

METROPOLITAN UTILITIES DISTRICT

Committee Meetings Agenda

8:15 a.m.

June 7, 2023

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. Acceptance of Contracts and Payment of Final Estimates
[Stephanie Henn – [Interim Vice-President, Water Operations] – **Tab 6**
3. CC1 Renovation & CC2 Construction – Supplemental Capital Expenditure
[Jon Zellars – VP, Procurement & Enterprise Services] – **Tab 7**
4. Bids on Materials and Contracts
[Jon Zellars – VP, Procurement & Enterprise Services] – **Tab 8**

Services & Extensions – Friend, Begley, Howard

1. Main Extensions [Masa Niiya – VP, Engineering] – **Tab 9**

Personnel – Begley, Sidzyik, Friend

1. Wage and/or Salary Increases and Ratifications
[Bonnie Savine – VP, Human Resources] - **Tab 10**
2. Selection of Vice-President, Accounting
[Bonnie Savine – VP, Human Resources] - **Tab 11**

Judicial & Legislative – Cavanaugh, Cook, Howard

1. Settlement of Workers Compensation Claim
[Joseph Kehm – Assistant General Counsel] – **Tab 12**
2. Fifth Legislative Report for 2023
[Rick Kubat – Governmental Relations Attorney] - **Tab 13**

Insurance and Pension – Howard, McGowan, Cook

1. Insurance Renewals [Mark Myers – SVP, Chief Financial Officer] – **Tab 14**

Committee of the Whole

1. State of the District [Mark Doyle - President] - **Tab 18**

Public Comment

(Turn over for regular Board Meeting agenda)

METROPOLITAN UTILITIES DISTRICT
Regular Monthly Board Meeting Agenda

9:00 a.m.

June 7, 2023

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes – Public Hearing, Committee Meetings & Regular Board Meeting for May 3, 2023
- CONSTRUCTION & OPERATIONS 5. Capital Expenditures
6. Acceptance of Contracts and Payment of Final Estimates
7. CC1 Renovation & CC2 Construction – Supplemental Capital Expenditure
8. Bids on Materials and Contracts
- SERVICES & EXTENSIONS 9. Main Extensions
- PERSONNEL 10. Wage and/or Salary Increases and Ratifications
11. Selection of Vice-President, Accounting
- JUDICIAL & LEGISLATIVE 12. Settlement of Workers Compensation Claim
13. Fifth Legislative Report for 2023
- INSURANCE & PENSION 14. Insurance Renewals
- BOARD 15. Other Matters of District Business for Discussion
16. Public Comment
17. CLOSED SESSION – Litigation, Personnel and Real Estate

Adjourn Regular Monthly Board Meeting

(Turn over for Committee Meetings agenda)

METROPOLITAN UTILITIES DISTRICT
Minutes of Public Hearing and Committee Meetings

May 3, 2023

Vice-Chairperson Jim Begley called to order the Public Hearing and 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, April 23, 2023. 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 meeting were emailed to Directors on April 27, 2023, and posted on the MUD website.

Vice-Chairperson Begley 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 and 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.

Roll Call

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

Open Meetings Act Notice

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

Proposed Updates to the Billing Price Book

Manager of Financial Planning & Analysis Stephanie Lemonds presented a PowerPoint to review the proposed changes, and noted for the Directors that their Board Book information included her letter to the Committee outlining the proposed updates, the detailed list of the revised prices, and the Resolution. The proposed changes will become effective on June 1, 2023, upon approval by the Board.

The Billing Price Book establishes prices for specified services and materials that MUD provides to customers and contractors that are wholly separate from customers'

monthly gas and water charges. Revenue generated from Billing Price Book charges this past fiscal year totaled approximately \$4.5 million, or 1% of total revenue. Although it is a relatively small percentage of total revenue, the District makes every effort to conduct a thorough review each year to ensure that pricing methodologies are accurate, and that prices charged for the services are reasonable. MUD typically conducts an annual review of its pricing using a 'cost recovery' approach to ensure the prices continue to align with actual costs. Some exceptions exist such as penalty fees for turning on a service that has been disconnected for nonpayment. In that circumstance, the fee is aimed at penalizing the action and discouraging such actions in the future. Some services are intentionally priced below cost when it involves customers who are facing financial hardship. An example is the "Turn-on Charge for Collection Accounts - Priority" service which is below cost and occurs after a customer's service has been turned off for non-payment.

Ms. Lemonds reviewed examples of some of the pricing changes and the rationales for updating them. She pointed out examples of some significant price increases for materials that were largely due to continued inflation and supply chain demands. She also noted that no new billing items or fees are being recommended this year. The revised Billing Price Book, upon approval by the Board, will be posted on the District's website to publicize the changes for customers and contractors along with an announcement that the revisions will take effect June 1, 2023.

Construction and Operations – Friend, Sidzyik, Cavanaugh

Vice-President of Water Operations Mike Koenig presented the proposed capital expenditures as outlined in his letter to the Committee dated April 24, 2023.

Vice-President of Gas Operations Jim Knight presented the LNG Capital Improvement Project and Supplemental Capital Expenditure Approval as outlined in his letter to the Committee dated April 25, 2023.

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 April 24, 2023.

Vice-President of Procurement & Enterprise Services Jon Zellars reviewed the bids on materials and contracts as outlined in the letter to the Committee from Director of Procurement Sherri Meisinger dated April 21, 2023.

Vice-President of Engineering Masa Niiya reviewed Amendment No. 1 pertaining to the professional services to design water mains for Phase 1B of the Gemini Development Project.

Mr. Niiya reviewed Amendment No. 1 pertaining to the Southeast Bellevue Water Main Extensions Project with HDR Engineering.

At the request of Senior Vice-President, General Counsel Mark Mendenhall, Vice-Chairperson Begley announced that the Fourth Legislative Report would be taken up out of order.

Judicial & Legislative - Cavanaugh, Cook, Howard

Governmental Relations Attorney Rick Kubat presented the Fourth Legislative Report for 2023 as outlined in his letter to the Committee dated April 25, 2023. Mr. Kubat provided an update of recent actions taken on a group of legislative bills being tracked by the District. In response to Director Cavanaugh's question, Mr. Kubat confirmed that the District's position on each of the legislative bills outlined in the Report was unchanged.

Services & Extensions - Friend, Begley, Howard

Mr. Niiya reviewed the proposed main extensions as outlined in his letter to the Committee dated April 25, 2023.

Personnel - Begley, Sidzyik, 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 April 18, 2023.

Ms. Savine presented the Collective Bargaining Agreement as outlined in her letter to the Committee dated April 25, 2023. Upon approval by the Board, the President will be authorized to enter into a three-year agreement with IBEW 1521 with an effective date of April 1, 2023. Mark Mendenhall noted that a great deal of effort and thoughtful debate and discussion contributed to the negotiating teams' success in having reached a mutually beneficial agreement. Mr. Mendenhall recognized the efforts of all those who were involved, and he invited Union President Teri Crowell to address the Board. Ms. Crowell thanked the District's negotiating committee for their contribution to the collective effort on behalf of IBEW Local 1521 stating that it was no small task in light of current economic challenges. She thanked the participants from the IBEW negotiating committee for their dedicated efforts which included Tom Todd, Mike Vazzano, Mark Reier, Forrest Roos, Kathy Cox and Jerry Anderson. She also thanked District representatives for their support for the contract, for recognizing the interests of the rate payers as well as skilled union labor, and for their continued commitment to delivering safe and reliable gas and water to the MUD community.

Public Comment

Vice-Chairperson Begley asked if any member of the public would like to address the Board. There were none.

Mr. Begley asked if any Board Members had any comments they would like to share. Director Cavanaugh congratulated Mike Loeffler, Senior Director of External Affairs for Northern Natural Gas on his recently announced retirement. Other Directors added their congratulations as well.

At 9:10 a.m., Vice-Chairperson Begley announced the Committee Meetings had concluded and that the Board would reconvene in ten minutes for the regular monthly Board Meeting.



Mark Mendenhall
Senior Vice-President, General Counsel &
Acting Secretary to the Board

MM/mjm

METROPOLITAN UTILITIES DISTRICT
Minutes of the Regular Monthly Board Meeting
May 3, 2023

Vice-Chairperson Jim Begley called to order the regular Board Meeting of the Metropolitan Utilities District Board of Directors at 9:24 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, April 23, 2023. 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 meeting were emailed to Directors on April 27, 2023, and posted on the MUD website.

Vice-Chairperson Begley 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: Bob Sidzyik, Mike McGowan, Gwen Howard, Tim Cavanaugh, Jim Begley, Dave Friend. Director McGowan attended remotely. Chairperson Tanya Cook was absent.

AGENDA NO. 2

OPEN MEETINGS ACT NOTICE

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

AGENDA NO. 4

APPROVAL OF MINUTES FOR COMMITTEE MEETINGS AND REGULAR MONTHLY BOARD MEETING FOR APRIL 5, 2023

Director Friend moved to approve the minutes for the Committee Meetings and regular monthly Board Meeting for April 5, 2023, which was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 5

UPDATES TO THE BILLING PRICE BOOK (RESOLUTION)

Director McGowan moved to approve the updates to the Billing Price Book which was seconded by Director Friend and carried on a roll call vote.

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

AGENDA NO. 6

CAPITAL EXPENDITURES

Director Friend moved to approve the proposed capital expenditures as presented in the Committee Meetings by Vice-President of Water Operations Mike Koenig and as outlined in the letter to the Committee from Senior Vice-President & Chief Operations Officer Gina Langel dated April 24, 2023. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 7

LNG CAPITAL IMPROVEMENT PROJECT – SUPPLEMENTAL CAPITAL EXPENDITURE APPROVAL

Director Friend moved to approve the supplemental capital expenditure pertaining to the LNG capital improvement project as presented in the Committee Meetings by Vice-President of Gas Operations Jim Knight and as outlined in his letter to the Committee dated April 25, 2023. The motion was seconded by Director Howard and carried on a roll call vote.

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

AGENDA NO. 8

ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

Director Friend moved to approve the proposed acceptance of contracts and 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 April 24, 2023. The motion was seconded by Director Howard and carried on a roll call vote.

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

AGENDA NO. 9

BIDS ON MATERIALS AND CONTRACTS

Director Friend moved to approve the bids on materials and contracts as presented to the Committee by Vice-President of Procurement & Enterprise Services Jon Zellars and as outlined in the letter dated April 21, 2023, from Director of Purchasing Sherri Meisinger. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 10

AMENDMENT NO. 1 FOR THE PROFESSIONAL SERVICES TO DESIGN WATER MAINS FOR PHASE 1B OF THE GEMINI DEVELOPMENT PROJECT

Director Friend moved to approve Amendment No. 1 pertaining to the Gemini Project as presented to the Committee by Vice-President of Engineering Masa Niiya and as outlined in the letter dated April 21, 2023, from Director of Design Engineering James Bartels. The motion was seconded by Director McGowan and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 11

AMENDMENT NO. 1 FOR SOUTHEAST BELLEVUE WATER MAIN EXTENSIONS PROJECT WITH HDR ENGINEERING

Director Friend moved to approve Amendment No. 1 pertaining to the Southeast Bellevue water main extensions project with HDR as presented in the Committee Meetings by Vice-President of Engineering Masa Niiya and as outlined in the letter dated April 21, 2023, from Director of Design Engineering James Bartels. The motion was seconded by Director Howard and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 12

MAIN EXTENSIONS

Director Friend 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 April 25, 2023, which was seconded by Director Cavanaugh and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 13

WAGE AND/OR SALARY INCREASES AND RATIFICATIONS

Director Begley moved to approve the wage and/or salary increases and ratifications as presented to the Committee by Vice-President of Human Resources Bonnie Savine and as outlined in her letter dated April 18, 2023. The motion was seconded by Director Friend and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 14

COLLECTIVE BARGAINING AGREEMENT

Director Begley moved to approve the Collective Bargaining Agreement as presented by Vice-President of Human Resources Bonnie Savine in the Committee Meeting and as outlined in her letter dated April 18, 2023. The motion was seconded by Director Friend and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 15

FOURTH LEGISLATIVE REPORT FOR 2023

Director Cavanaugh requested that the Fourth Legislative Report for 2023 as presented by Governmental Relations Attorney Rick Kubat, and as outlined in his letter to the Committee dated April 25, 2023, be placed on file.

