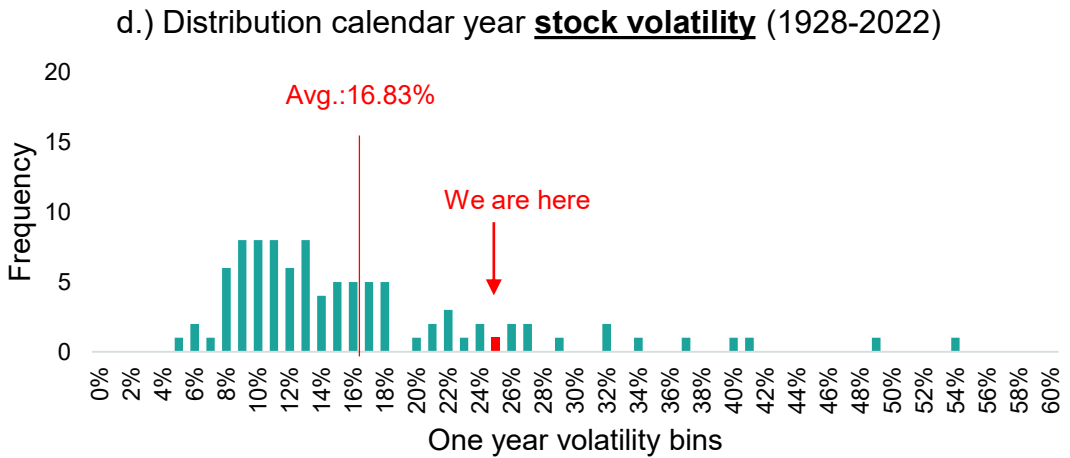
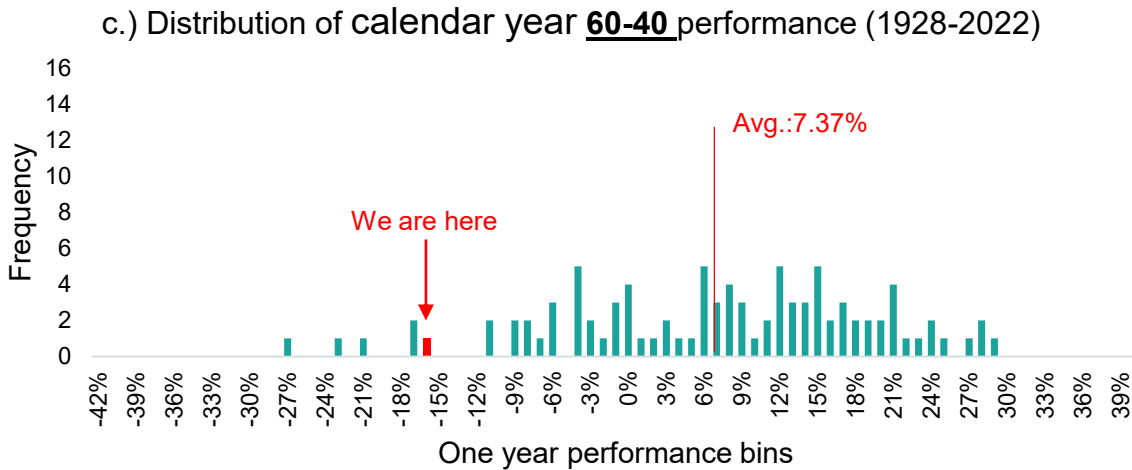
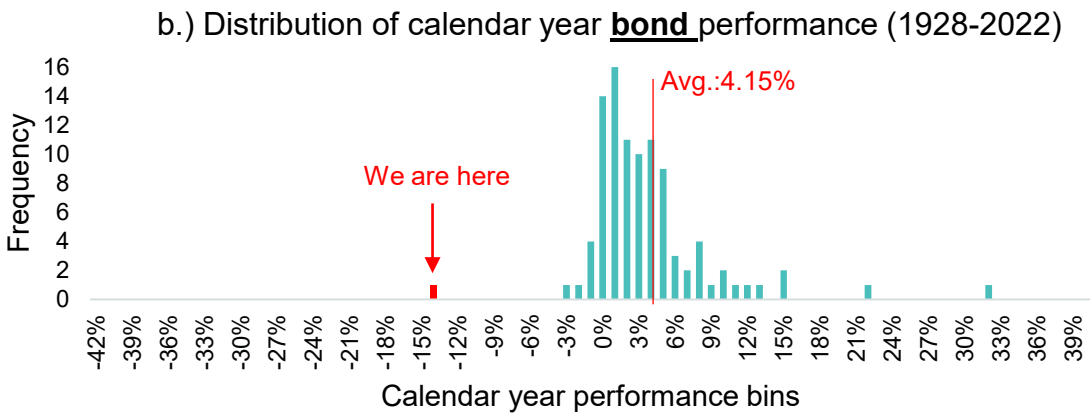
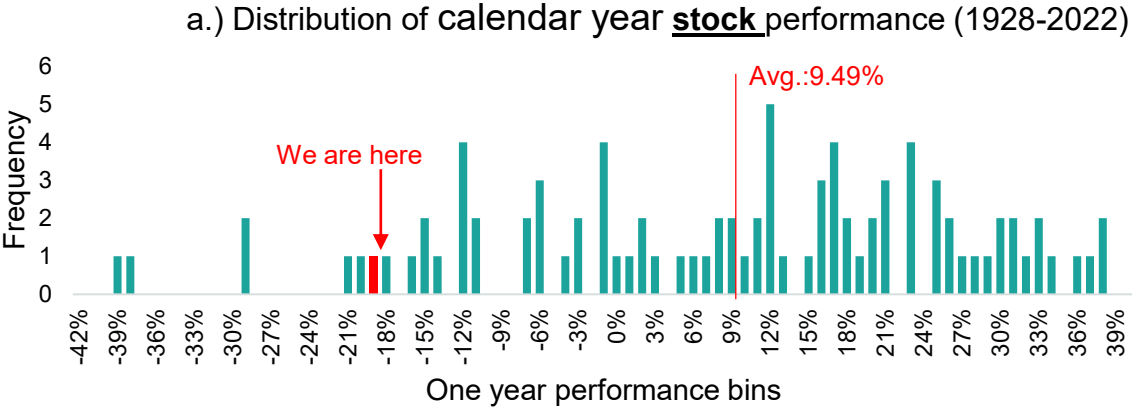


- | | | |
|--|--|--|
| 1) Crude oil hits \$90/barrel (2/3) | 11) Fed hikes rates by 75 bps (6/16) | 21) September inflation announced at 8.2% (10/13) |
| 2) January inflation announced 7.5% (2/10) | 12) Prime Minister Boris Johnson announced resignation (7/7) | 22) Prime Minister Liz Truss announced resignation (10/20) |
| 3) Russia invaded the Ukraine (2/24) | 13) June inflation announced at 9.1% (7/13) | 23) Elon Musk takes over Twitter (10/27) |
| 4) February inflation announced 7.9% (3/10) | 14) Fed hikes rates by 75 bps (7/27) | 24) Fed hikes rates by 75 bps (11/2) |
| 5) Fed hikes rates by 25 bps (3/17) | 15) GDP declined two straight quarters (7/28) | 25) United States midterm election (11/8) |
| 6) Shanghai began 2-month COVID lockdown (4/1) | 16) July inflation announced at 8.5% (8/10) | 26) October inflation announced at 7.7% (11/10) |
| 7) March inflation announced at 8.5% (4/12) | 17) Inflation Reduction Act signed by President Biden (8/16) | 27) Georgia senate runoff election (12/6) |
| 8) Fed hikes rates 50 bps (5/5) | 18) Queen Elizabeth II passed away (9/8) | 28) China begins easing COVID rules (12/7) |
| 9) April inflation announced at 8.3% (5/11) | 19) August inflation announced at 8.3% (9/13) | 29) November inflation announced at 7.1% (12/13) |
| 10) May inflation announced at 8.6% (6/10) | 20) Fed hikes rates by 75 bps (9/21) | 30) Fed hikes rates by 50 bps (12/14) |

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Source: Vanguard. Data based on daily returns from 12/31/2021 - 12/31/2022. 2022 Total Returns in parentheses.
US Stocks (CRSP US Total Market), Non-US Stocks (FTSE Global All-Cap ex-US), US Bonds (Barclays US Aggregate Float-adjusted Bond Index), Non-US Bonds (Barclays Global ex-USD Aggregate Bond Index Hedged).

Calendar year performance and volatility going back to 1928

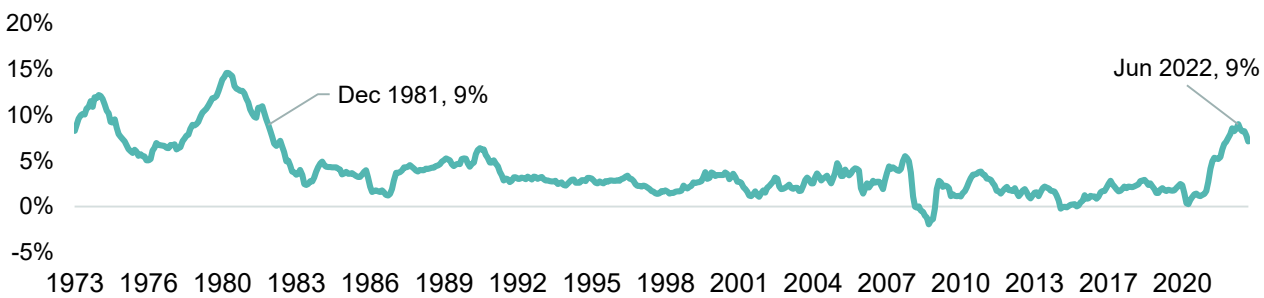


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Notes: Figures a. through c. show the cumulative performance from January through December each calendar year going back to 1928. 'We are here' performance represents calendar year 2022. Figure d. shows the annualized volatility for the year. Sources: Figures a. -c.: Stocks: S&P 500 through 1970; Wilshire 5000 from 1971 through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; CRSP US Total Market Index thereafter. Bonds: IA SBBI U.S. Intermediate-Term Government Bond Index through 1972; Bloomberg U.S. Government/Credit Intermediate-Term Index from 1973 through 1975; Bloomberg U.S. Aggregate Bond Index thereafter. Figure d.: S&P 500 from 1928 through December 31, 2022.