AGENDA NO. 16

OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION

Vice-Chairperson Begley asked whether any Directors had any matters of District business for discussion.

Senior Vice-President & Chief Information Officer Sue Lobsiger shared that the District was recently awarded a federal grant from the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) in the amount of \$10 million. The funds are distributed from the Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) grant program which was part of the Biden Administrations' Bipartisan Infrastructure Law aimed at mitigating safety risk and methane emissions from natural gas distribution pipes. MUD will dedicate the grant funds to upgrading the District's critical natural gas infrastructure. Ms. Lobsiger noted that MUD's Communications Director Tracey Christensen, [Senior Vice-President & Chief Financial Officer Mark Myers] and Vice-President of Engineering Masa Niiya were instrumental in the successful development of the grant application. She also reported that MUD's President Mark Doyle and Board Chairperson Tanya Cook attended a public

announcement ceremony in Lincoln, Nebraska on April 14, 2023, as part of PHMSA's 8-city national tour which was also attended by Nebraska's U.S. Senator Deb Fischer and Governor Jim Pillen.

AGENDA NO. 17

PUBLIC COMMENT

Vice-Chairperson Begley asked whether any members of the public were present who wished to address the Board. There were none.

AGENDA NO. 18

CLOSED SESSION – LITIGATION, PERSONNEL & REAL ESTATE

Vice-Chairperson Begley announced there would be no Closed Session.

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

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

Voting No: None

The regular monthly Board meeting was adjourned at 9:34 a.m.



Mark Mendenhall
Senior Vice-President, General Counsel &
Acting Secretary to the Board

MM/mjm

METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

June 2, 2023

Subject: CAPITAL EXPENDITURES

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

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

The following items will be on the June 7, 2023, Committee Agenda for consideration and the Board Agenda for approval.

SYSTEM IMPROVEMENTS

1. JOB #: R2000 (100053001409)

TOTAL COST: \$549,800

LOCATION: South 168th Street from Shirley Street to Pine Street

DIRECTOR SUBDIVISION: Cavanaugh

PURPOSE: Install 1,200 feet of 16-inch ductile iron water main

DESCRIPTION: In 2021, a 16-inch water main was abandoned due to street improvements and part of the main being exposed in the creek. The abandonment and reinstallation of the main were split into two projects to meet the street improvement construction schedule. Developer plans for the property and design of the water main have been finalized. Installation of this main is anticipated to start in June of 2023 and will be constructed by a District crew.

BUILDINGS, PLANTS AND EQUIPMENT

1. JOB #: GP2803 (100062000680 - \$35,000; 100062000681 - \$20,000;
100052001848 - \$76,600; 100066002331 - \$25,500)

TOTAL COST: \$157,100

LOCATION South 140th Street and West Center Road

PURPOSE: Install above ground and below ground regulator station piping; install coated steel gas main and plastic gas main; abandon existing below ground regulator station and coated steel gas main

DESCRIPTION: The existing below ground regulator station is located on the southeast corner of South 140th Street and West Center Road. This regulator station has significant corrosion which is causing problems with the operation and maintenance of the regulators and valves. The proposed above ground regulator station will be installed on the northeast corner of the same intersection in right-of-way and the City of Omaha

has approved this proposed location. This project is scheduled to be started in late 2023.

2. JOB #: GP 2821 (GBL 100020000003)

TOTAL COST: \$120,340

LOCATION: 117th and Fort Street Propane-Air Facility

PURPOSE: Inspection and rebuild of the east deep well pump

DESCRIPTION: Two deep well pumps at the 117th and Fort Street propane-air facility are utilized during peak shaving operations to deliver liquid propane from the underground cavern to the plant mixing and delivery equipment. One of the pumps is not functioning properly.

Due to performance issues, this spring the pump was removed and underwent a complete inspection. To bring the pump into specific operational tolerances, it was determined necessary pump repairs include straightening the pipe-shaft, replacement of bearings and mechanical seal box bushing and machining of miscellaneous parts.

This work will be performed by the AWS Well Company. Approval of this authorization will allow the President to enter into an agreement with AWS.

3. JOB #: WP1701 (100051001063 – \$635,000 & 100065001690 - \$170,000)

TOTAL COST: \$805,000

LOCATION: Cornhusker Pump Station, South of Cornhusker Road and West of Fort Crook Road

PURPOSE: Install underground Cornhusker Pump Station, water mains, and utility services. Remove the existing underground Cornhusker Pump Station and abandon water mains.

DESCRIPTION: The existing Cornhusker Pump Station was installed in 1972 and since Cornhusker Road has widened, the pump station is dangerously close to the curb line causing safety concerns. The location allows snow/salt to pile on the lid and rainwater to collect near the station leading to significant structural and electrical degradation.

Approval of this project will provide funding to install the previously purchased underground pump station, water main relocation, several communication and utility services and the removal of the existing underground pump station and piping.

4. JOB #: 100083001185

TOTAL COST: \$210,000

LOCATION: Skyline Pumping Station

PURPOSE: Top end overhaul of (Zone 2, Pump 5) pump engine

DESCRIPTION: This request is for material and labor to perform a top end overhaul on the engine driving Zone 2 Pump #5 at the Skyline Pumping Station. The engine was installed in 1993 and drives a 25 MGD pump. The work will be completed in fall of 2023. The major benefits of the overhaul are prevention of a failure at an inopportune time and improvement of efficiency and emissions.

5. JOB #: 100083001187

TOTAL COST: \$118,000

LOCATION: Field Club Reservoir

PURPOSE: Solar Bee Mixer installation

DESCRIPTION: The Solar Bee mixer is used to prevent nitrification in otherwise stagnant water in the reservoir. The mixer is self-floating to match changing water elevations in the reservoir. The mixer is solar powered with solar panels and battery and will be located near the entrance to the reservoir. The reservoir is located under the Field Club Golf Course, making this minimal impact application ideal.

The Solar Bee vendor (IXOM Watercare, Inc.) provides the mixer system and completes the installation except for a small penetration in the vault of the reservoir for power and communication lines. This installation is anticipated to be completed in the summer of 2023.

6. JOB #: 100091000048

TOTAL COST: \$100,000

LOCATION: Platte West Water Treatment Plant

PURPOSE: Upgrade high service pump directors

DESCRIPTION: This request is for material and labor to replace/upgrade the Platte West high service pump directors. Each pump director is an automated control panel that controls the operation of a pump discharge valve. There are 14 existing control panels for the high service and backwash pumps that are obsolete and spare parts are no longer available. These panels are original to the construction of the plant in 2008. The benefits include preventing a panel failure resulting in unexpected pump downtime and upgrading to a standard District programmable logic controller offering a longer lifespan while positioning for future control system network upgrades.

7. JOB #: 100083001186

TOTAL COST: \$91,560

LOCATION: Florence Water Treatment Plant

PURPOSE: Replace north and south intake building roofs, coat skylights, replace security cameras and lightning protection system

DESCRIPTION: The roofs for the Florence north and south intake buildings are in poor condition and in need of replacement. In addition to the roof replacements, work is required to coat the skylights to repair crack deterioration and remove and replace security cameras and the lightning protection system.

8. JOB #: 100084001327

TOTAL COST: \$103,000

LOCATION: 63rd and Oak Propane Air Plant Compressor Building

PURPOSE: Replace roof

DESCRIPTION: The roof for the Propane Air Plant Compressor Building is in poor condition and in need of replacement. This project includes the removal and replacement of the roof and removal of two roof hatches.

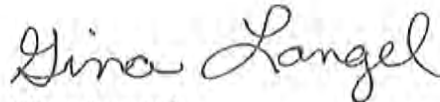
9. JOB #: 100084001324

TOTAL COST: \$799,130

LOCATION: Operations Center

PURPOSE: Reconfigure workspace to better serve the additional security improvements and a training room

DESCRIPTION: Controlled security access to the building from the front lobby and the entrance to the building from the rooftop parking deck needs enhancement to comply with District security protocols. The training room will have audiovisual capability and serve classroom-style training needs. Efforts will be coordinated with Construction Center 1 renovation project to identify space needs and utilize currently available space at the Operations Center campus more efficiently and effectively.



Gina Langel

Senior Vice President, Chief Operations Officer

Approved:



Mark E. Doyle
President

APPROVED BY BOARD

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

May 30, 2023

Subject: ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

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

From: Stephanie L. Henn, Interim Vice President, Water Operations

The following items will be on the June 7, 2023, Committee Meeting Agenda 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	
		*Unit Price Bid	Actual
a. Cedar Construction, WP1856, 100055001383, Install Water Mains in Sundance Subdivision; North 195th St. & Southwest HWS Cleveland Blvd. Lots 1-4	12/1/2021	\$343,588.00	\$351,303.00

Comments: There was an overall increase of \$7,715.00 (approximately 2%) for this project, accounted for in a previously approved change order primarily for resolving a conflict with a storm sewer. 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
b. Cedar Construction, WP1921, 100055001406, Install Water Mains in Mirabel; Southwest of 175th St. & Giles Rd.	7/6/2022	\$431,064.50	\$407,928.50

Comments: There was a net decrease of \$23,136.00 for this project, primarily due to slight modifications during installation, requiring less pipe, sample taps, and bends. 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. Cedar Construction, WP1928, 100055001408, Install Water Mains in Hills of Aspen Creek Lots 268-307, 332-353, 364-376; West of 180th St. & Palisades Dr.	7/6/2022	\$384,980.00	\$379,528.00

Comments: There was an overall decrease of \$5,452.00 for this project, due to slight modifications during installation, requiring less pipe, sample taps, and bends. 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. Q3 Contracting, GP2581, 100092001655, 100042000106, 100082000040, 100082000041, 100082000042, 100082000043, Contracted Cast Iron Gas Main Replacement, North 52nd St. to North 57th Ave. & Blondo St. To Western Ave.	1/5/2022	\$1,371,353.11	\$1,095,963.94

Comments: There was a decrease of \$275,389.17 for this project, 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 of the City of Omaha's paving stipulations were not finalized, so the project was estimated assuming the worst-case scenario, with significant paving replacement needed. Included in this overall decrease are additional costs for traffic control on highly traveled streets for safety and to adhere to the City of Omaha traffic engineer stipulations. This is the fourth of seven contracted gas projects from 2022, representing approximately 8.2% 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.

Approved:

DocuSigned by:

Stephanie L. Henn

Stephanie L. Henn

Interim Vice President, Water Operations

DocuSigned by:

Mas Niya

Mas Niya

Vice President
Engineering

DocuSigned by:

Gina Langel

Gina Langel

Senior Vice President
Chief Operations Officer

DocuSigned by:

Mark Doyle

Mark E. Doyle

President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

May 31, 2023

Subject: CC1 Renovation and CC2 Construction – Supplemental Capital Expenditure

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

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

This request is for a Supplemental Expenditure Authorization to increase funding for the renovation of CC1 and the construction of CC2.

To date, the Board of Directors has authorized \$65.97 million for the projects as follows:

- May 4, 2022, approved a Capital Expenditure for \$1,107,200 for owner representation and project management services for renovation work at CC1 and construction of CC2 utilizing a Construction Manager at Risk (CMAR) project delivery system. Project Control was awarded the contract.
- October 5, 2022, approved a Capital Expenditure for \$4,321,477 for master planning and design services for the renovation of CC1 and the construction of CC2. The team of Holland Basham Architects and Davis Design was awarded the contract.
- November 2, 2022, approved a Capital Expenditure for \$60,541,323 to fund the construction phase of the renovation of CC1 and the construction of CC2.

Both projects are near completion of the Programming Phase which is the first step in the architectural design process for projects of this type. The programming phase establishes space requirements; general building configuration and site layout; design goals and objectives; schedule; and an opinion of probable construction cost. Seven options have been developed by the design team. Each has been reviewed by the District project management team and owner representative considering employee input and current and future operational needs.