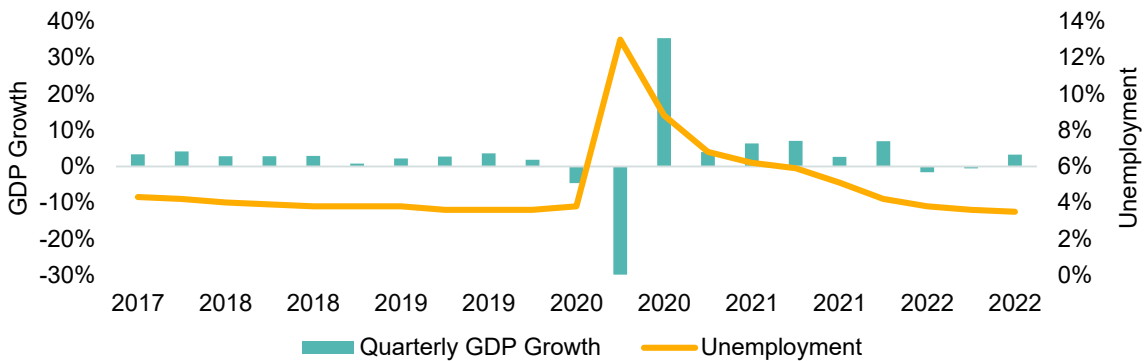
Inflation and unemployment - 2022

Inflation in 2022 reached its highest level in 40 years



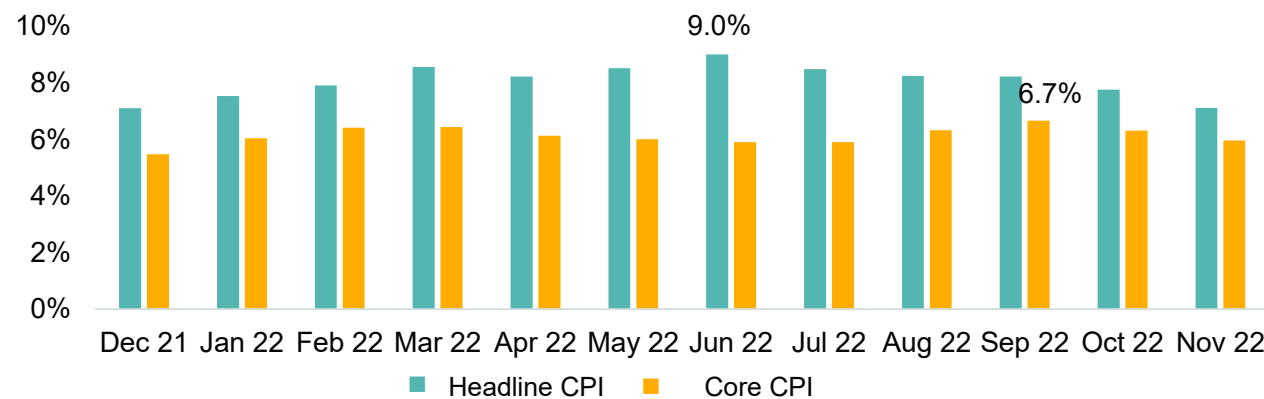
Source: FactSet

Unemployment remains at pre-pandemic levels despite a slow down



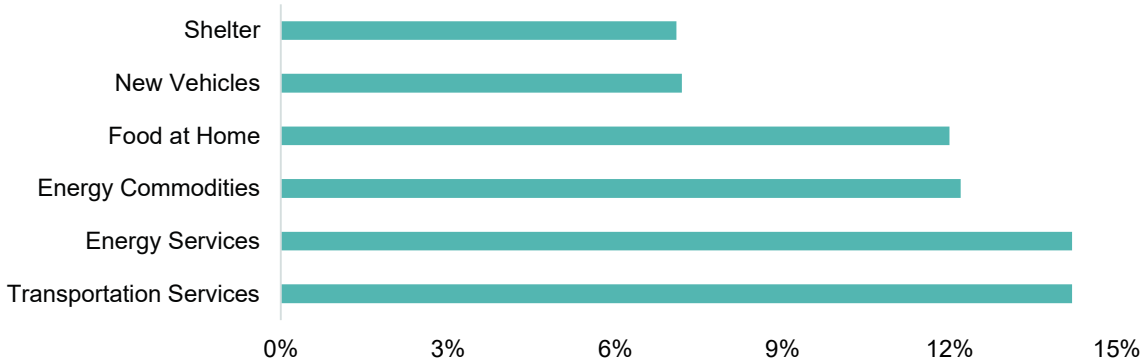
Source: FactSet, Federal Reserve Bank of St. Louis

Inflation remained high through 2022 with headline CPI and core CPI peaking in June and September respectively



Source: Federal Reserve Bank of St. Louis

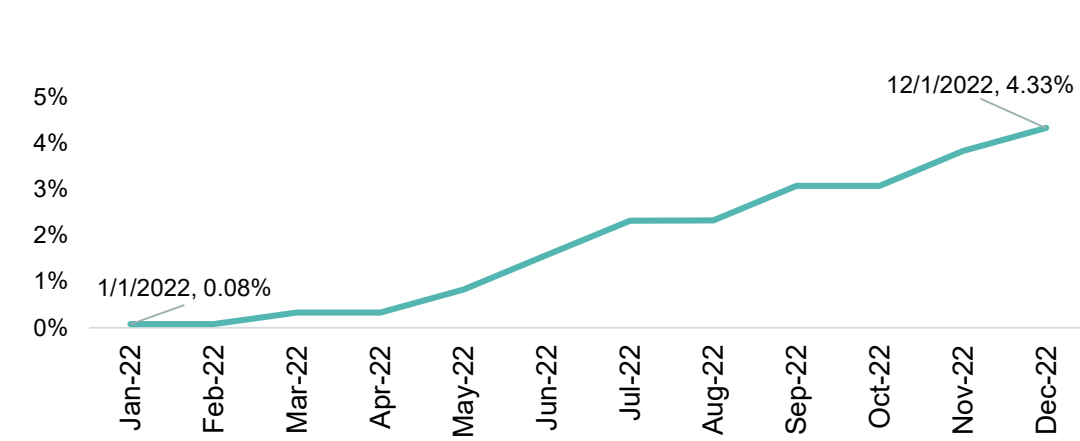
Biggest contributors to CPI - 12 month change as of December 2022



Source: Bureau of Labor Statistics

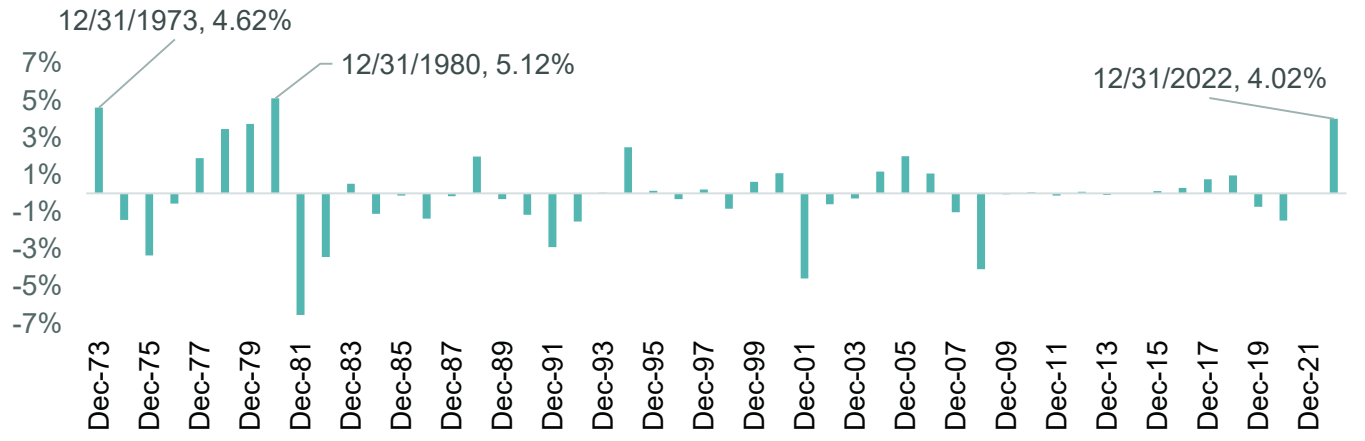
Monetary policy - 2022

The Fed increased its policy rate seven consecutive times in 2022



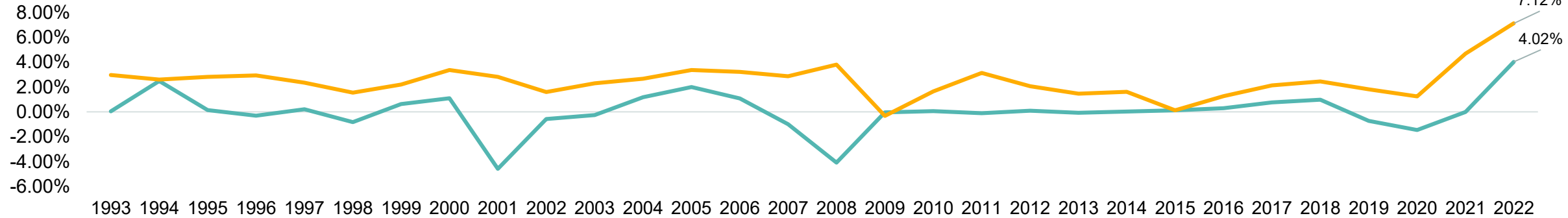
Source: FactSet

2022 rate hikes represented the third largest annual increase in the last 50 years



Source: FactSet, Federal Reserve Bank of St. Louis

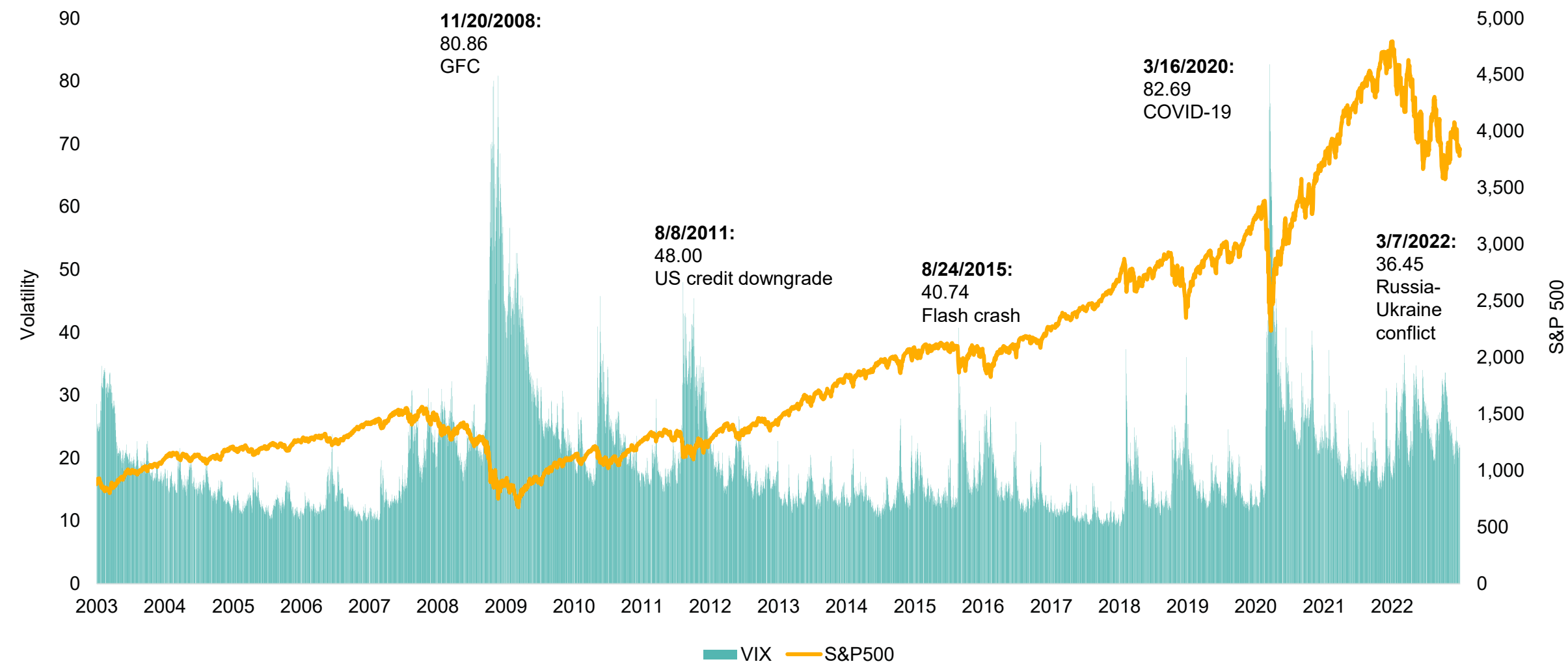
As inflation reached historic levels The Fed responded with persistent policy rate increases