The total project estimate is \$80.4 million resulting in an additional funding request of \$14.43 million that considers the following:

- Architect's Opinion of Probable Construction Cost (OPCC).
- High inflation rate experienced in non-residential construction since original estimate was developed.
- Increase CC2 from 120,000 square feet to 146,000 square feet.
- District overheads (G&A).
- An assumed 6% annual inflation during the construction period (CC1: 3 years and CC2: 1.5 years)

Funding for the additional request of \$14.43 million is proposed as follows:

- \$2,215,240 in funds received from insurance settlement for the settling of CC1 due to adjacent 3rd party construction.
- \$2,720,000 deferral of vehicles and equipment from the 2023 budget.
- \$100,000 from the O&M budget for the CC1 Master Plan.
- \$9,394,760 in additional proceeds from the issuance of gas revenue bonds expected in late 2023.

This item will be on the June 7, 2023 Committee Agenda for consideration and the Board Agenda for approval.



Jon Zellars
Vice President, Procurement and Enterprise Services
(402) 504-7253

Approved:



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



Mark Myers
Senior Vice President, Chief Financial Officer



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

May 26, 2023

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

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

From: Sherri A Meisinger, Director, Procurement

The following items will be on the June 7, 2023 Committee Agenda for consideration and the June 7, 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 High Point Subdivision Lots 1-4 S. 203 rd St. and Veterans Dr. 100055001446 WP1999 Engineering Estimate: \$262,433.00 (A C&A in the amount of \$314,885.00 will be presented to the Board on June 7, 2023 for approval.)	18/5	Cedar Constr. <i>United Utilities</i> Kersten Constr. Castle Contracting <i>Pat Thomas Constr.</i>	\$254,985.00 261,662.00 287,787.00 304,285.00 320,181.00
Remove and Replace the Underground Cornhusker Booster Pump Station and Water Mains at Cornhusker Rd. and Fort Crook Rd. S. 100051001063 100065001690 WP1701 Engineering Estimate: \$425,000.00 (A C&A in the amount of \$805,000.00 will be presented to the Board on June 7, 2023 for approval.)	18/2	Neuvirth Constr. <i>Judds Bros. Constr.</i>	\$492,186.66 920,950.00

RATIFICATION

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
One (1) Tracstar Fusion Machine for Construction 100090001428 (C&A for 100090001428 approved April 5, 2023 in the amount of \$128,200.00.)	2/2	Groeber <i>Isco</i>	\$109,719.00 110,070.75
TPS Insulated Service Saddles for Water Service Taps	5/2	American Undergrd. <i>Core & Main</i>	\$88,480.00 92,780.00

OTHER

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Standing Bear Natural Gas Piping and Meter Foundation Supports 100060001429 GP2675 (C&A for 100060001429 approved October 6, 2021 in the amount of \$1,650,000.00.)	4/4	Cormaci Midwest DCM RG Concrete Cummings & Sons	\$32,578.79 33,545.00 37,625.00 38,344.45
Replace 63 rd Propane Air Plant Compressor Building Roof 100084001327 *Bid Rejected, Non-Responsive (A C&A in the amount of \$103,000.00 will be presented to the Board on June 7, 2023 for approval.)	3/2	Anderson Roofing Independent Roofing	\$84,261.81 84,220.00*
Replace 120 th Propane Air Plant Main Shaft Building Roof at LNG 100020000002 *Bid Rejected, Non-Responsive (C&A for 100020000002 approved May 26, 2023 in the amount of \$31,820.00.)	3/2	Anderson Roofing Independent Roofing	\$27,775.73 16,890.00*

Replace Florence WTP North and South Intake Roofs 100083001186	3/2	Anderson Roofing Independent Roofing	\$50,645.56 66,060.00
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(A C&A in the amount of \$91,560.00 will be presented to the Board on June 7, 2023 for approval.)

Purchase and Install Replacement Commercial Windows for the LNG Administrative Building 100020000001 GP 2809	4/2	Bil-Den Glass A-United Automatic Doors	\$43,048.00 51,927.96
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(C&A for 100020000001 approved April 5, 2023 in the amount of \$76,580.00.)

Operations Center Remodel 100084001324 GP 2817	8/2	MCL Constr. Hausmann Constr.	\$293,275.00 442,100.00
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(A C&A in the amount of \$799,130.00 will be presented to the Board on June 7, 2023 for approval.)

One (1) Pump Engine Overhaul at Skyline Pump Station 100083001185	4/4	Interstate Power Syst. NMC	\$166,267.34 178,781.79
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(A C&A in the amount of \$210,000.00 will be presented to the Board on June 7, 2023 for approval.)

Two (2) Large Rubber Tire Crane 100087000667	4/1	RION	\$857,792.00
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(C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)

Two (2) Regular Cab, Cab and Chassis with Dump Body, Tandem Dump Truck 100088000821	1/1	Truck Center Co.	\$329,748.00
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(C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)

One (1) Mid-Size Excavator for Pipe Bursting 100087000671 *Does Not Meet Specifications	11/7	Road Builders	\$197,238.00
		Titan Machinery	200,000.00
		Bobcat of Omaha	204,409.00
		NMC	227,621.00
		Murphy Tractor	241,300.00
		A1 Iron Corp	180,272.00*

(C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)

One (1) Chlorine Van for Water Distribution 100088000793	1/1	Truck Center Co.	\$130,488.00
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(C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)

Two (2) 24" MJ RH Vertical Resilient Seated Gate Valves	7/4	Core & Main	\$50,526.32
		Omaha WinWater	53,885.86
		American Underground	54,424.50
		Clow Valve Co.	57,000.00

Four (4) 16" MJ RH Vertical Resilient Seated Gate Valves	7/4	Core & Main	\$31,600.00
		Omaha WinWater	33,683.72
		American Underground	34,020.40
		Clow Valve Co.	35,700.00

ANNUALS

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Provide Complete Barricading Services for the Metropolitan Utilities District and the City of Omaha at Various Construction Site (November 1, 2023 to October 31, 2026) * \$369,517.50 Estimated M.U.D. Portion per Each Year of Contract	4/3	Todoco Q3 Contracting Highway Signing	\$3,359,250.00* 3,729,400.50 9,465,000.00



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

APPROVED BY BOARD

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

May 31, 2023

Subject: MAIN EXTENSIONS

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

From: Masa Niiya, Vice President, Engineering

The following main extensions will be on the June 7, 2023, Committee Agenda for consideration and the Board Agenda for approval:

1. JOB# WP1999 (100055001446)

PROJECT COST: \$314,885

DISTRICT COST: \$0

LOCATION High Point Replat 9 Subdivision southwest of 203rd St. & Veterans Dr

DIRECTOR SUBDIVISION: Begley

DESCRIPTION: This work is being done to provide domestic water service and fire protection to 4 newly platted commercial lots in High Point Subdivision. Work is requested to be completed September 2023. Applicant has also requested gas service. This project is currently within the City of Omaha's Zoning Jurisdiction and is being developed by Gottsch Enterprises.

2. JOB# GP2769 (100060001465)

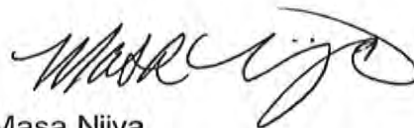
PROJECT COST: \$97,257

DEVELOPER DEFICIENCY: \$35,669

LOCATION: Kensington Park Subdivision northwest of 204th St. & Q St.

DIRECTOR SUBDIVISION: Cavanaugh

DESCRIPTION: This work is being done to provide gas service to 1 multiple-residence lot and 12 commercial lots, all newly platted, in Kensington Park Subdivision. Work is requested to be completed by October 2023. This project is currently within the City of Omaha's Zoning Jurisdiction and is being developed by Jerry Torczon.



Masa Niiya
Vice President, Engineering

Approved:



Gina Langel
Sr. Vice President, Chief Operations Officer



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

APPROVED BY BOARD

May 25, 2023

Subject: Wage and/or Salary Increases and Ratifications, June 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 Myers

From: Bonnie Savine, Vice President, Human Resources

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

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

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

Employee:	Kody Anderson
Current position (department):	Auto Service Person (Transportation)
New position (department):	Water Plant Maintenance Mechanic (Platte West)
Current rate; step/grade:	\$25.59; Step 2
Proposed rate; step/grade:	\$30.75; EN
Percent of increase:	20.16%
District hire date:	February 28, 2022
Employee:	Loren Ascher
Current position (department):	Pipe Layer Trainee (Construction)
New position (department):	Customer Service Technician Trainee (Field Services)
Current rate; step/grade:	\$29.10; Step 3
Proposed rate; step/grade:	\$30.26; Step 4
Percent of increase:	3.99%
District hire date:	September 13, 2021
Employee:	Stephen Baldauf
Current position (department):	Pipe Layer Trainee (Construction)
New position (department):	Customer Service Technician Trainee (Field Services)
Current rate; step/grade:	\$29.10; Step 3
Proposed rate; step/grade:	\$30.26; Step 4
Percent of increase:	3.99%
District hire date:	October 11, 2021

Wage and/or Salary Increases and Ratifications

June 2023

Page 2

Employee: **Blair Barbary**
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Service Clerk II (Customer Service)
Current rate; step/grade: \$26.52; Step 1
Proposed rate; step/grade: \$27.85; Step 1
Percent of increase: 5.02%
District hire date: May 9, 2022

Employee: **Tyrone Bearfield**
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Service Clerk II (Customer Service)
Current rate; step/grade: \$26.52; Step 1
Proposed rate; step/grade: \$27.85; Step 1
Percent of increase: 5.02%
District hire date: May 9, 2022

Employee: **Nicole Belt**
Current position (department): Administrative Clerk III (Gas Production)
New position (department): Accounting Clerk I (Accounting)
Current rate; step/grade: \$27.81; Step 2
Proposed rate; step/grade: \$29.36; Step 2
Percent of increase: 5.57%
District hire date: August 24, 2020

Employee: **Susan Caldwell**
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Service Clerk II (Customer Service)
Current rate; step/grade: \$28.08; Step 2
Proposed rate; step/grade: \$29.48; Step 2
Percent of increase: 4.99%
District hire date: May 10, 2021

Employee: **Kayla Cleveland**
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Account Clerk III (Customer Accounting)
Current rate; step/grade: \$29.64; Step 3
Proposed rate; step/grade: \$32.67; Step 4
Percent of increase: 10.22%
District hire date: January 6, 2020

Wage and/or Salary Increases and Ratifications

June 2023

Page 3

Employee: Robert Hanson
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Customer Service Technician Trainee (Field Services)
Current rate; step/grade: \$27.57; Step 2
Proposed rate; step/grade: \$30.26; Step 4
Percent of increase: 9.76%
District hire date: February 28, 2022

Employee: Jeffrey Jones
Current position (department): Stores Clerk III (Transportation)
New position (department): Stores Clerk IV (Transportation)
Current rate; step/grade: \$39.08; Step 4
Proposed rate; step/grade: \$40.45; Step 4
Percent of increase: 3.51%
District hire date: June 18, 2007

Employee: Tyler Lathrop
Current position (department): Water Plant Maintenance Mechanic (Platte West)
New position (department): Chemical Equipment Mechanic I (Platte West)
Current rate; step/grade: \$32.67; Step 1
Proposed rate; step/grade: \$35.33; Step 2
Percent of increase: 8.14%
District hire date: June 28, 2021

Employee: Jacob Menard
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Customer Service Technician Trainee (Field Services)
Current rate; step/grade: \$29.10; Step 3
Proposed rate; step/grade: \$30.26; Step 4
Percent of increase: 3.99%
District hire date: October 11, 2021

Employee: Austin Michael
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Customer Service Technician Trainee (Field Services)
Current rate; step/grade: \$27.57; Step 2
Proposed rate; step/grade: \$30.26; Step 4
Percent of increase: 9.76%
District hire date: February 28, 2022

Wage and/or Salary Increases and Ratifications

June 2023

Page 4

Employee:	Robby Robinson
Current position (department):	Pipe Layer Trainee (Construction)
New position (department):	Customer Service Technician Trainee (Field Services)
Current rate; step/grade:	\$29.10; Step 3
Proposed rate; step/grade:	\$30.26; Step 4
Percent of increase:	3.99%
District hire date:	October 11, 2021

Employee:	Ronald Taylor
Current position (department):	Utility Locator (Safety and Security)
New position (department):	Senior Utility Locator (Safety and Security)
Current rate; step/grade:	\$41.13; Step 4
Proposed rate; step/grade:	\$42.78; Step 4
Percent of increase:	4.01%
District hire date:	December 20, 2004

Employee:	Amy Williamson
Current position (department):	Customer Account Clerk III (Customer Accounting)
New position (department):	Customer Account Clerk IV (Customer Accounting)
Current rate; step/grade:	\$32.67; Step 4
Proposed rate; step/grade:	\$34.30; Step 4
Percent of increase:	5.00%
District hire date:	July 5, 2011

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

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

There are no recommendations for approval this month

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

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

Employee: James Branstetter
Current position (department): Computer Aided Drafting Technician I (Engineering Design)
New position (department): Computer Aided Drafting Technician II (Engineering Design)
Current rate; step/grade: \$30.03; Step 4
Proposed rate; step/grade: \$33.11; Step 2
Percent of increase: 10.26%
District hire date: October 19, 2020

Employee: Michael Kalskett
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$30.26; Step 4
Proposed rate; step/grade: \$35.08; EN
Percent of increase: 15.93%
District hire date: February 25, 2019

Employee: Kyle Palmesano
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$30.26; Step 4
Proposed rate; step/grade: \$35.08; EN
Percent of increase: 15.93%
District hire date: March 30, 2020

Employee: Tony Pirruccello
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$30.26; Step 4
Proposed rate; step/grade: \$35.08; EN
Percent of increase: 15.93%
District hire date: September 23, 2019

Employee: Thomas Sneed
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$30.26; Step 4
Proposed rate; step/grade: \$35.08; EN
Percent of increase: 15.93%
District hire date: January 7, 2019

Employee: William Taylor
Current position (department): Computer Aided Drafting Technician I (Engineering Design)
New position (department): Computer Aided Drafting Technician II (Engineering Design)
Current rate; step/grade: \$30.03; Step 4
Proposed rate; step/grade: \$33.11; Step 2
Percent of increase: 10.26%
District hire date: October 12, 2020

Employee: Donald Wilburn
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$30.26; Step 4
Proposed rate; step/grade: \$35.08; EN
Percent of increase: 15.93%
District hire date: December 10, 2018

Employee: Taylor Woodson
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Pipe Layer (Construction)
Current rate; step/grade: \$30.63; Step 4
Proposed rate; step/grade: \$32.92; Step 2
Percent of increase: 7.48%
District hire date: May 10, 2021

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: Gage Hartline
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Field Engineer I (Construction)
Current rate; step/grade: \$29.10; Step 3
Proposed rate; step/grade: \$68,070; SPA – 01
Percent of increase: 12.46%
District hire date: September 13, 2021

Wage and/or Salary Increases and Ratifications

June 2023

Page 7

Employee: Benjamin Koziel
Current position (department): Building Operator (Facilities Management)
New position (department): Supervisor, Building Operations (Facilities Management) Job Reevaluation
Current rate; step/grade: \$87,600; SPA – 02
Proposed rate; step/grade: \$91,980; SPA – 03
Percent of increase: 5.00%
District hire date: December 16, 2019

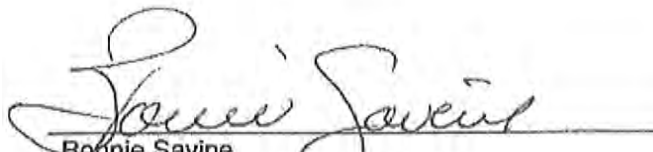
Employee: Ryan Lord
Current position (department): Meter Reader – Car Route (Meter Services)
New position (department): Call Center Statistics Analyst (Customer Service)
Current rate; step/grade: \$35.56; Step 4
Proposed rate; step/grade: \$77,663; SPA – 02
Percent of increase: 5.00%
District hire date: June 6, 2016

Employee: Christopher Storm
Current position (department): Building Operator (Facilities Management)
New position (department): Supervisor, Building Operations (Facilities Management) Job Reevaluation
Current rate; step/grade: \$83,149; SPA – 02
Proposed rate; step/grade: \$87,306; SPA – 03
Percent of increase: 5.00%
District hire date: July 6, 2020

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

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

Employee: Gianna Howard
Current position (department): Manager, Diversity, Equity & Inclusion (Human Resources)
Current rate; step/grade: \$92,188; SPA – 05
District hire date: May 22, 2023



Bonnie Savine
Vice President, Human Resources



Mark A. Mendenhall
Senior Vice President, General Counsel



Mark E. Doyle
President

APPROVED BY BOARD

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

May 31, 2023

Subject: Ratification of salary for Vice President, Accounting

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 Myers


From: Bonnie Savine, Vice President, Human Resources

It is recommended that the Board of Directors ratify the salary of Stephen Dickas as Vice President, Accounting. Mr. Dickas was hired on May 22, 2023.


Mr. Dickas received his Bachelor of Science degree in Accountancy from the University of Notre Dame. He is a Certified Public Accountant. Mr. Dickas has over 30 years of experience leading successful accounting organizations in various industries. He has held similar roles that include responsibilities for audit, financial reporting, month end close, financial analysis, budgeting and forecasting, and supervisory duties.


The Human Resources and Senior Management team conducted a thorough recruitment and job placement process. Candidates were reviewed and vetted resulting in five (5) candidates for interviews first round interviews and three (3) candidates for second round interviews. The District's Senior Management team and I agreed on the selection of Mr. Dickas for this position. Based on his education, professional certification, and proven work experience, Mr. Dickas was selected and hired for the position of Vice President, Accounting. Mr. Dickas' role is assigned to grade SPA-11 on the Supervisory, Professional and Administrative Scale.

In view of the responsibilities of this position as Vice President, Accounting; it is recommended the salary of Mr. Dickas be ratified at \$185,000 per year effective May 22, 2023.


Bonnie Savine
Vice President, Human Resources

APPROVED:


Mark A. Mendenhall
Senior Vice President, General Counsel


Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Attorney Memorandum

May 29, 2023

Subject: SETTLEMENT OF WORKER'S COMPENSATION CLAIM: APRIL STRAUGHN

To: Judiciary and Legislative Committee (Directors Cook, Cavanaugh, and Howard)

Cc: All Board Members, Messrs. Doyle, Ausdemore, Mendenhall, Myers, Mses. Langel, Lobsiger

From: Joseph Kehm, Assistant General Counsel

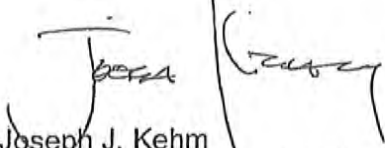
April Straughn began working at the District in 2001 as a Customer Service Clerk. She was promoted to Water Laboratory Technician in 2012 and Water Plant Engineer in 2019.

On January 15, 2019, Ms. Straughn slipped and fell at work while "running water samples". On or about February 5, 2019, as a result of that fall, Ms. Straughn was taken off work by her doctors. Ms. Straughn remained off work until her retirement on September 26, 2019. Ms. Straughn has received a variety of medical treatment stemming from that fall paid for by the District. The District has also paid Ms. Straughn temporary disability benefits in accordance with Nebraska law.

Ms. Straughn's treating physician opined that she sustained a 10% permanent impairment as a result of the fall, and that this condition would limit her ability to return to the same or similar work. Ms. Straughn has not worked since February 2019. Ms. Straughn's treating physician has also opined that she will need ongoing medical care for her injury.

The District's Law Department has reached a lump sum settlement agreement. In exchange for payment in the amount of \$137,500, Ms. Straughn and her attorney will release all claims against the District for indemnity, medical, and all other workers' compensation benefits. This settlement is pending this Board's approval and if given, we will proceed to finalize the written settlement documents. It is recommended that the District settle this workers' compensation lawsuit for the amount detailed above.

This matter will be on the June 7, 2023 Committee Agenda for discussion and the Board Agenda for consideration. The Board may go into a closed session during the Board Meeting for additional discussion if necessary.


Joseph J. Kehm
Assistant General Counsel

Mark Mendenhall
Mark Mendenhall, SVP/General Counsel

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

May 30, 2023

Subject: FINAL 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 legislature is set adjourn on June 9, 2023. Provided below are legislation positions established by the Board of Directors along with updates to pending legislation.

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. The District supports the underlying goals of LB 40 to enhance water quality with the recommendation that financing be made available to support volunteer agricultural practices.

Board Pos: Support
Status: Remains in the 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

and refer One-Call violations to an Excavation Safety Committee. It creates the Underground Excavation Safety Committee (UESC), referred to as a "hit court". LB 122 has a pending amendment. As amended, the UESC will be comprised of three excavators and three operators appointed by the Governor and a designee of the SFM. The Committee would determine whether complaints constitute One-Call violations and impose civil penalties. Penalties may include the requirement of completion of educational courses established by the SFM. Violations related to gas, hazardous liquid, or fiber optic facilities may not exceed ten thousand dollars for each violation for each day a violation persists, up to a maximum of five hundred thousand dollars. Violations related to any other underground facility, may not exceed five thousand dollars for each violation for each day a violation persists, up to a maximum of fifty thousand dollars. Any recommendations by the UESC for penalties above these statutory amounts would be referred to the Attorney General's Office for further prosecution. LB 122 further provides that it is a violation to request utility locates in an area in which excavation can not reasonably commence within seventeen calendar days after the indicated excavation start date or within fourteen calendar days after a request for remarking or reidentification is completed. LB 122 has been amended into LB 683 via AM 1142.

Board Pos: Neutral

Status: Amended into LB 683 and signed into law by the Governor

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 has indicated that the intent of the bill, should it be considered by the full legislature, is to provide an exception for the tracking of employer owned property. Provided this exclusionary language becomes part of the bill, the District will remain neutral. LB 161 will sit on General File and be carried over into the 2024 session.

Board Pos: Neutral

Status: Remains on General File

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.

Board Pos: Neutral
Status: Remains on General File

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.

An amendment was offered at the committee hearing to remove gas, water and electric utilities from the bill.

Board Pos: Neutral
Status: Remains on General File

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.

Board Pos: Support
Status: Remains in 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. LB 267 has been amended into LB 191 via AM 1330.

Board Pos: Support
Status: Amended into LB 191 and signed into law by the Governor

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.

Board Pos: Neutral
Status: Remains in the 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.

Board Pos: Neutral
Status: Remains in the 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.

Board Pos: Neutral
Status: Remains in the Urban Affairs Committee

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.

Board Pos: Oppose
Status: Remains in 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.

Board Pos: Neutral
Status: Remains in 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. LB 506 was amended into LB 814 and provides \$177 million in ARPA funds to Lincoln for alternative water supply projects.

Board Pos: Neutral
Status: Provisions of LB 506 amended into LB 814 and signed into law by the Governor

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. Provisions of LB 613 were amended into LB 814 and LB 818. The District is to receive \$10 million in state general funds for lead service line replacements.

Board Pos: Support
Status: Provisions of LB 613 amended into LB 814 and LB 818 and signed into law by the Governor.

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.

Board Pos: Support
Status: Placed on General File

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 for the City of Blair.

Board Pos: Neutral
Status: Remains in the Appropriations 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. Senator Linehan requested the Urban Affairs Committee Indefinitely Postpone LB 691 due to the agreement reached with the City of Omaha on relocations.

Board Pos: Support
Status: Indefinitely postponed

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. Senator Linehan requested the Urban Affairs Committee Indefinitely Postpone LB 693 due to the agreement reached with the City of Omaha on relocations.

Board Pos: Support
Status: Indefinitely Postponed

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.

Board Pos: Support
Status: Remains in 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.

Board Pos: Neutral
Status: Remains in the Urban Affairs Committee

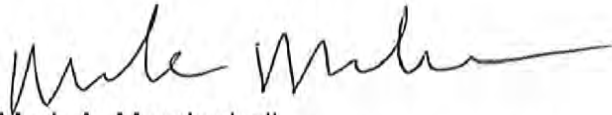
LB 785 (McKinney) – Appropriates \$250 million in American Rescue Plan Act (ARPA) funds to the Department of Natural Resources and \$350 million in general funds to the Nebraska Department of Economic Development to provide financial support for the North and South Omaha fiscal recovery grant programs. Pending amendment, AM 865, adds specificity to the allocation of both ARPA and general funds contained within LB 785. AM 865 contains a \$30 million allocation of ARPA funds to be administered by the Nebraska Department of Environment and Energy to provide grant funding to the District for the removal of lead service lines. Provisions of LB 785 were amended into LB 814, however the provisions contained within LB 785 to finance lead services were removed.