Source: FacetSet

— 12-Month Change in Federal Funds Rate — Inflation

Volatility and the S&P 500

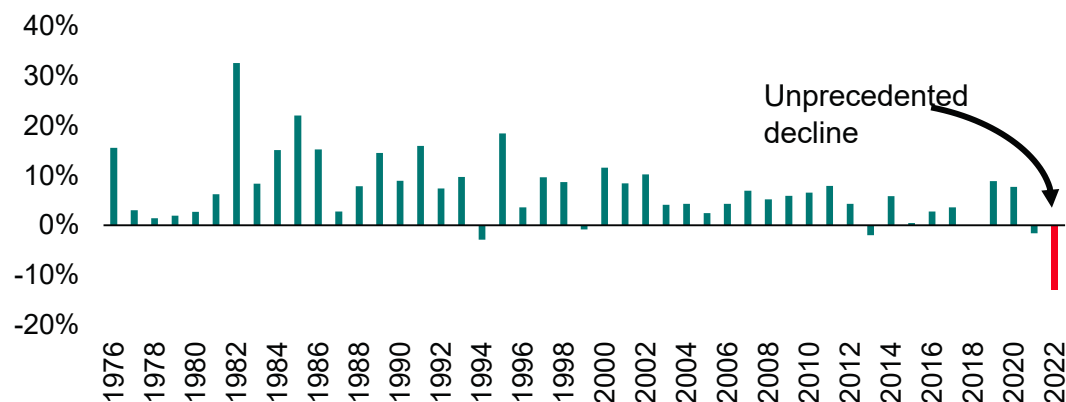


Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

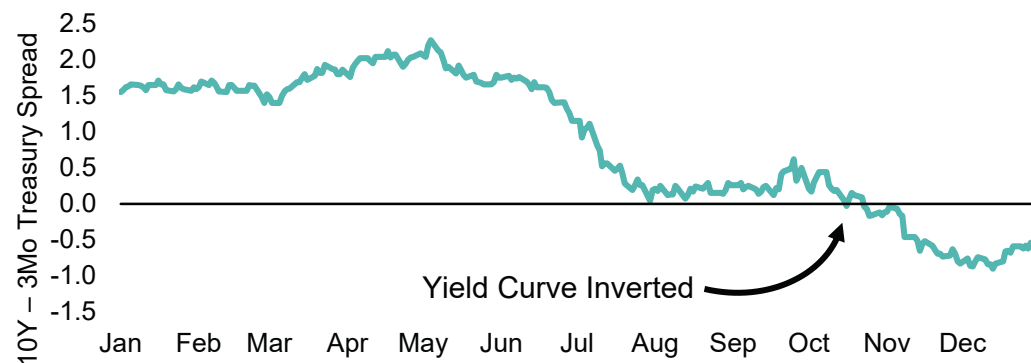
Source: FactSet. Daily data from 1/1/2003-12/31/2022 as of December 31, 2022. Volatility as measured by the VIX.

2022 Fixed income performance

US bonds suffer one of the worst annual returns in history



10-year/3-month Treasury spread negative since October 18th

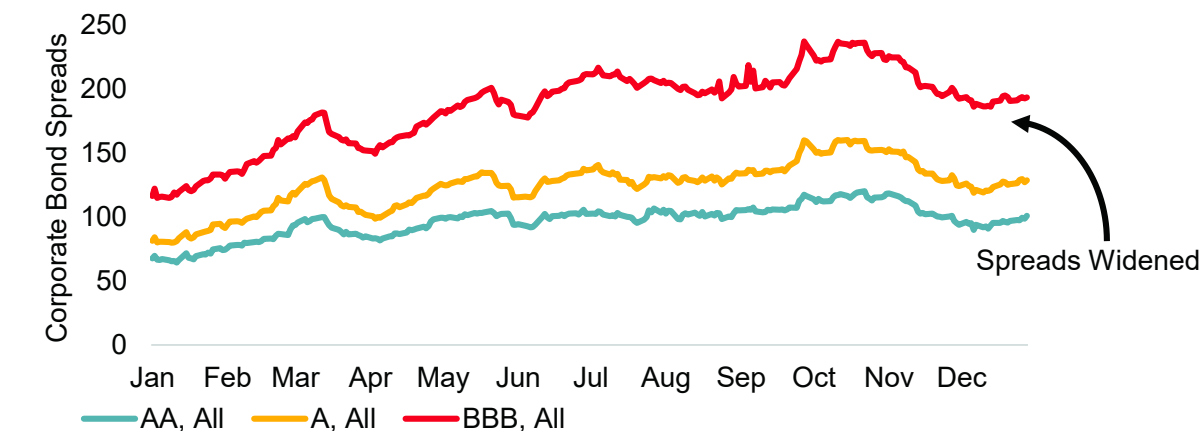


Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index
 Notes: "Hedge return" is defined here as the currency return for the Barclays Global Aggregate ex-USD index, hedged to US dollars. "Unhedged foreign currency return" is defined here as the currency return for the Barclays Global Aggregate ex-USD index, unhedged, in US dollars. Corporate Bond Spreads represent option-adjusted par spread over Treasuries from January 1, 2022 through December 31, 2022.
 Sources: Vanguard calculations, based on data from Barclays and Federal Reserve Bank of St. Louis.

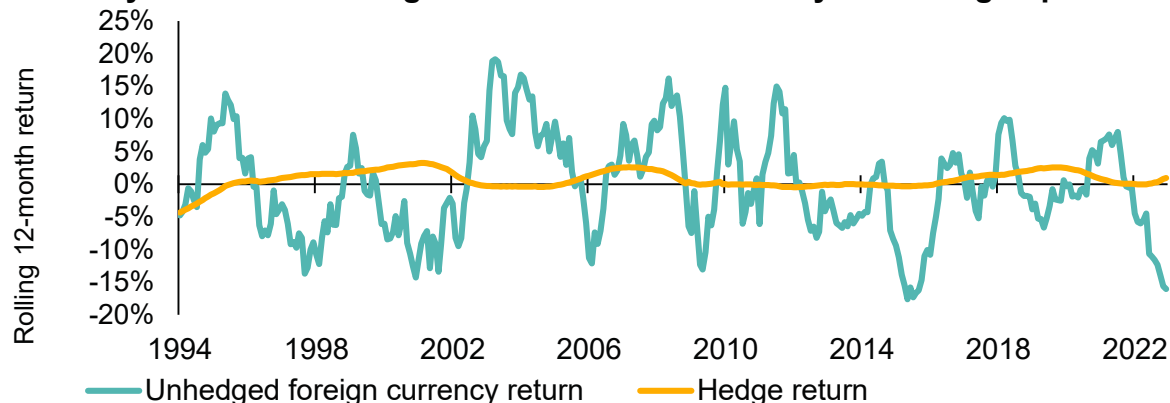
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Worsening economic conditions from inflation and the Fed's fight to contain it pushed credit spreads higher though within historic averages

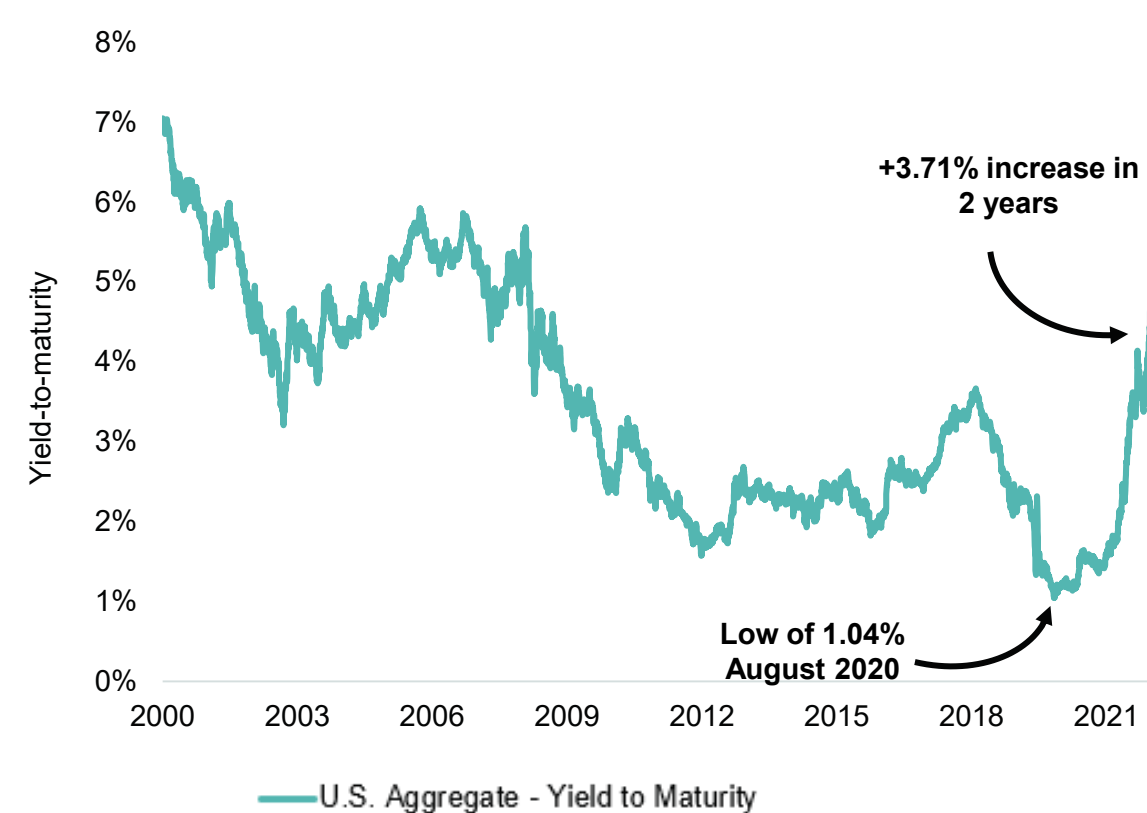


Currency return created significant downside volatility in unhedged portfolios

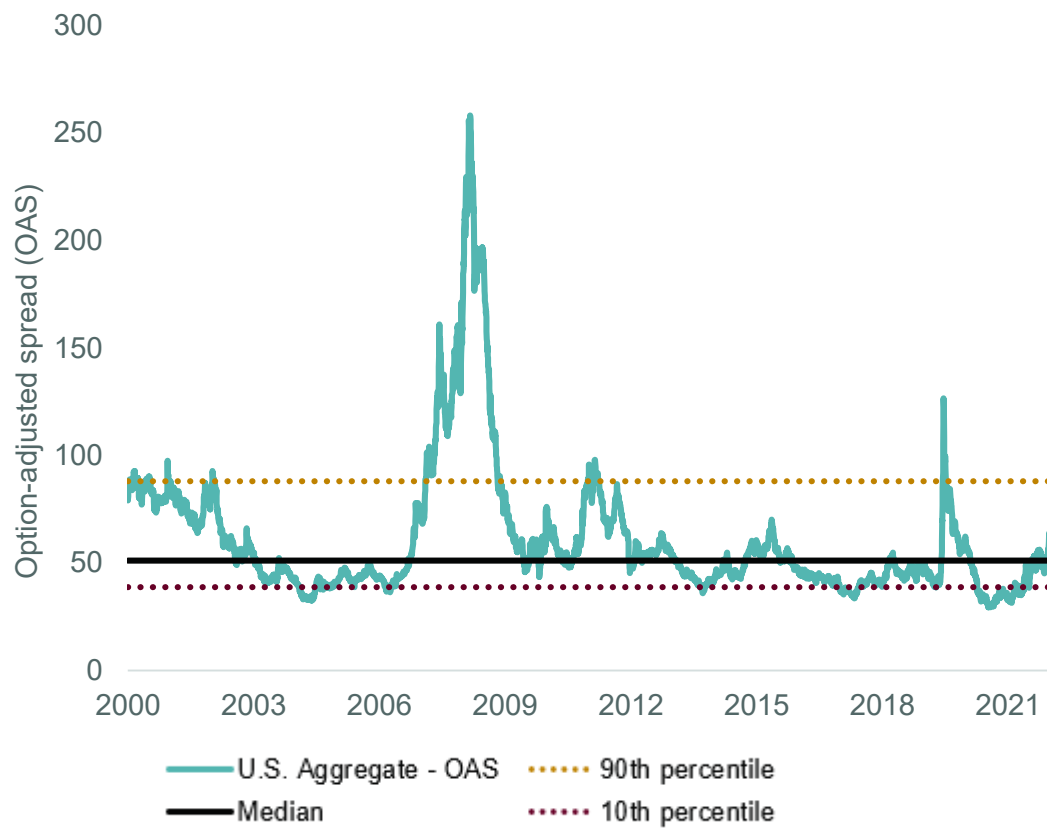


Historic increase in rates while credit spreads hold near historic averages

Yield-to-maturity on U.S. Bloomberg Aggregate Index



Credit spreads on U.S Bloomberg Aggregate Index



Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Source: Barclays Live. Charts show the Bloomberg U.S. Aggregate Bond Index from September 30, 2000, through September 30, 2022.