Board Pos: Support
Status: Provisions of LB 785 excluding financial assistance for lead services were amended into LB 814 and signed into law by the Governor



Richard A. Kubat
Government Relations Attorney

Approved:

A handwritten signature in black ink, appearing to read 'Mark A. Mendenhall', with a long horizontal flourish extending to the right.

Mark A. Mendenhall
Senior Vice President/General Counsel

A handwritten signature in black ink, appearing to read 'Mark E. Doyle', with a long horizontal flourish extending to the right.

Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Departmental Communication

APPROVED BY BOARD

June 5, 2023

Subject: INSURANCE RENEWALS – PROPERTY, BOILER, CAVERNS, CONSTRUCTION EQUIPMENT, AUTO/FLEET, DATA PROCESSING EQUIPMENT, AND CYBER

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

From: Mark F. Myers, Senior Vice President, Chief Financial Officer

The following insurance policies expire June 15, 2023 and require action:

Property Policy	Construction Equipment
Equipment Breakdown	Auto/Fleet
Data Processing Equipment	Cyber
LNG/Propane Caverns/Contents	

Following is a brief description of the various insurance policies to be renewed and the corresponding policy-specific points of interest:

Property/LNG Propane Caverns/Equipment Breakdown/Data Processing

First-party insurance that addresses all risks of physical loss or damage, including but not limited to property damage, extra expense and machinery breakdown, losses from terrorism, earth movement, windstorm, storm surge, flooding and other coverages as described in the policy. Please note that the policy cost information presented below has been adjusted to remove commissions and engineering related fees associated with loss control and risk assessment.

	<u>Expiring Policy</u>	<u>Proposed Policy</u>
Property – without LNG & Caverns		
Insurance Carrier	AEGIS/Starr Tech	AEGIS/Starr Tech
Total Insurable Values	\$1.0 billion	\$1.1 billion
Average Rate per \$100 of Insured Value	N/A-combined rate	N/A – combined rate
Premium	N/A-combined	N/A – combined premium

Property – LNG & Caverns

Insurance Carrier	AEGIS/Starr Tech	AEGIS/Starr Tech
Total Insurable Values	\$94.1 million	\$107.2 million
Average Rate per \$100 of Insured Value	N/A-combined rate	N/A – combined rate
Premium	N/A-combined	N/A – combined premium

Equipment Breakdown

Insurance Carrier	AEGIS/Starr Tech	AEGIS/Starr Tech
Total Insurable Values	Included above	Included above
Average Rate per \$100 of Insured Value	N/A-combined rate	N/A – combined rate
Premium	N/A-combined	N/A – combined premium

Data Processing Equipment

Insurance Carrier	AEGIS/Starr Tech	AEGIS/Starr Tech
Total Insurable Values	\$5.8 million	\$6.3 million
Average Rate per \$100 of Insured Value	N/A-combined rate	N/A – combined rate
Premium	N/A-combined	N/A – combined premium

Total Property/Equipment Breakdown/Data Processing

Total Insurable Values	\$1.1 billion	\$1.2 billion
Average Rate per \$100 of Insured Value	\$0.0916	\$0.1011
Premium	\$1,010,868	\$1,260,145

Construction/Contractor's Equipment

Coverage directed at loss or damage to covered property defined as owned and rented construction equipment, tools and heavy equipment when the loss is caused by covered perils.

	<u>Expiring Policy</u>	<u>Proposed Policy</u>
Insurance Carrier	Continental Casualty	Continental Casualty
Total Insurable Values	\$27.2 million	\$30.5 million
Average Rate per \$100 of Insured Value	\$0.1071	\$0.0983
Premium	\$29,098	\$29,936

Cyber

Coverage directed at third-party liability for losses arising from a cyber event as well as first-party coverage for event management and cyber extortion.

	<u>Expiring Policy</u>	<u>Proposed Policy</u>
Insurance Carrier	AIG	AIG
Premium	\$33,093	\$38,399

Subtotal – Premiums, excluding Auto/Fleet	\$1,073,059	\$1,328,480
Inspection Fees	\$6,350	\$6,350
Insurance Brokerage Fee/Commission	\$63,000	\$63,000
Total Premiums and Fees, excluding Auto/Fleet	\$1,142,409	\$1,397,830

Auto/Fleet

Physical damage insurance coverage for comprehensive and specified perils losses resulting from theft, fire, vandalism or various natural disasters (weather, etc.).

	<u>Expiring Policy</u>	<u>Proposed Policy</u>
Insurance Carrier	Nationwide	Pending
Vehicle Count - All Types	502	523
Overall Average Rate per Unit	\$91.05	Pending
Premium	\$45,706	Pending

Consistent with the approach used for the expiring insurance coverage, the District's property insurance program has a \$300 million loss limit per loss, despite total property insurable values of \$1.2 billion. Loss limits are provided by most carriers because the total level of values will likely exceed their individual capacity, and because it is highly unlikely that an insured will incur a 100% loss to all assets from any one occurrence. Aon believes a \$300 million loss limit is more than adequate to address the District's risk. It should be noted that the aforementioned \$1.2 billion of insurable value is spread among many separate locations; it is highly unlikely that one event would result in a 100% loss at all locations.

The proposed insurance premiums are notably higher than prior year amounts due to: 1) continued challenges in the insurance market due to natural catastrophes, such as hurricanes, tornadoes, wildfires, and convection storms including wind and hail, 2) the District's two large property damage claims that recently closed, including one for flood damage incurred in 2019 and one for property damage to the construction center which began in 2020, and 3) increased insurable values.

As indicated above, the auto/fleet insurance is still being evaluated. The District's expiring auto/fleet policy provides comprehensive coverage against physical damage caused by perils such as theft, fire, vandalism or natural disasters. The policy does not include physical damage resulting from a collision or third-party liability coverage. The market for this type of coverage is limited. As a result of a hail damage claim incurred in 2022, incumbent insurance carrier, Nationwide, has elected to not renew this coverage. Aon is seeking other alternatives for insuring the fleet.

An Executive Summary prepared by Aon Risk Services has been attached as well as an additional schedule comparing the expiring policies to the proposed policies. Our insurance broker markets the various lines of coverage to additional insurance carriers to ensure that we are provided the best value. The marketing efforts employed by Aon are addressed in the attached Executive Summary.

In addition, a representative from Aon Risk Services, Dave McCue, will be present at the June 7, 2023 Board Committee meeting to address any questions you may have.

Management recommends the Board approve the insurance proposals noted above for the period June 16, 2023 through June 15, 2024. As noted above, the insurance proposals result in combined annual premiums and fees of \$1,397,830, excluding auto/fleet insurance, which represents an increase of \$255,421 or 22.4%, as compared to the prior combined premiums and fees of \$1,142,409. The increase is driven by an increase in insurable values as well as an increase in the cost per dollar of insured value for the reasons cited previously.

It should be noted that the District, with input from Aon, anticipated an increase in premiums when the 2023 budget was prepared. The 2023 budget is sufficient to fund the projected increase in premiums and fees stated above.

Management also requests that the Board grant the President authority to execute a policy insuring the fleet that provides at least the same amount of coverage and an annual premium no more than 25% higher than the expiring premium, as reflected in the 2023 budget.

Mark F Myers

Mark F. Myers
Senior Vice President, Chief Financial Officer

(402) 504-7174

Approved:

Mark E Doyle

Mark E. Doyle
President

Attachments

EXECUTIVE SUMMARY

INSURANCE MARKET OVERVIEW-2023

The insurance market continues to be challenging in 2023, specifically on property risks. The property coverage was improving up to July 1, 2022, however it was short-lived due to natural catastrophes, such as hurricanes, tornados, wildfires, convective storms, including wind and hail during the second half of year.

Property Insurance- Q1 2023

Pricing-Overall Market

Rates increased from an average of 9.0% in Q4 2022 to 13.9% in Q1 2023. Q1 2023 represents the 22nd consecutive quarter of positive rate increases. Q1 2023 represents the first quarter since Q2 2021 with average portfolio rates exceeding 10.0%.

Quota Share & Layered Placements

Shared and layered accounts increased over the quarter from Q4 2022 quarterly average of 14.08% to 21.22%. More challenging or hazardous occupancy classes, such as power and utility accounts with losses are under greater pressure due to insurer profitability concerns.

Property Limits/Capacity

As rates have accelerated, insurers are actively looking to maintain quality risks and less challenging occupancies. Property insurers are reducing capacity where Nat-Cat aggregation and loss estimates have increased due to inflation factors. 7.2% of Aon's clients reduced limits in Q1 2023. 9.3% of clients increased limits in Q1 2023. For perspective, over eleven quarters, the average for clients maintaining their limits is 87.5%.

Deductibles/Retentions

Deductibles remained consistent for the quarter with 87.8% of clients maintaining their deductible levels. The percentage of clients increasing retentions in Q1 2023 was 11.2%, up 4.5% compared to Q4 2022. This is still below the average of 11.69% for the past eighteen quarters. Retention increases is now more the result of a client controlling costs as opposed to being forced to control costs by insurers. Aon saw some regulated utility clients take measures to reduce overall premium spend (many across all product lines, not just property). These clients evaluated and utilized strategies such as increasing retentions, increasing captive involvement, reducing and/or removing coverage for certain classes of assets.

Coverage

Property valuation is a key concern among many underwriters given recent losses that exceed amounts stated on the statement of values, inflation and underreporting of business interruption exposures. MUD has done a very good job of increasing replacement cost valuations using index data to stay current with inflation. Clients with increased exposures were 12.85% on average for the Q1 2023. MUD's property valuation for this renewal increased by 13%.

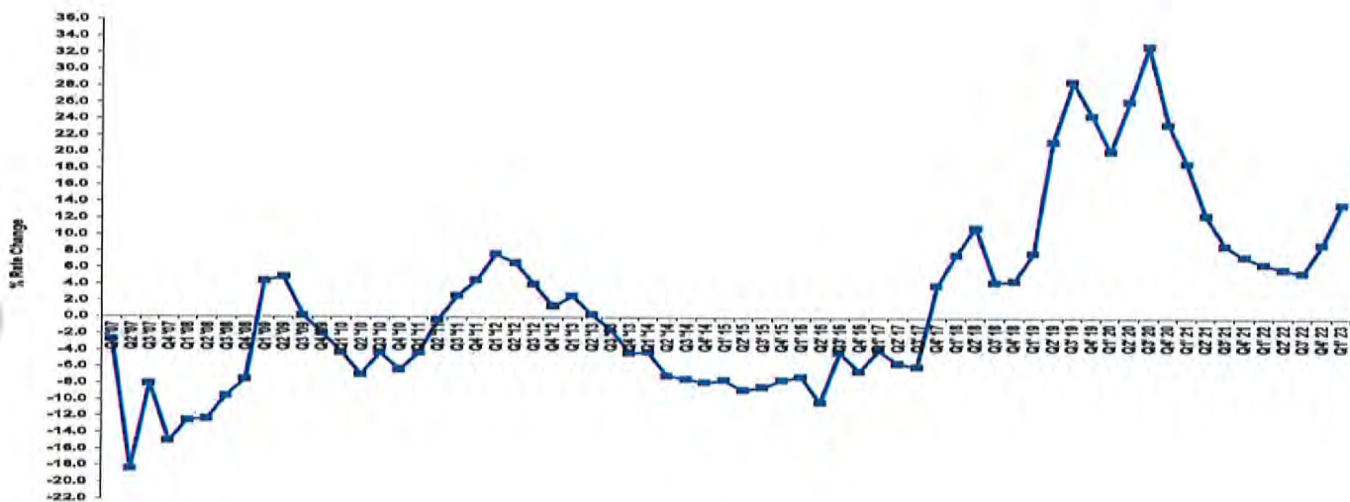
Losses

The first three months of 2023 saw an estimated \$63B in economic losses from natural disasters, with \$15 billion of losses insured, according to Aon's Q1 Global Catastrophe Recap. Severe storms in the U.S. resulted in insured losses in excess of \$5.5B for Q1 2023.

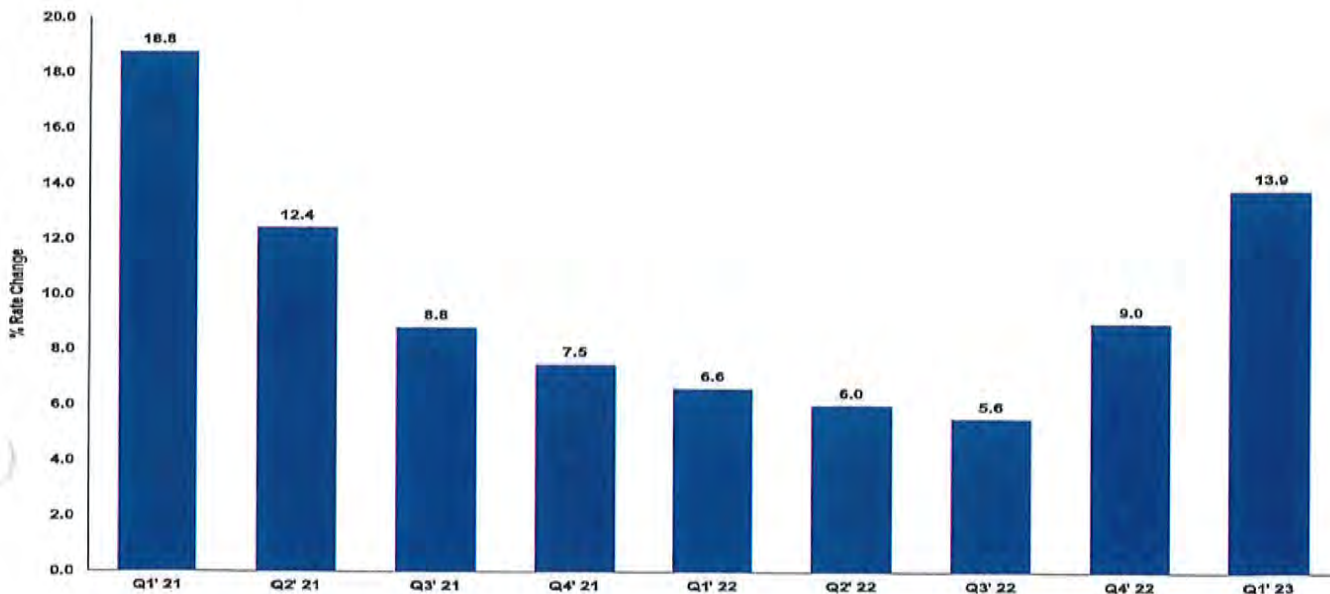
As we move further into 2023, we will continue to see continued downward pressure on the size of rate increases where in select instances flat renewals may be achievable. Flat renewals might be achievable for accounts when:

- An account has an exemplary recent loss record
- Improvement in risk survey engineering rating
- Starting rate/premium was high for some specific reasons that have now been addressed

Property-Quarterly Year-Over-Year Change in Rate-Starting in 2007



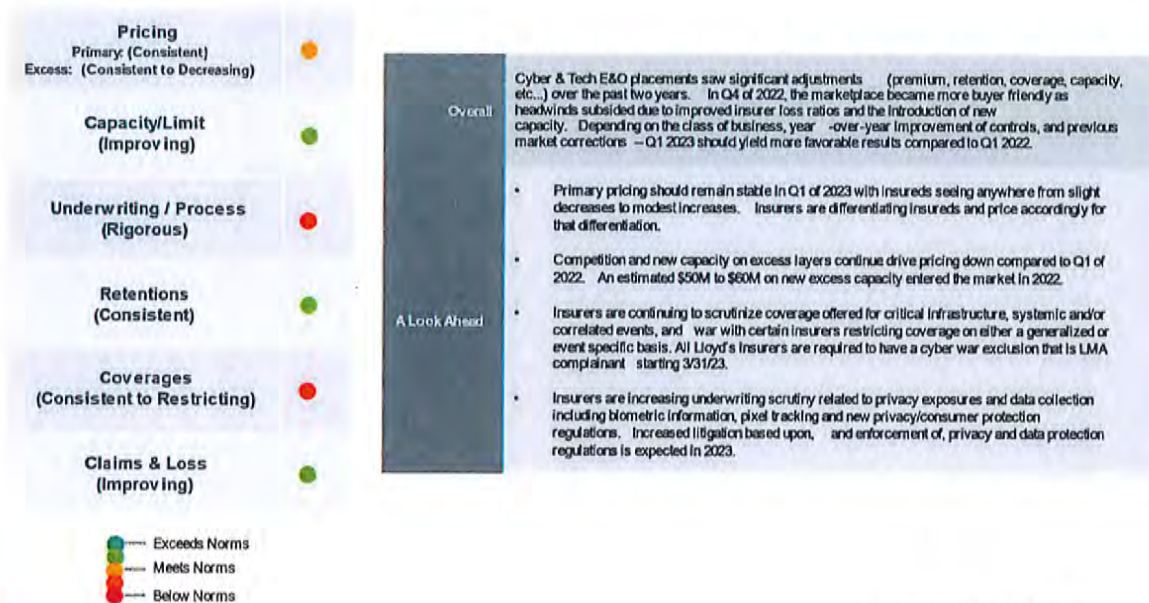
Property-Quarterly Year Over Year Change in Avg. Rate



Cyber Security

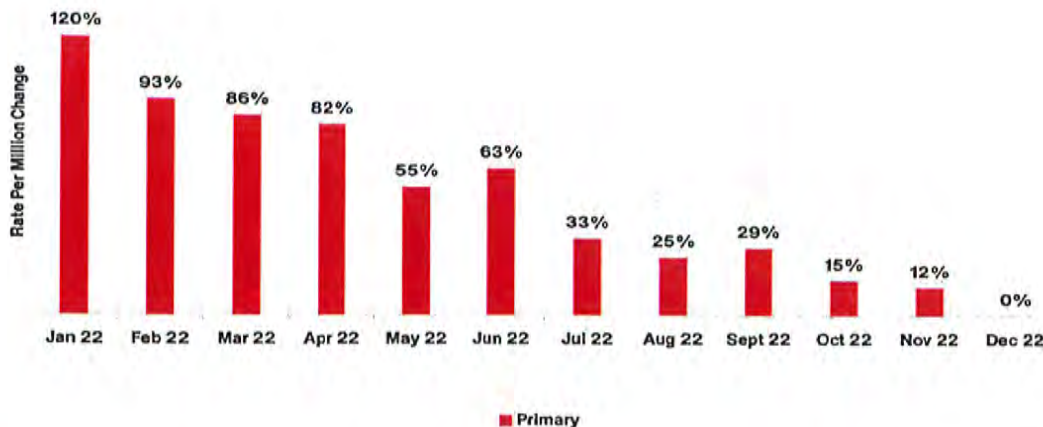
Cyber placements saw significant adjustments (premium, retention, coverage, capacity) over the past two years. In Q4 of 2022, the market became more buyer friendly as headwinds subsided due to approved insurer loss ratios and introduction of new capacity. Depending on the class of business, year over year improvement of controls, and previous corrections-Q1 2023 should yield more favorable results compared to Q1 2022.

Cyber Q1 2023 Market Dynamics



2021 -2022 Cyber Monthly Pricing Primary Only

Average Year -over- Year Change (Same Clients)





Automobile

Average renewal rate in 2022 Q4 was +2.8%, which marked the lowest quarterly rate increase of 2022. 46% of programs renewing in Q4 2022 delivered flat or below flat rate renewal results while the “middle 50%” range was 0% to +6.8%. Automobile Liability single plaintiff outcomes continue to increase (\$5MM + average) putting pressure on structure, attachment points and pricing. Inflation continues to be a concern with respect to legacy reserves, which we have been closely monitoring with clients. Reserve inflation, in addition to exposure growth, could have a negative impact on collateral requirements. Claim reserves for Auto Physical Damage continue to increase due to inflation and costs to repair vehicles. Most Aon clients continue to see rate increases during the past five years of +5%–+15% for clean auto accounts.

Metropolitan Utilities District Insurance Program

Property

The District has the following advantages to other utilities;

- 1) Covered property is not situated in a high hazard Natural Catastrophe Zone, e.g. no coastal, high hazard earthquake, wild fires, etc. However, Nebraska is prone to tornado, heavy wind and hail and flood.
- 2) MUD has a preferred occupancy/operation in respects to underwriting compared to other utilities, such as power generation facilities.
- 3) Excellent loss history with the exception of the Flood and Construction Center earth movement claims.

The District continues to purchase its property and boiler and machinery breakdown coverage limit of \$300m. AEGIS and Starr Tech provides a 50% quota-share participation. The policies includes a \$25m annual aggregate sublimit for earthquake and flood. Business Interruption is not included, however Extra Expense limit of \$10m will provide soft costs to repair or replace covered property.

The District's property values increased by \$143.9m or 13% compared to 2022. The rate increase is 10.3% for a total premium increase of 24.7% or \$249,277. Both claims mentioned above recently closed for a total of \$9.8m. MUD's property rate continues with a downward trend over the past few years.

AEGIS will continue to provide engineering reimbursement for Loss Control Allowance of up to 2.5% of the premium applicable to the District's engineering costs, not including jurisdictional inspections required by the State of Nebraska.

AEGIS has offered an option to increase deductibles to reduce their 50% quota-share as shown on the following page.

Summary of Property Costs

<u>AEGIS-Current Program</u>	<u>AEGIS-Current Program</u>	<u>AEGIS-Higher Deductible Option-See below</u>	<u>Starr Tech</u>
Premium	\$739,877 (50% participation)	\$656,503 (50% participation)	\$459,490 (50% participation)
Terrorism Premium	10,426	included	16,524
Non-certified terrorism	N/A	N/A	1,836
<u>Subtotal</u>	<u>\$750,303</u>	<u>\$656,503</u>	<u>\$477,850</u>
Add Surplus Lines Tax (3%)	22,196	19,695	14,336
	\$772,499	\$676,198	\$492,186
<u>Less Continuity Credit</u>	<u>(4,640)</u>	<u>(4,640)</u>	NA
<u>Total Premium/Tax</u>	<u>\$767,859</u>	<u>\$671,558</u>	<u>492,186</u>

<u>AEGIS Higher Deductible Option</u>	<u>Proposed Deductible</u>	<u>Current Deductible</u>
Earth Movement	\$250,000	\$100,000
Flood	2.5% of Total Insured Values per occurrence of value of the property location(s) affected subject to \$250k min. and \$2.5 maximum	2.5% of Total Insured Values per occurrence of value of the property location(s) affected subject to \$250k min. and \$2.5 maximum
Property Damage	\$250,000	\$100,000
LNG Plant (117th & Fort) & Caverns (63rd & Oak and 117th & Fort)	\$500,000	\$250,000
Mobile Equipment & Contractor's Equipment	\$100,000	\$50,000
Service Interruption	48 Hours	48 Hours

AEGIS higher deductible option reduces its 50% quota-share pricing by \$96K. While there is a premium credit to increase deductibles, Aon suggests the District stay with the AEGIS expiring deductibles. Having different deductibles with Starr Tech would complicate the claims process. Aon approached multiple insurers in the U.S. and London.

ENGINEERING AND JURISDICTIONAL BOILER INSPECTIONS

The current engineering inspections of the District's assets are provided by Starr Tech and the jurisdictional boiler inspections were provided by ARISE. The Starr engineering expense is offset by the 2.5% engineering fee credit on the AEGIS policy. ARISE quoted an annual fee of \$6.4k for the District's jurisdictional boiler inspections which is the same as expiring.



CONTRACTOR'S EQUIPMENT

On the contractor's equipment program, CNA the incumbent, who has provided the most competitive option in prior marketing efforts, continues to provide rates lower than other markets.

The District's contractor's equipment policy provides physical damage coverage for owned equipment and short-term leased or borrowed equipment with limits of \$500k per item and \$500k per item, respectively, subject to a \$40k deductible. This coverage applies to the equipment whether at a District site or off-site.

Aon worked with the incumbent insurer, CNA, to obtain a competitive quote and was able to negotiate a premium of \$29,936 with total values for equipment of \$30.5 million, an increase of \$3.27m. This policy continues to have a competitive rate of 9.83 cents per \$100 of values.

CYBER LIABILITY

The District's cyber liability policy provides third-party liability for losses the District is legally obligated to pay arising from a cyber event, as well as first-party coverage for event management and cyber extortion, with limits of [REDACTED] per occurrence and [REDACTED] retention except for a [REDACTED] sublimit and [REDACTED] reinsurance for ransomware. This was a new coverage for the District in 2020.