2023 outlook at a glance

- Growth is likely to end 2023 flat or slightly negative in most major economies outside of China (see table).
- Unemployment is likely to rise over the year but nowhere near as high as during the 2008 and 2020 downturns.
- Lower equity valuations and higher interest rates have pushed our 10-year return forecasts more than 2 percentage points higher than last year.

Vanguard's economic forecasts

Country/ Region	GDP growth*			Unemployment rate			Headline inflation†		Monetary policy		
	2023			2023			2023				
	Vanguard	Consensus	Trend	Vanguard	Consensus	NAIRU	Vanguard	Consensus	Year-end 2022	Year-end 2023	Neutral rate
U.S.	0.25%	0.9%	1.8%	5%	4.4%	3.5%–4%	3%	2.4%	4.25%	5%	2.5%
Euro area	0%	0.2%	1.2%	7.4%	7.1%	6.5%–7%	6%	5.8%	2%	2.5%	1.5%
U.K.	–1.1%	–0.8%	1.7%	4.7%	4.4%	3.5%–4%	6.3%	6.8%	3.5%	4.5%	2.5%
China‡	4.5%	5%	4.3%	4.7%	N/A	5%	2.2%	2.3%	2.65%	2.6%	4.5%

Notes: Forecasts, which may have been updated from earlier outlooks, are as of November 30, 2022. NAIRU stands for non-accelerating inflation rate of unemployment. The neutral rate is the interest rate that would be neither expansionary or contractionary when the economy is at full employment and stable inflation. This table displays our median neutral rate estimates with an effective range of +/- 1 percentage point.

Source: Vanguard.

- * For the U.S., GDP growth is defined as the year-over-year change in fourth-quarter gross domestic product. For all other countries/regions, it is defined as the annual change in total GDP in the forecast year compared with the previous year.
- † For the U.S., headline inflation is defined as year-over-year changes in this year's fourth-quarter Personal Consumption Expenditures (PCE) Price Index compared with last year. For all other countries/regions, it is defined as the average annual change in headline Consumer Price Index (CPI) inflation in the forecast year compared with the previous year. Consensus for the U.S. is based on Bloomberg ECFC consensus estimates.
- ‡ China's policy rate is the one-year medium-term lending facility (MLF) rate.

2023 outlook at a glance

Asset-class return outlooks

Our ten-year annualized nominal return projections, as of September 30, 2022, are shown below. Please note the figures are based on a 2-point range around the 50th percentile of the distribution of return outcomes for equities and a 1-point range around the 50th percentile for fixed income.

U.S. equities
4.7%–6.7%
17.4% median volatility

U.S. aggregate bonds
4.1%–5.1%
5.6% median volatility

Global equities ex-U.S.
(unhedged)
7.4%–9.4%
18.8% median volatility

Global bonds ex-
U.S. (hedged)
4.0%–5.0%
4.4% median volatility

These probabilistic return assumptions depend on market conditions at the time of running of the VCMM and, as such, change with each running over time..

IMPORTANT: The projections or other information generated by the Vanguard Capital Markets Model® regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations are as of September 30, 2022. Results from the model may vary with each use and over time. For more information, see Important information page.

Source: Vanguard Investment Strategy Group.

Can an investor avoid a bear market?

- Looking for market ‘triggers’ works at times and fails during others. On net, investors have destroyed wealth through market timing.
- The data shows that the longer an investor remains out of the market, the worse their returns have been.
- “Don’t just do something, stand there!” – John Bogle

Notes: Additional scenarios were run looking for other trigger thresholds and other rules for duration out of the market. These results varied from what appears here, but had directionally identical results. Additionally, these results hold whether looking from the early history of the market or more recent results. See appendix for more details.

Appendix: Additional slides

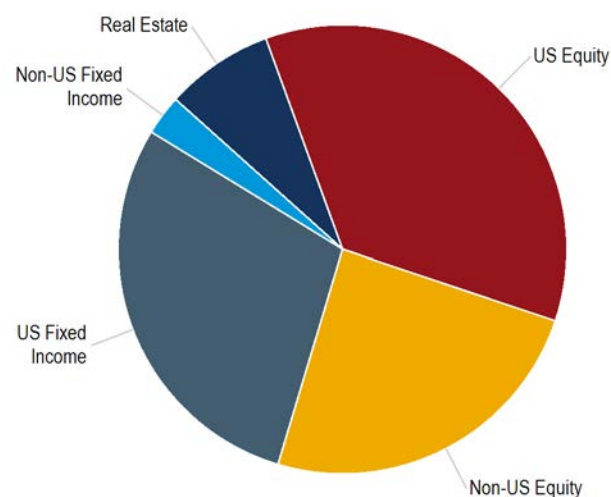
Total Portfolio Performance & Asset Allocation

Performance Summary ending December 31, 2022

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
METROPOLITAN UTILITIES DISTRICT OF OMAHA	468,666,401	-3.32	7.03	-17.03	2.47	4.25	6.90	7.75	Feb-09
METROPOLITAN UTILITIES DISTRICT OF OMAHA (Net)		-3.32	7.02	-17.05	2.45	4.22	6.87	7.73	
Composite Benchmark		-2.85	6.95	-16.75	2.14	4.15	6.48	8.71	Feb-09

- Composite Benchmark = 36% Spliced Total Stock Market Index / 24% FTSE All-World ex-US Index / 29% Spliced Bloomberg Barclays US Aggregate Float Adjusted Index / 3% Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged / 8% Real Estate Spliced Index

Current Allocation as of December 31, 2022



	Current \$	Current %	Policy	Difference*
US Equity	\$167,428,631	35.7%	36.0%	-0.3%
Non-US Equity	\$114,796,578	24.5%	24.0%	0.5%
US Fixed Income	\$136,344,181	29.1%	29.0%	0.1%
Non-US Fixed Income	\$13,659,745	2.9%	3.0%	-0.1%
Real Estate	\$36,437,265	7.8%	8.0%	-0.2%
Total	\$468,666,401	100.0%	100.0%	

*Difference between Policy and Current Allocation

Gross of Advisory Fee returns reflect the deduction of fund expense ratios and any other security-level expenses.

Net of Fee returns reflect the deduction of fund expense ratios, any purchase or redemption fees, and VIAS advisory fee applied to the client portfolio.

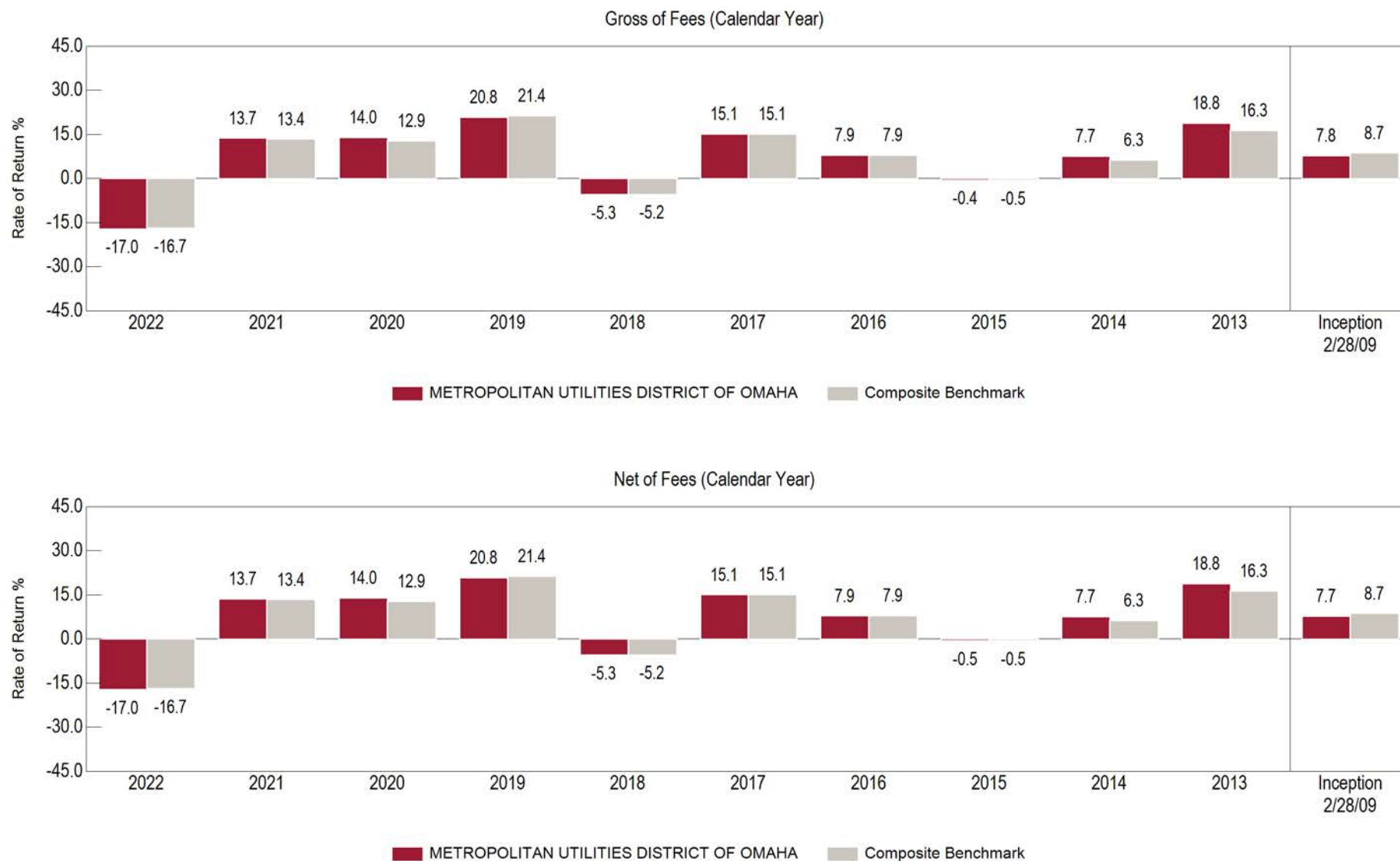
Performance Summary (Gross of Advisory Fees) ending December 31, 2022