Due to the volatility of the cyber liability market, multiple markets were approached the last couple of years for a renewal option in addition to AIG, the incumbent. All terms and conditions remained as expiring. The premium increased to \$46.0k. The AIG quote includes 19% commission, same as expiring. Because of the commissions being credited to the Aon fee, the net result will be approximately \$38,399. AIG also provided one other option with a higher retention amount.

AIG was unable to provide an option with a higher limit given the District's current OT and IT environment. However, AIG did state that with the appropriate control improvements next year, higher limit options could be provided and they could potentially remove the ransomware coinsurance and sub-limit. Other markets approached were Arch, AXA XL, Chubb, Zurich, CNA, AXIS declined to quote. Many cyber markets are unable to write Utility Service Providers due reinsurance agreements as well as the associated systemic risk.

AUTO PHYSICAL DAMAGE

The District's auto policy provides comprehensive physical damage for private passenger vehicles and specified perils physical damage coverage, designated perils such as wind, hail, theft and flood, for larger vehicles. The policy does not include physical damage resulting from a collision or overturn or third-party liability coverage. Nationwide was one of a few markets that would provide this coverage. After the hail claim that the District incurred in 2022, Nationwide decided to non-renew the coverage. At the present time, we have received a couple indications so we will continue to negotiate with additional markets. This is a very challenging coverage to place as Nationwide was the only competitive auto program for the last five years.

The District's fleet size of 523 units with Actual Cash Value of \$36.3m was an increase compared to the reported fleet of 502 units last year. Nationwide, the incumbent insurer, was approached on the auto program as no other markets in the recent past have been willing to provide a comprehensive and special perils only coverage. As mentioned, we will continue working with the markets and we will report with an update before the board meeting.

MUD 2022 to 2023 Comparison

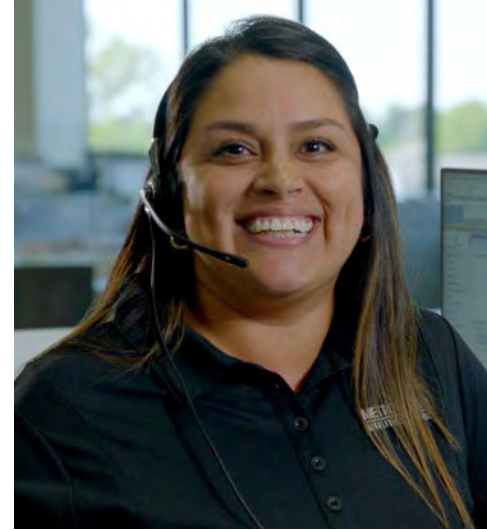
2022 Renewal					2023 Renewal					Difference				
Program	Insurer	Value	Net Premium	Net Average Rate	Program	Insurer	Value	Net Premium	Net Average Rate	Value	%	Net Premium	%	Net Average Rate
Property-No LNG	AEGIS/ Starr Tech	\$ 1,003,105,595	\$ -	-	Property-No LNG	AEGIS/ Starr Tech	\$ 1,133,490,834	\$ -	-	\$ 130,385,239	13.0%	\$ -		
Property-LNG & Caverns		\$ 94,107,313	\$ -	-	Property-LNG & Caverns		\$ 107,155,694	\$ -	-	\$ 13,048,381	13.9%	\$ -		
Property-New Corp. Office		Included	\$ -	-	Property-New Corp. Office		Included	\$ -	-	Included				
Equipment Breakdown		Included	\$ -	-	Equipment Breakdown		Included	\$ -	-	Included				
EDP		\$ 5,840,971	\$ -	-	EDP		\$ 6,272,851	\$ -	-	\$ 431,890	7.4%	\$ -		
Total ¹		\$ 1,103,053,879	\$ 1,010,868	0.0916	Total		\$ 1,246,919,389	\$ 1,260,145	0.1011	\$ 143,865,510	13.0%	\$ 249,277	24.7%	0.0094
Contractor Equipment	CNA	\$ 27,176,949	\$ 29,098	0.1071	Contractors Equipment	CNA	\$ 30,454,939	\$ 29,936	0.0983	\$ 3,277,884	12.1%	\$ 858	2.9%	-0.0088
Cyber Liability ²	ANG		\$ 33,093		Cyber Liability ²	ANG		\$ 38,399				\$ 5,305	16.0%	-8.2%
Total Net Premium			\$ 1,073,059		Total Net Premium			\$ 1,328,480				\$ 255,421	23.8%	
Engineering ³	Starr Tech		Included		Engineering	Starr Tech		Included				\$ -		
Jurisdictional	ARISE		\$ 6,350		Jurisdictional	ARISE		\$ 6,350				\$ -		
Aon Compensation	Fee		\$ 63,000		Aon Compensation	Fee		\$ 63,000				\$ -		
Total Costs, excl. Auto			\$ 1,142,409					\$ 1,397,830				\$ 255,421	22.4%	
Auto-Comp/Spec Only ⁴	Nationwide	\$ 502	\$ 45,706	\$ 91.05	Auto-Comp/Spec Only ²	TBD		TBD				TBD		
Total Costs, Incl. Auto			\$ 1,188,115					TBD				TBD		

Note 1: Premium includes terrorism and Nebraska surplus lines taxes on the AEGIS and Starr Tech property premium.

Note 2: Premium includes Nebraska surplus lines taxes of 3%. AIG on Cyber Liability will not net out commissions. The 2022 and 2023 premiums includes 15% commission. Only net premium is shown as the commissions are credited against the Aon fee.

Note 3: The Starr Tech engineering costs are offset by the 2.5% engineering credit from AEGIS.

Note 4: Nationwide on the Auto cannot remove all commissions. The 2022 premium include 15% commission. Only net premium is shown as all commissions are credited against the Aon fee.



State of the District

President Mark Doyle – June 7, 2023



OUR MISSION

To provide safe, reliable and cost-effective natural gas and water services to our community.



CORE VALUES

Safety, Reliability, Fiscal Responsibility
and Organizational Excellence

Resiliency, Refocus and Renewal

Recovery post pandemic

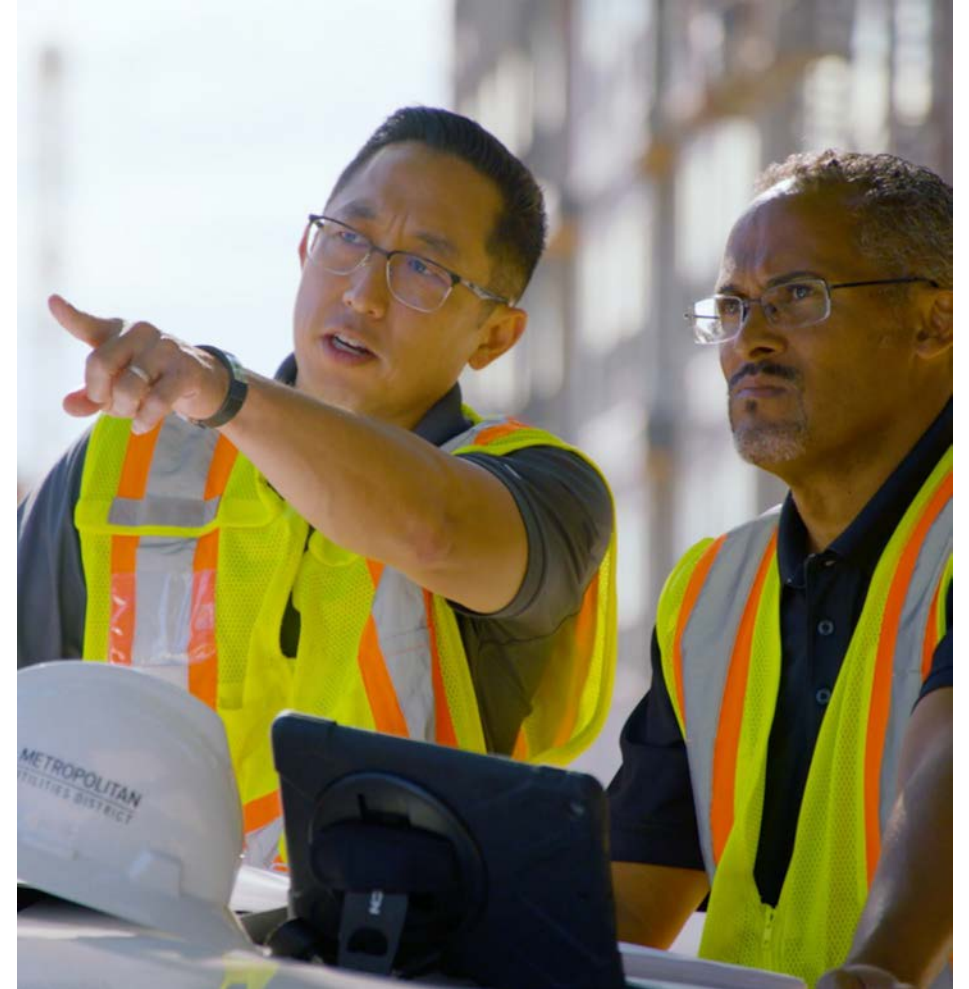
Inflationary pressures; increased costs

Industry challenges and threats

Weather-related impacts

We're taking care of business

Continued investment in our community



Public Safety

Nebraska811 Partnership

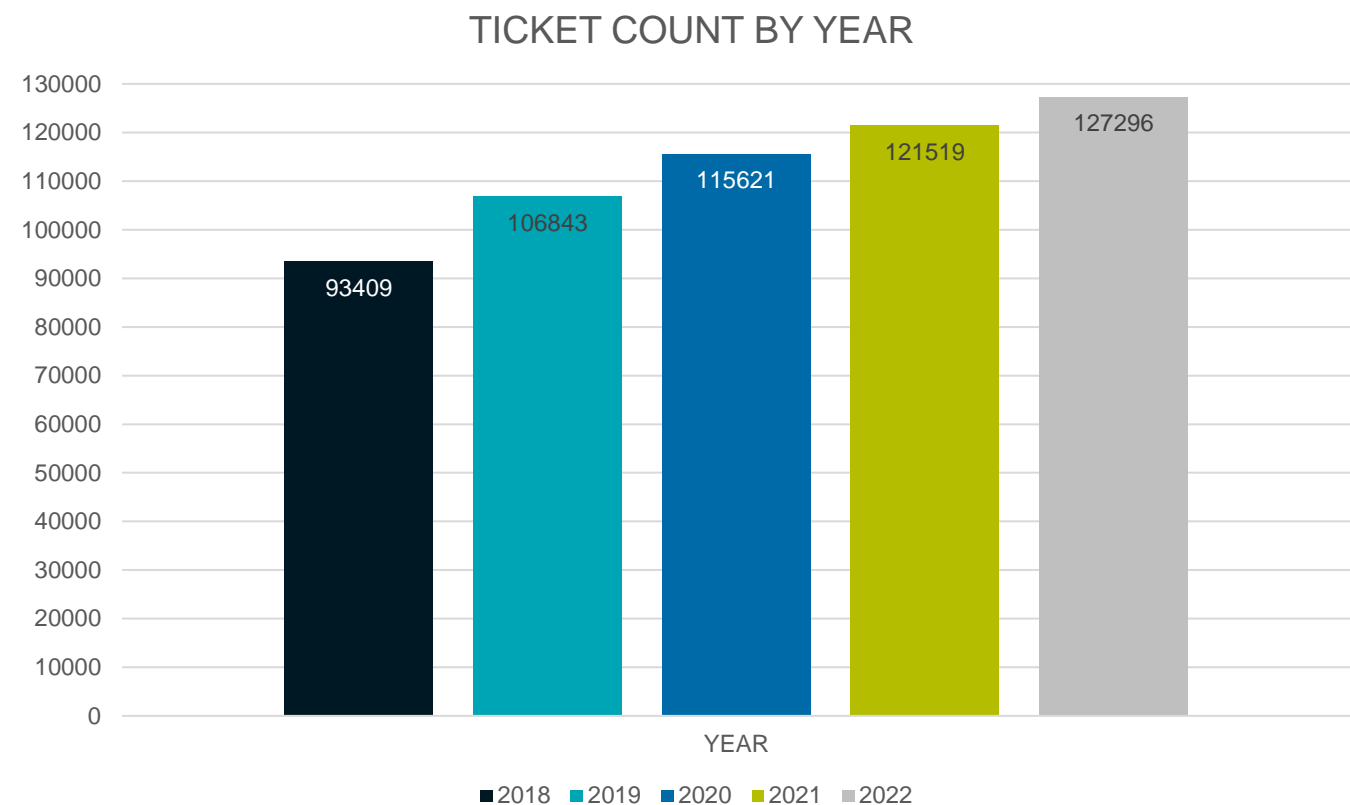
- 2022 Locator of the Year Pete Suski
- 811 Ambassador Award for Public Awareness Program

AGA Best Practices Program

- Selected as Leading Practice Company for two programs
- Leak Survey/Management and Public Awareness

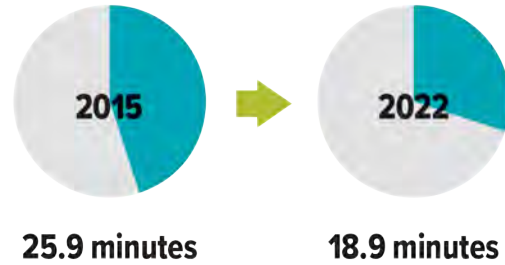


Locate Tickets Trending Up



27%

Decrease in gas emergency
response time since 2015



Field Operations & Employee Safety

Emergency Response

Safety Record

Total Safety Culture



15

Recordable injuries
in 2022



15

Vehicle accidents
in 2022



Employee Resource Groups

Committed to a diverse workforce

Women's ERG and Cultural ERG

Employee-led, offer personal and professional development opportunities.