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
METROPOLITAN UTILITIES DISTRICT OF OMAHA	468,666,401	100.00	-3.32	7.03	-17.03	2.47	4.25	6.90	7.75	Feb-09
Composite Benchmark			-2.85	6.95	-16.75	2.14	4.15	6.48	8.71	Feb-09
Total Equity	282,225,210	60.22	-4.40	10.13	-18.09	4.45	5.81	--	7.45	Dec-14
Equity Domestic	167,428,631	35.72	-5.87	7.15	-19.51	6.99	8.73	--	9.62	Dec-14
Spliced Total Stock Market Index			-5.87	7.15	-19.49	6.99	8.73	12.09	9.61	Dec-14
Vanguard® Total Stock Market Index Fund Instl Shares Plus	167,428,631	35.72	-5.87	7.15	-19.51	6.99	8.73	12.06	9.74	Apr-15
CRSP US Total Market TR USD			-5.87	7.15	-19.49	6.99	8.73	12.10	9.73	Apr-15
Multi-Cap Core Funds Average			-5.27	7.93	-17.93	5.77	6.82	9.96	7.53	Apr-15
Equity International	114,796,578	24.49	-2.18	14.71	-15.97	0.54	1.13	--	3.85	Dec-14
Spliced Total International Stock Index			-0.52	14.14	-16.10	0.52	1.10	4.20	3.81	Dec-14
Vanguard® Total International Stock Index Institutional Plus Shares	114,796,578	24.49	-2.18	14.71	-15.97	0.54	1.13	4.10	2.39	Apr-19
Spliced Total International Stock Index			-0.52	14.14	-16.10	0.52	1.10	4.20	2.49	Apr-19
International Funds Average			-2.07	16.03	-17.59	0.40	1.00	4.13	2.39	Apr-19
Total Fixed Income	150,003,926	32.01	-0.76	2.15	-12.66	-2.35	0.19	--	1.01	Dec-14
Fixed Income Domestic	136,344,181	29.09	-0.55	2.37	-12.64	-2.20	0.23	--	1.01	Dec-14
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			-0.45	1.85	-13.07	-2.67	0.06	1.08	0.88	Dec-14
Vanguard® Total Bond Market Index Fund Institutional Shares	70,454,122	15.03	-0.60	1.67	-13.15	-2.73	0.01	1.02	0.82	Dec-14
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			-0.45	1.85	-13.07	-2.67	0.06	1.08	0.88	Dec-14
Spliced Intermediate-Term Investment-Grade Debt Funds Average			-0.43	1.73	-13.54	-2.61	-0.06	0.95	0.76	Dec-14
Vanguard® Inter-Term Investment-Grade Fund Adm TM Shares	51,705,646	11.03	-0.66	3.49	-13.78	-2.00	0.69	1.77	1.65	Dec-14
Bloomberg US Credit 5-10 Yr TR			-0.37	3.63	-13.74	-2.40	0.84	2.06	1.94	Dec-14
Spliced Core Bond Funds Average			-0.43	1.73	-13.54	-2.61	-0.06	0.95	0.76	Dec-14
Vanguard® Short-Term Investment-Grade Fund Institutional Shares	14,184,414	3.03	0.11	1.73	-5.72	-0.35	1.14	1.48	1.48	Dec-14
Bloomberg US Credit 1-5 Yr TR			0.11	1.78	-5.56	-0.41	1.26	1.54	1.53	Dec-14

Performance Summary (Gross of Advisory Fees) ending December 31, 2022

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
1-5 Year Investment-Grade Debt Funds Average			0.25	1.24	-6.96	-1.11	0.42	0.75	0.78	Dec-14
Fixed Income International	13,659,745	2.91	-2.87	-0.02	-12.89	-3.77	-0.20	--	0.91	Jul-15
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			-2.49	0.08	-12.72	-3.63	-0.04	1.91	1.07	Jul-15
Vanguard® Total International Bond Index Fund Institutional Shares	13,659,745	2.91	-2.87	-0.02	-12.89	-3.77	-0.20	--	0.91	Jul-15
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			-2.49	0.08	-12.72	-3.63	-0.04	1.91	1.07	Jul-15
International Income Funds Average			0.12	5.53	-14.20	-4.84	-2.08	-0.78	-0.20	Jul-15
Total Real Estate	36,437,265	7.77	-5.09	4.36	-26.17	-0.39	3.71	--	4.29	Dec-14
Real Estate Domestic	36,437,265	7.77	-5.09	4.36	-26.17	-0.39	3.71	--	4.29	Dec-14
Real Estate Spliced Index			-5.08	4.35	-26.12	-0.29	3.78	6.52	4.37	Dec-14
Vanguard® Real Estate Index Fund Institutional Shares	36,437,265	7.77	-5.09	4.36	-26.17	-0.39	3.71	6.45	4.29	Dec-14
Real Estate Spliced Index			-5.08	4.35	-26.12	-0.29	3.78	6.52	4.37	Dec-14
Real Estate Funds Average			-4.86	3.52	-25.83	-0.51	3.16	5.77	3.83	Dec-14

Total Portfolio Performance

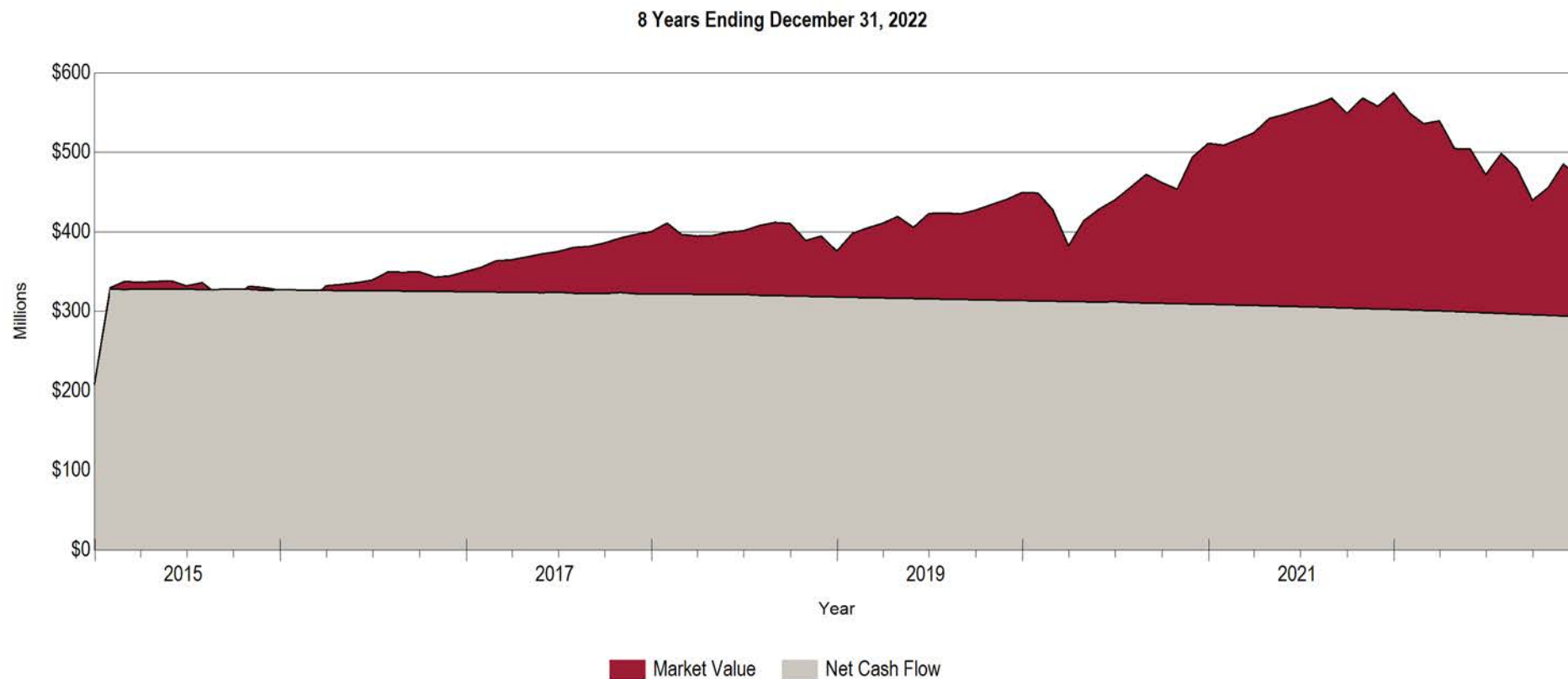


Gross of Advisory Fee returns reflect the deduction of fund expense ratios and any other security-level expenses.

Net of Fee returns reflect the deduction of fund expense ratios, any purchase or redemption fees, and VIAS advisory fee applied to the client portfolio.

Cash Flow Summary & Market Value History

	Last Month	Last Three Months	Year-To-Date	One Year	Since 1/1/15
Beginning Market Value	\$485,464,491.98	\$439,969,433.42	\$575,100,514.90	\$575,100,514.90	\$208,732,542.73
Net Cash Flow	-\$682,624.84	-\$2,280,975.05	-\$8,975,549.47	-\$8,975,549.47	\$85,205,407.71
Capital Appreciation	-\$19,239,058.46	\$27,150,922.70	-\$109,064,843.40	-\$109,064,843.40	\$93,514,115.30
Income	\$3,123,592.26	\$3,827,019.87	\$11,606,278.91	\$11,606,278.91	\$81,214,335.20
Ending Market Value	\$468,666,400.94	\$468,666,400.94	\$468,666,400.94	\$468,666,400.94	\$468,666,400.94



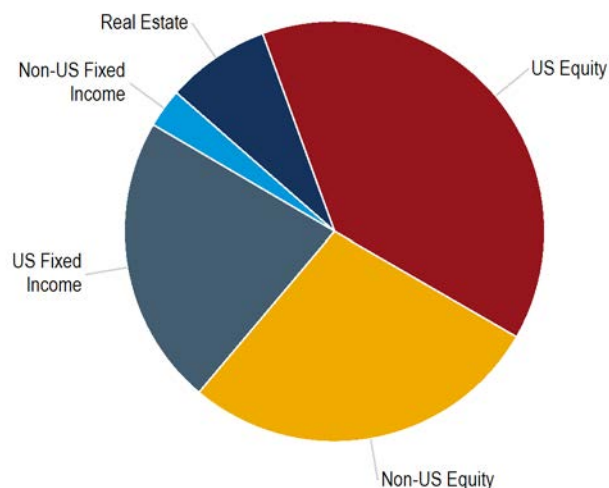
Total Portfolio Performance & Asset Allocation

Performance Summary ending December 31, 2022

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
METROPOLITAN UTILITIES DISTRICT OF OMAHA - OPEB	71,702,390	-3.56	7.62	-17.43	2.50	4.33	--	6.56	Mar-16
METROPOLITAN UTILITIES DISTRICT OF OMAHA - OPEB (Net)		-3.56	7.61	-17.45	2.48	4.30	--	6.53	
Composite Benchmark		-3.07	7.53	-17.09	2.59	4.48	--	6.66	Mar-16

- Composite Benchmark = 40% Spliced Total Stock Market Index / 27% FTSE All-World ex-US Index / 22% Spliced Bloomberg Barclays US Aggregate Float Adjusted Index / 3% Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged / 8% Real Estate Spliced Index

Current Allocation as of December 31, 2022



	Current \$	Current %	Policy	Difference*
US Equity	\$27,907,039	38.9%	40.0%	-1.1%
Non-US Equity	\$19,937,300	27.8%	27.0%	0.8%
US Fixed Income	\$16,007,854	22.3%	22.0%	0.3%
Non-US Fixed Income	\$2,131,415	3.0%	3.0%	0.0%
Real Estate	\$5,718,782	8.0%	8.0%	0.0%
Total	\$71,702,390	100.0%	100.0%	

*Difference between Policy and Current Allocation

Gross of Advisory Fee returns reflect the deduction of fund expense ratios and any other security-level expenses.

Net of Fee returns reflect the deduction of fund expense ratios, any purchase or redemption fees, and VIAS advisory fee applied to the client portfolio.

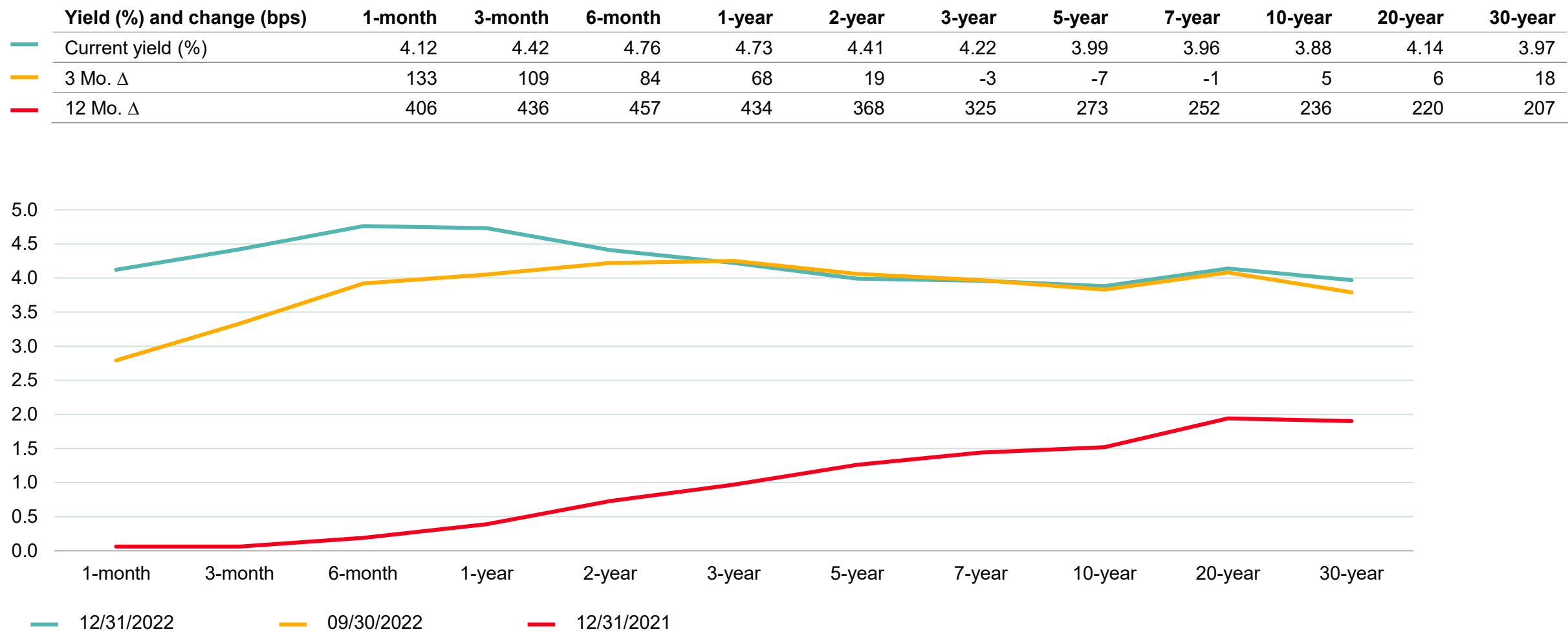
Performance Summary (Gross of Advisory Fees) ending December 31, 2022

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
METROPOLITAN UTILITIES DISTRICT OF OMAHA - OPEB	71,702,390	100.00	-3.56	7.62	-17.43	2.50	4.33	--	6.56	Mar-16
Composite Benchmark			-3.07	7.53	-17.09	2.59	4.48	--	6.66	Mar-16
Total Equity	47,844,339	66.73	-4.37	10.18	-18.05	4.42	5.73	--	8.94	Mar-16
Equity Domestic	27,907,039	38.92	-5.87	7.15	-19.51	6.99	8.73	--	11.27	Mar-16
Spliced Total Stock Market Index			-5.87	7.15	-19.49	6.99	8.73	12.09	11.26	Mar-16
Vanguard® Total Stock Market Index Fund Instl Shares Plus	27,907,039	38.92	-5.87	7.15	-19.51	6.99	8.73	12.06	11.27	Mar-16
CRSP US Total Market TR USD			-5.87	7.15	-19.49	6.99	8.73	12.10	11.26	Mar-16
Multi-Cap Core Funds Average			-5.27	7.93	-17.93	5.77	6.82	9.96	9.26	Mar-16
Equity International	19,937,300	27.81	-2.18	14.71	-15.97	0.54	1.13	--	5.27	Mar-16
Spliced Total International Stock Index			-0.52	14.14	-16.10	0.52	1.10	4.20	5.26	Mar-16
Vanguard® Total International Stock Index Institutional Plus Shares	19,937,300	27.81	-2.18	14.71	-15.97	0.54	1.13	4.10	2.39	Apr-19
Spliced Total International Stock Index			-0.52	14.14	-16.10	0.52	1.10	4.20	2.49	Apr-19
International Funds Average			-2.07	16.03	-17.59	0.40	1.00	4.13	2.39	Apr-19
Total Fixed Income	18,139,269	25.30	-0.83	2.12	-12.77	-2.39	0.15	--	0.62	Mar-16
Fixed Income Domestic	16,007,854	22.33	-0.56	2.41	-12.75	-2.21	0.19	--	0.65	Mar-16
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			-0.45	1.85	-13.07	-2.67	0.06	1.08	0.52	Mar-16
Vanguard® Total Bond Market Index Fund Institutional Shares	7,991,413	11.15	-0.60	1.67	-13.15	-2.73	0.01	1.02	0.46	Mar-16
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			-0.45	1.85	-13.07	-2.67	0.06	1.08	0.52	Mar-16
Spliced Intermediate-Term Investment-Grade Debt Funds Average			-0.43	1.73	-13.54	-2.61	-0.06	0.95	0.53	Mar-16
Vanguard® Inter-Term Investment-Grade Fund Adm TM Shares	6,545,367	9.13	-0.66	3.49	-13.78	-2.00	0.69	1.77	1.19	Mar-16
Bloomberg US Credit 5-10 Yr TR			-0.37	3.63	-13.74	-2.40	0.84	2.06	1.60	Mar-16
Spliced Core Bond Funds Average			-0.43	1.73	-13.54	-2.61	-0.06	0.95	0.53	Mar-16
Vanguard® Short-Term Investment-Grade Fund Institutional Shares	1,471,074	2.05	0.11	1.73	-5.72	-0.35	1.14	1.48	1.32	Mar-16
Bloomberg US Credit 1-5 Yr TR			0.11	1.78	-5.56	-0.41	1.26	1.54	1.40	Mar-16

Performance Summary (Gross of Advisory Fees) ending December 31, 2022

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
1-5 Year Investment-Grade Debt Funds Average			0.25	1.24	-6.96	-1.11	0.42	0.75	0.72	Mar-16
Fixed Income International	2,131,415	2.97	-2.87	-0.02	-12.89	-3.77	-0.20	--	0.39	Mar-16
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			-2.49	0.08	-12.72	-3.63	-0.04	1.91	0.56	Mar-16
Vanguard® Total International Bond Index Fund Institutional Shares	2,131,415	2.97	-2.87	-0.02	-12.89	-3.77	-0.20	--	0.39	Mar-16
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			-2.49	0.08	-12.72	-3.63	-0.04	1.91	0.56	Mar-16
International Income Funds Average			0.12	5.53	-14.20	-4.84	-2.08	-0.78	-0.69	Mar-16
Total Real Estate	5,718,782	7.98	-5.09	4.36	-26.17	-0.39	3.71	--	3.79	Mar-16
Real Estate Domestic	5,718,782	7.98	-5.09	4.36	-26.17	-0.39	3.71	--	3.79	Mar-16
Real Estate Spliced Index			-5.08	4.35	-26.12	-0.29	3.78	6.52	3.87	Mar-16
Vanguard® Real Estate Index Fund Institutional Shares	5,718,782	7.98	-5.09	4.36	-26.17	-0.39	3.71	6.45	3.79	Mar-16
Real Estate Spliced Index			-5.08	4.35	-26.12	-0.29	3.78	6.52	3.87	Mar-16
Real Estate Funds Average			-4.86	3.52	-25.83	-0.51	3.16	5.77	3.55	Mar-16

U.S. Treasury yield curve

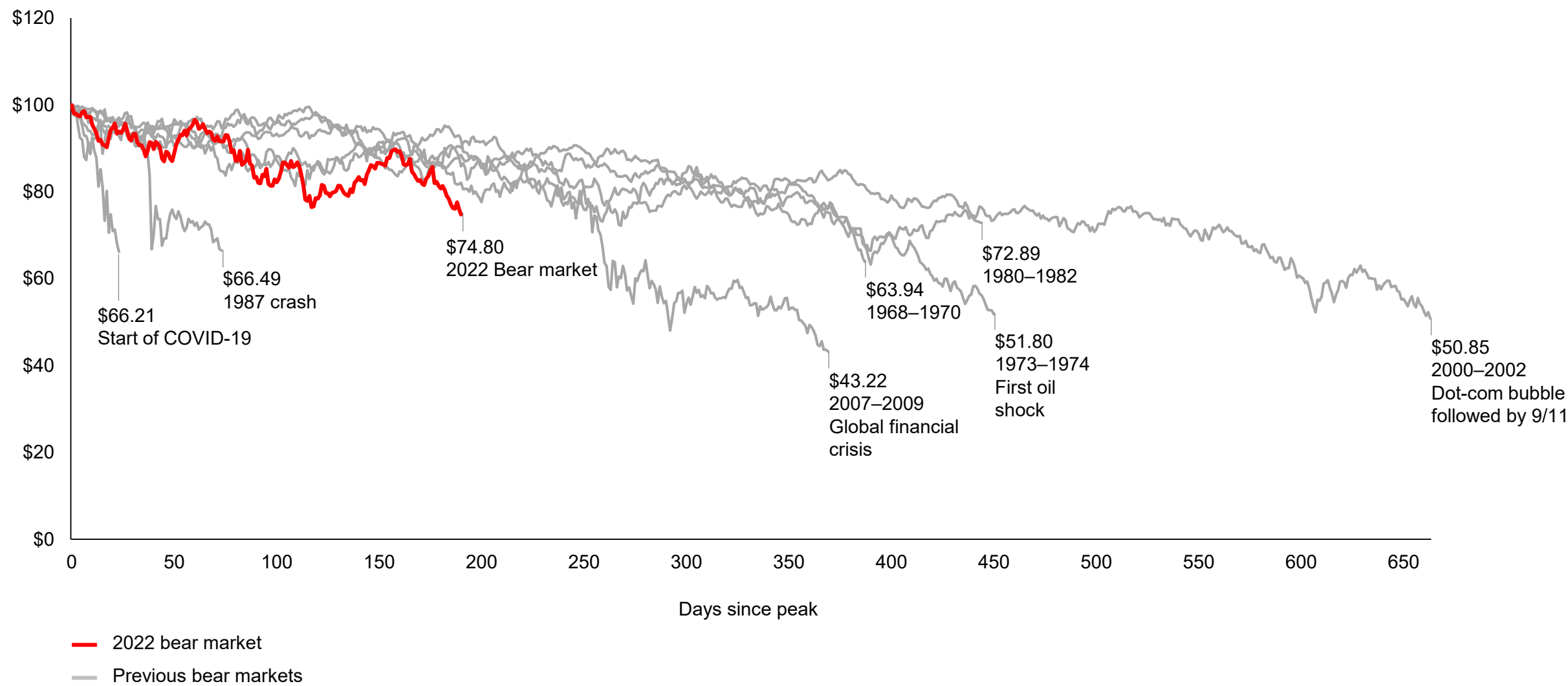


Source: Morningstar.

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Length and magnitude of previous bear markets



S&P 500 daily price from peak to trough, indexed at \$100. As of September 30, 2022.
Source: Factset.

Past bear markets and the 12 months that followed the bottom

Event	S&P 500 price decline	Duration	12 months after
First oil shock	−48.20%	1/11/1973–10/3/1974	37.87%
1987 crash	−33.51%	8/25/1987–12/4/1987	22.78%
Asian currency crisis	−9.80%	10/1/1997–10/27/1997	21.79%
Dot-com 9/11	−49.14%	3/23/2000–10/9/2002	29.12%
Global financial crisis	−56.80%	10/9/2007–3/9/2009	68.57%
Euro (PIIG) crisis 1	−18.80%	7/7/2011–10/3/2011	32.00%
2018 fed shock	−19.60%	10/3/2018–12/24/2018	37.10%
COVID-19	−33.79%	2/19/2020–3/23/2020	77.80%
2022 Bear Market	−25.20%	1/4/2022-9/30/2022	Pending
Average	−32.76%		40.88%

S&P 500 daily price returns. Source: Factset.

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Stocks can recover from bear markets

			Cumulative returns after S&P 500 declined 25%		
Prior Peak	25% Drawdown Date	Crisis	1-year	2-year	3-year
12/12/1961	6/14/1962	Flash Crash of 1962	29.3%	47.2%	54.6%
11/29/1968	4/28/1970	Late 60's Recession	30.5%	34.1%	33.3%
1/11/1973	4/25/1974	Oil Shocks	16.2%	37.4%	30.3%
11/28/1980	8/5/1982	Volcker Rate Increases	53.8%	54.6%	81.3%
8/25/1987	10/19/1987	Black Monday	23.2%	54.4%	39.0%
3/24/2000	3/20/2001	Dot-Com Bubble	0.8%	-23.4%	-4.1%
10/9/2007	9/17/2008	Global Financial Crisis	-7.9%	-2.7%	4.1%
2/19/2020	3/12/2020	COVID-19 Pandemic	59.0%	68.2%	Pending
1/3/2022	9/30/2022	Post COVID Inflation	Pending	Pending	Pending

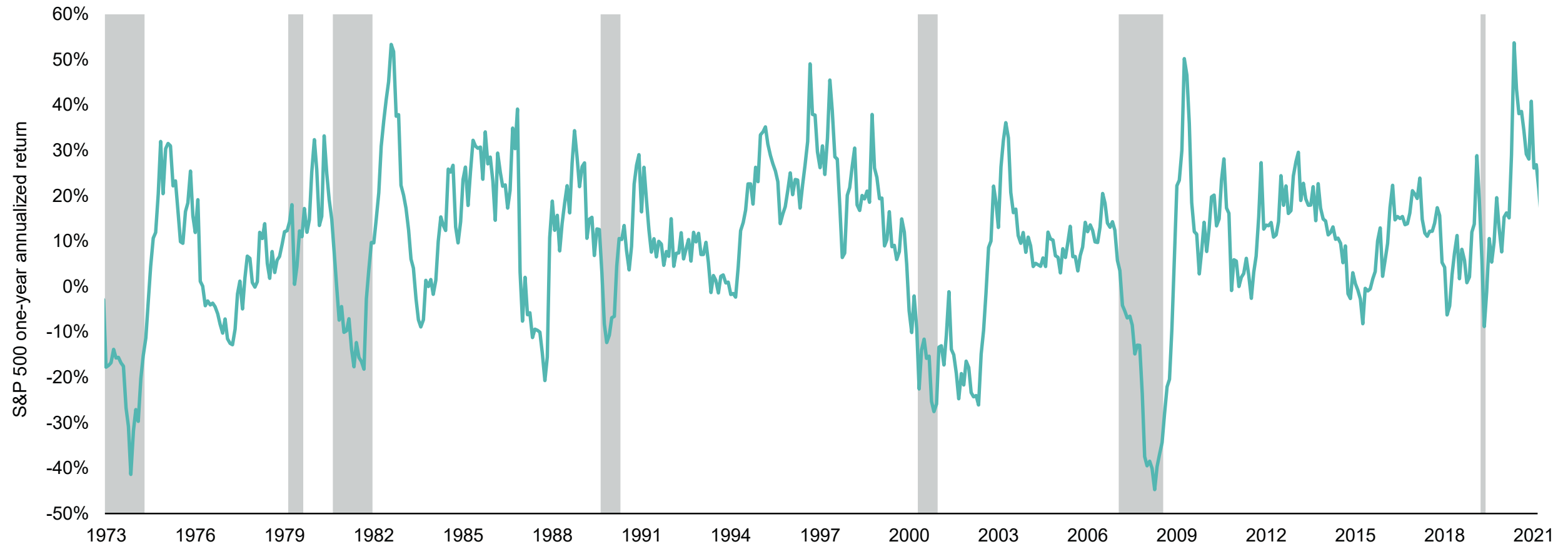
	1-year	2-year	3-year
Low Return	-7.9%	-23.4%	-4.1%
High Return	59.0%	68.2%	81.3%
Average Return	24.2%	31.4%	30.1%
Median Return	19.7%	45.9%	30.3%

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Returns represent cumulative price returns of S&P 500 for 1, 2, and 3 years immediately following a 25% decline. Dividends are not considered in these calculations.

Source: Factset, Vanguard Calculations

Stocks start to recover before recessions end



Notes: This chart shows the one-year annualized returns for the S&P 500 Index from 1973 through 2021. The shaded areas represent months where the U.S. economy was in recession as defined by the National Bureau of Economic Research (NBER).

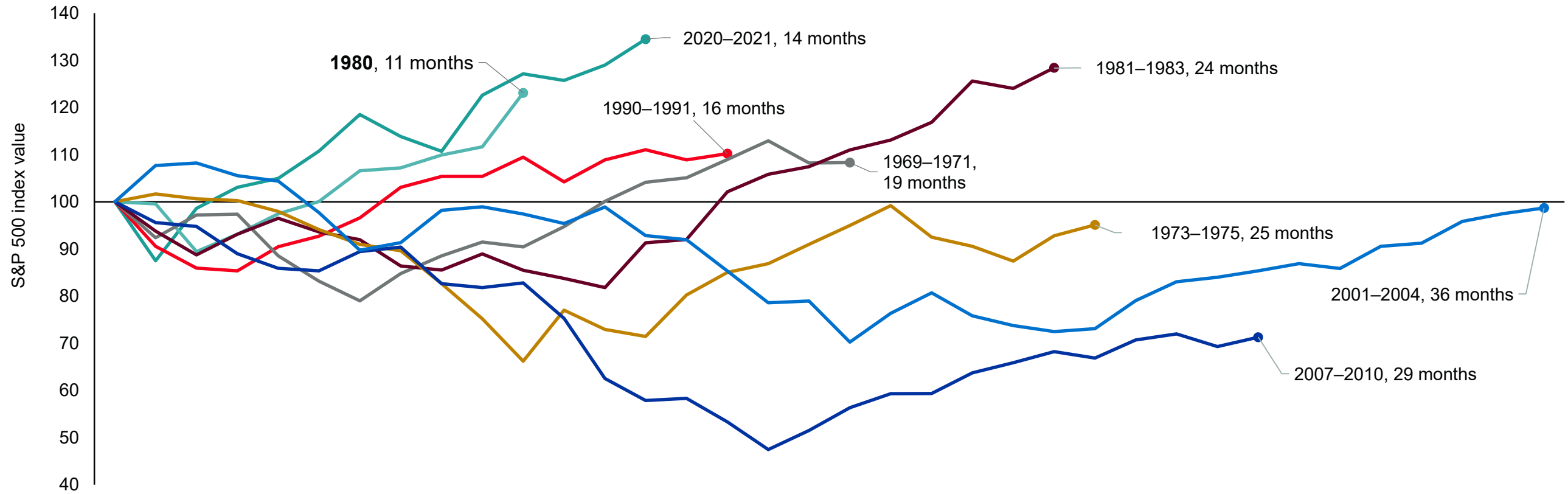
Sources: Vanguard calculations as of December 31, 2021, using data from Refinitiv.

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

All investments are subject to risk, including the possible loss of the money you invest.

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Stocks can recover from recessionary losses



Notes: We have indexed the S&P 500 Price Index to 100 at the beginning of each of the last eight U.S. recessions as defined by the National Bureau of Economic Research to give the recessions a common starting point. Each line constitutes returns from the start of the recession to the point where one-year annualized returns peak thereafter. (They do not constitute the beginning and end of recession.) Returns are calculated monthly. Each basis point on the Y axis reflects a 1% gain or loss in the index value (so, for example, an index value of 120 reflects a 20% gain). The three periods where one-year annualized returns did not peak higher than before the start of the recession were from 1973-1975 (a stagflationary era), from 2001-2004 (the dot-com bubble), and from 2007-2010 (the global financial crisis), though they did gain ground from recessionary lows.

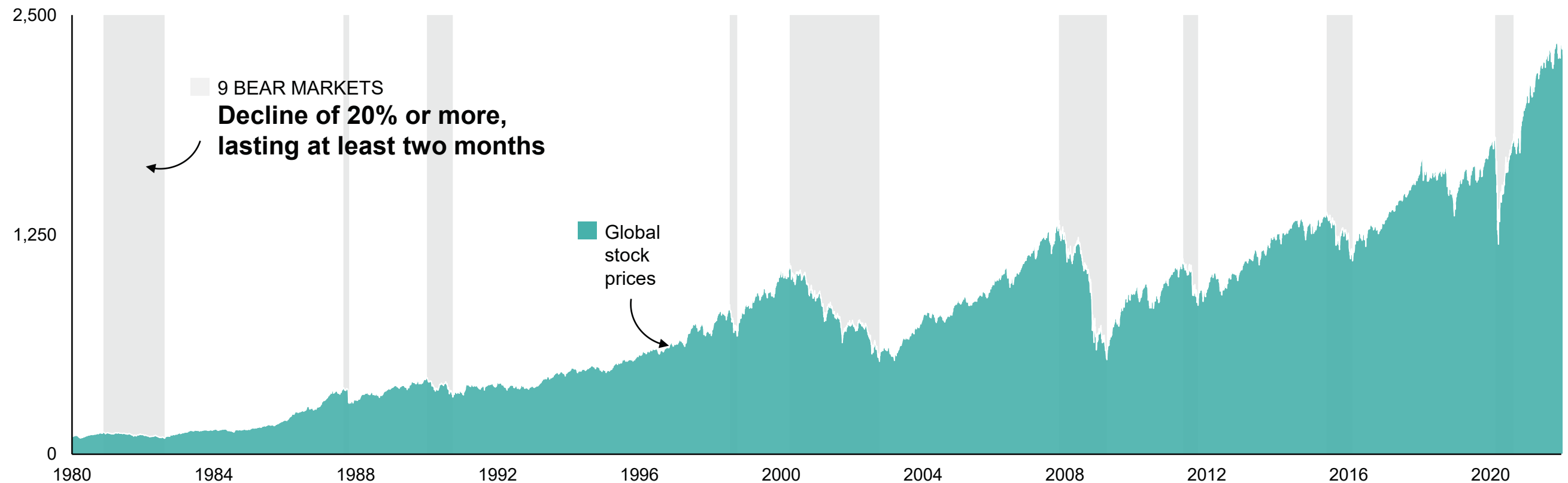
Sources: Vanguard calculations as of December 31, 2021, using data from Refinitiv.

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All investments are subject to risk, including the possible loss of the money you invest.

Downturns aren't rare events: Typical investors, in all markets, will endure many of them during their lifetime

Global stock prices (January 1, 1980, through December 31, 2021)



Note: Although the downturn that began in March 2020 doesn't meet our definition of a bear market because it lasted less than two months, we have included it in our analysis because of the magnitude of the decline.

Sources: MSCI World Index from January 1, 1980, through December 31, 1987, and the MSCI AC World Index thereafter.

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

All investments are subject to risk, including the possible loss of the money you invest. Be aware that fluctuations in the financial markets and other factors may cause declines in the value of your account.

Important information

For more information about any fund, visit institutional.vanguard.com or call 866-499-8473 to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

Vanguard ETF® Shares are not redeemable with the issuing fund other than in very large aggregations worth millions of dollars. Instead, investors must buy or sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

Mutual funds and all investments are subject to risk, including the possible loss of the money you invest. Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks. Investments in stocks or bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk. These risks are especially high in emerging markets. Funds that concentrate on a relatively narrow sector face the risk of higher share-price volatility. It is possible that tax-managed funds will not meet their objective of being tax-efficient. Because company stock funds concentrate on a single stock, they are considered riskier than diversified stock funds.

Investments in bond funds are subject to the risk that an issuer will fail to make payments on time and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. High-yield bonds generally have medium- and lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit quality ratings. Although the income from a municipal bond fund is exempt from federal tax, you may owe taxes on any capital gains realized through the fund's trading or through your own redemption of shares. For some investors, a portion of the fund's income may be subject to state and local taxes, as well as to the federal Alternative Minimum Tax. Diversification does not ensure a profit or protect against a loss. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income.

While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest.

Investments in Target Retirement Funds and Trusts are subject to the risks of their underlying funds. The year in the fund or trust name refers to the approximate year (the target date) when an investor in the fund or trust would retire and leave the workforce. The fund/trust will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. The Income Trust/Fund and Income and Growth Trust have fixed investment allocations and are designed for investors who are already retired. An investment in a Target Retirement Fund or Trust is not guaranteed at any time, including on or after the target date.

Vanguard is responsible only for selecting the underlying funds and periodically rebalancing the holdings of target-date investments. The asset allocations Vanguard has selected for the Target Retirement Funds are based on our investment experience and are geared to the average investor. Investors should regularly check the asset mix of the option they choose to ensure it is appropriate for their current situation.

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Important information

The Factor Funds are subject to investment style risk, which is the chance that returns from the types of stocks in which a Factor Fund invests will trail returns from U.S. stock markets. The Factor Funds are also subject to manager risk, which is the chance that poor security selection will cause a Factor Fund to underperform its relevant benchmark or other funds with a similar investment objective, and sector risk, which is the chance that significant problems will affect a particular sector in which a Factor Fund invests, or that returns from that sector will trail returns from the overall stock market.

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For Informational Purposes
February 1, 2023

Metropolitan Utilities District Of Omaha Board of Directors

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**Rules of Order and Procedure
Statement of Values
Code of Ethics**



Effective date: _____, 2023

Board Meeting Rules of Order and Procedures

These Rules of Order and Procedure are guidelines to be followed at the District's Board of Director Meetings for the purpose of promoting orderly discussion and deliberation.

1. Directors – Opportunity to Speak. The Chairperson may require that any Director who wishes to speak must first be recognized by the Chairperson. Such recognition is not normally needed as each Director is expected to provide each other the courtesy of speaking.

2. Putting a Motion to a Vote. A motion must be presented by a Director and seconded by a separate Director to be considered by the Board. After the motion receives a second, discussion may follow, and a roll call vote shall be taken. A quorum of the Board is required for Board action and a quorum is defined as a majority of the Board.

3. Motions Handled in the Order They are Presented. Each motion shall be voted on in the order in which it was presented.

4. Questions Decided by Chairperson. The Chairperson shall decide all questions regarding any rule of order or procedure with the advice of General Counsel.

5. Voting.

(a) Roll Call Voting and Voting Order. Voting is to be conducted by roll call and the votes must be recorded in the minutes for that meeting (Bylaws, Article IV, Section 5). For each Board meeting, voting order shall be a rotation of a fixed order of Directors' names, whereby the first name on the roll call list moves to the bottom of the list for the following Board meeting.

(b) Voting Requirements and Procedure. When a motion is presented and seconded, each attending Director shall vote "yes" or "no" unless "present, not voting." In the latter case, If the reason for not voting is due to a provision of state or local law or due to a conflict of interest, the reason shall be disclosed and recorded in the minutes.

(c) Quorum Required. A majority of the Board shall constitute a quorum for the transaction of business. (Neb. Rev. Stat §14-2106)

(d) Remote Attendance Voting. Remote attendance participation and voting at Board Meetings is permissible so long as the circumstances meet the requirements of the Nebraska Open Meetings Act (Neb. Rev. Stat. § 84-1407 et seq.).

(e) Explanation for Vote or Absence. A Director may present an explanation for his or her vote prior to, or immediately after a roll call vote on the matter at hand and such explanation will be recorded in the minutes of the meeting. A Director may present an explanation for his or her absence to be recorded in the minutes if forwarded to the Chairperson in advance of the Board Meeting. **COMMENT: The**

two issues here have been raised a couple times. This provision is intended to disallow altering the minutes once a Board Meeting has adjourned.

6. Motions.

- (a) **A Motion** is a formal proposal by a Director, typically to introduce a proposition for consideration by the Board. Such motion is made in the normal course of business by a Director. A motion may be a motion to approve or deny a particular action presented by the District's Management. In addition, a motion may include the following although these examples are not intended to be exhaustive.
- (b) **Motion to Amend.** A motion 'to amend a motion' is to modify wording or text in a previously presented motion and is permitted if the motion has not yet been seconded. The motion to amend a motion must be seconded and carried by a majority vote of the full Board. A motion to 'amend an amendment to a motion' is not permitted.
- (c) **Motion to Reconsider.** A 'motion to reconsider' is intended to *bring back to the Board a decision or action as if it had not been voted on.* The motion must be seconded and carry a majority vote of the full Board.
- (d) **Motion to Withdraw.** A motion 'to withdraw a motion' *if seconded* requires a majority vote of the full Board. A motion to withdraw a motion *that was not seconded shall not require a vote.*
- (e) **Motion to Table (or Postpone) Vote.** A Director may motion to table or postpone a vote on a matter in order to, for example, await further information or understand a change in circumstances. The motion must be seconded and be supported by a quorum. The matter may or may not be raised at a following meeting. **COMMENT:** *A Bylaws provision (Article IV, Section 6) referring to how new matter may be 'laid over' at a Board Meeting if it has or has not, been considered by a committee' is unclear and may predate the Open Meetings Act. It is not included in this draft. The 'motion to table or postpone' cited above can be used to achieve a similar result.*
- (f) **Call the Question.** To "call the question" ends discussion if seconded and carried by a majority vote of the full Board.
- (g) **Suspension of the Rules of Order and Procedure.** A Director may motion to suspend the Rules herein, so long as the suspension does not conflict with the Bylaws, regulations or any local, state or federal statutes. The motion must be seconded and carried by a majority of the full Board. Such suspension must be supported by the General Counsel. **COMMENT:** *Suspension of Bylaws is limited to cases of 'serious emergencies.' (Article X, Section 1)*

7. Other Board Actions

- (a) **Place on File.** For agenda items at a regular Board Meeting that are typically presented to the Board "for information only" and do not require a Board vote, a Director shall request that the document in question be 'placed on file.' Some

examples of the types of documents to which this action would apply include, but are not limited to, the following: the Notice of Purchases letter between \$25,000 and \$50,000; the Legislative Report if no change is recommended since previously reviewed by the Board; the Actuarial Valuation on the Retirement Plan, and the annual Audited Financial Statement.

(b) Point of Order: A Director may call for a 'point of order' when questioning an actual or potentially improper procedure or a breach of rules, bylaws or statute. The Chairperson shall decide the question, with the advice of the General Counsel.

(c) Point of Information: A Director may state 'point of information' when more information is desired, or an issue requires clarification to ensure Directors are fully informed before voting. The Chairperson shall decide the question, with the advice of the General Counsel.

(d) Point of Personal Privilege: A point of personal privilege covers a broad range of topics, from addressing the accuracy of published reports or questioning the conduct of a Director or member of the public. The Chairperson shall decide the question, with the advice of the General Counsel.

8. Vacancy – Office of the President or Board of Directors. If a vacancy occurs for the Office of the President or a Director's seat, the Chairperson (or 'Acting Chairperson'), with the advice and consent of a majority of the Board, may choose to conduct interviews with the full Board or may choose to appoint a committee to conduct interviews and make recommendations to the full Board. Interviews and the Board vote for the selection of a successor shall be conducted in an open meeting in compliance with the Nebraska Open Meetings Act and any other pertinent state or local laws. ***COMMENT: State law provides only that the vacancy must be filled within thirty days after the vacancy occurs. [Neb. Rev. Stat. §14-2104] Bylaws address the issue of a vacancy (Article IV, Section 7) only by stating that filling a vacancy 'will not require a majority of the full Board, but the vote of the remaining Directors.'***

Board Meetings: Public Participation

1. Introduction. This section provides guidelines for public engagement at all public committee and regular monthly Board Meetings.

2. Policy of the Board. It is the policy of the Board that public engagement is essential to the role of the Board of Directors representing the interests of the District and its customer-owners.

3. Open Sessions. All Board Meetings shall be conducted in compliance with the Nebraska Open Meetings Act.

4. Closed Sessions. Closed sessions permit the exclusion of members of the public so long as the session meets the criteria outlined in Nebraska Open Meetings Act.

5. Communications and Testimony. Members of the public may communicate with Directors (a) by emailing Directors using the email address published on the District's website (www.mudomaha.com); (b) by mailing correspondence to the District's headquarters office at 7350 World Communications Drive, Omaha NE 68122; or (c) by attending a Board Meeting in-person to offer written or oral comments. If comments are submitted in writing, the Chairperson may elect to read those comments into the record.

6. Attendance and Public Comment at Monthly Meetings. Individuals wishing to speak at a meeting may do so at the direction of the Chairperson.

7. Rules Governing Public Participation at Meetings. It is the policy of the Board of Directors to encourage and welcome public participation at all its public meetings. The Board may establish and enforce reasonable guidelines as necessary for public participation at any time by majority vote. Notwithstanding, members of the public are expected to comply with the following:

(a) **Identification.** Members of the public who attend public meetings are not required to identify themselves. Members of the public who choose to address the Board may be required by the Chairperson to identify themselves by name and address.

(b) **Signing in.** The Chairperson may require members of the public who wish to address the Board to sign in.

(c) **Time Limits for Speakers.** The Chairperson may establish time limits for testimony and may request or otherwise direct members of the public to limit their testimony. The Chairperson may limit or extend the amount of time an individual speaker may have if necessitated by circumstances. Comments shall become part of the official record.

8. Public Comment - Guidelines for Directors and Speakers

(a) **Speakers.** Speakers' remarks shall be addressed to the Chairperson or Board as a whole, and not to individual Directors or the audience.

(b) **Directors.** Directors' interactions with a member of the public are limited to (a) providing factual information, or (b) providing policy reference or other legal basis for his or her action; or (c) proposing to place the subject on the agenda for a subsequent meeting. The purpose is to ensure that the Board does not violate the Nebraska Open Meetings Act by reaching a consensus or arriving at a decision on a topic that has not been given the required public notice in advance of the meeting.

9. Conduct for Public Meeting Participants. In addition, all attendees of meetings are expected to abide by the following requirements: (a) respect others in attendance; (b) respect diversity of viewpoints and opinions; (c) abide by these rules and any other rules announced by the Chairperson; and (d) refrain from disrespectful or disruptive conduct. The Chairperson may at his or her discretion issue an individual warning for conduct violations; restate the expectation for all to abide by the rules of conduct; order that individual(s) in violation leave the meeting; order removal of individual(s) by security personnel. **COMMENT:** *FYI - Disruption of public meetings is a violation of the Omaha Municipal Code 20-47, punishable as a Class III Misdemeanor (up to \$500 fine and three months in jail).* **NOTE:** *Any written protocol for addressing public meeting protocol would need to be coordinated with Safety & Security's current protocol.*

Statement of Values

The Statement of Values reflects the District's core principles that guide its decisions, the way it operates, and the way all people are to be treated. Directors are expected to be committed to these same principles as representatives and advocates for the District, its employees and its customer-owners.

1. Honesty, truthfulness and integrity.
2. Impartiality, fairness and transparency.
3. Equal opportunity, diversity and inclusion.
4. Respect and consideration for others and their viewpoints.
5. Respect for the role of a Director as one of public service.
6. Responsibility and accountability for all personal and professional actions that reflect upon the District and the Board as a whole.
7. Respect for, and compliance with, the rule of law including pertinent regulations and District policies.

Code of Ethics

The Code of Ethics is an affirmation of each Director's responsibility to personify the highest standards of professional and personal ethics, to build and safeguard the public trust, and to always act in the best interests of the District, its employees and its customer-owners.

1. *Conflict of Interest.* A Director shall comport with applicable state law and shall disclose a conflict of interest according to District policies with the advice of the General Counsel, and if necessary, abstain from voting on any related matters. Questions regarding a conflict of interest shall be decided by the District's General Counsel.
2. *Favorable treatment or personal gain.* A Director shall avoid favorable treatment or any personal or financial benefit that may be obtained by virtue of one's position as a Director.

3. *Confidentiality*. A Director shall maintain confidentiality of information received by virtue of one's position as a Director including matters discussed in closed sessions or matters concerning privileged information.
4. *Influence personnel matters*. A Director shall avoid undue influence regarding personnel matters.
5. *Compliance with all applicable laws, rules and regulations*. Directors are required to comply with all pertinent laws, rules and regulations. Suspected violations shall be reported to the District's General Counsel.