More than 125 employees joined one or both groups to support each other and various community initiatives.



Fiscal Responsibility

Solid financial health with very strong third-party credit ratings for both water and gas departments.

Conducted Water Cost of Service and Impact Fees studies. Findings used to refine amounts charged across water rate classes, as necessary.

AA+

M.U.D. Gas Revenue Bonds
Standard & Poor's Ratings (May 2022)
S&P's Second Highest Rating

Aa2

M.U.D. Water Revenue Bonds -
Moody's (Sept 2022)
Moody's Third Highest Rating

Affordability Index

4.	Atlanta, GA
5.	Detroit, MI
6.	Oklahoma City, OK
7.	Omaha, NE
8.	Chicago, IL
9.	San Antonio, TX
10.	Jackson, TN

7th
LOWEST
GAS RATES

12.	Chicago, IL
13.	Charlotte, NC
14.	Denver, CO
15.	Omaha, NE
16.	Jackson, TN
17.	Reno, NV
18.	Nashville, TN

15th
LOWEST
WATER RATES

Memphis Gas, Light and Water 2023 Utility Bill Comparison Survey **Among 40 U.S. Utilities.**

Heating the Streets to Help Customers

\$151,400

Raised during the 2022 Heat the Streets
Run & Walk for Warmth.



15TH ANNIVERSARY



Connecting Those in Need

1983

Year the M.U.D. Home Fund was established to assist seniors, people with disabilities and limited-income customers suffering severe financial hardships.

\$5 million

Approximate amount distributed since 1983.

37,000

Approximate number of households receiving assistance since 1983.



544

Number of households receiving assistance in 2022.

\$186,260

Amount customers received in utility assistance in 2022. That's an average of \$342 per household.

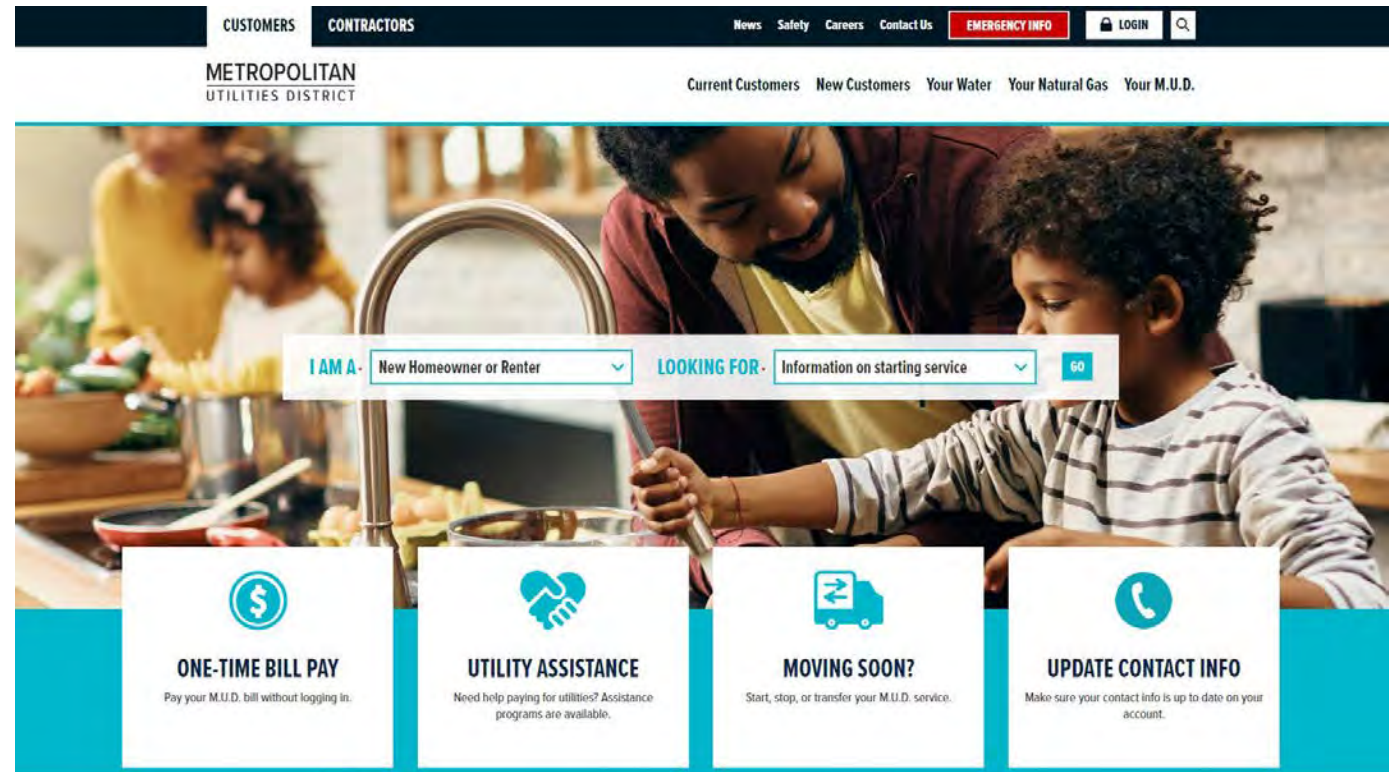
\$46,074

Amount donated by M.U.D. employees and retirees during 2022 Community Giving Drive to benefit the Home Fund.

New or Enhanced Business Capabilities

Introduced new payment options for our customers (Future dated payments, recurring credit card, PayPal/Venmo).

Completely redesigned District website and the addition of the Newsroom.



Customer Engagement

Digital message board for job sites

Signage with QR codes direct customers to website for project information

Project map and updates

Letters, Nextdoor posts

Customer surveys for feedback



Gas Infrastructure Replacement

Before 2008: 560 miles of cast iron mains, 60,000 low-pressure gas services

Today: 134 miles of mains, 12,000+ services remain

2022: Completed 18 miles (supply chain issues)

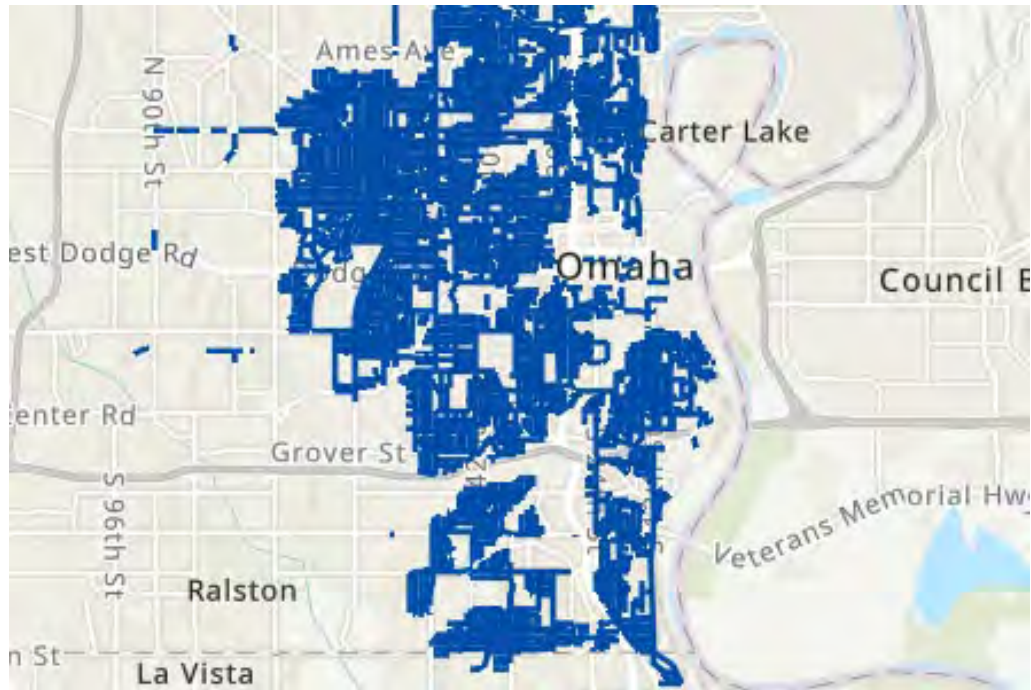
2023: Goal is 40 miles

Future: Substantially complete with CI replacement by 2027.

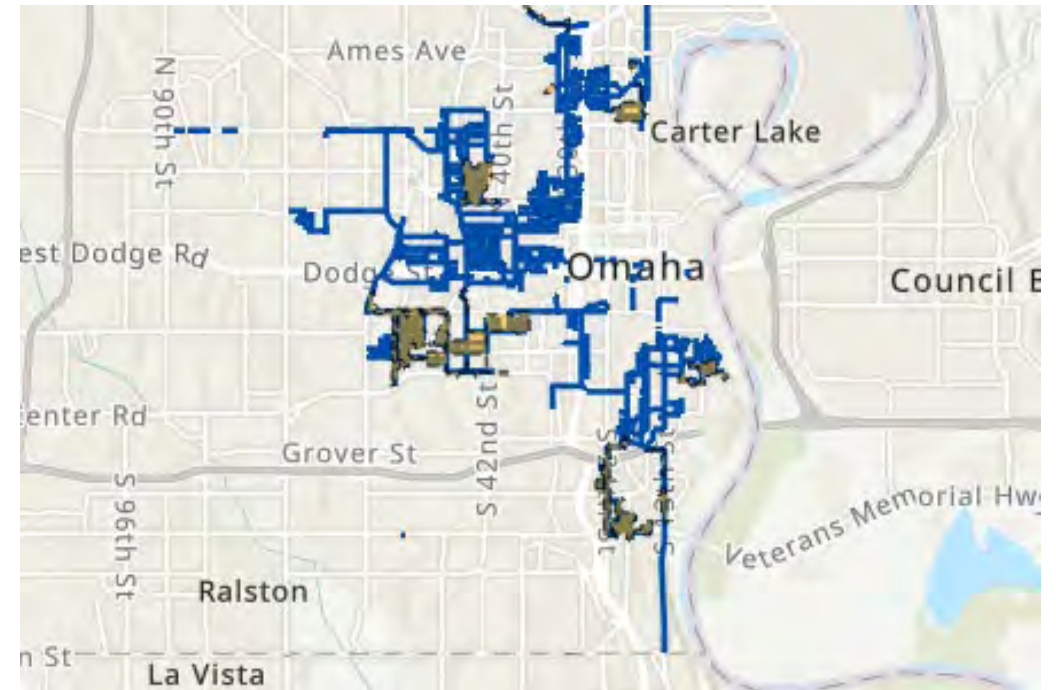


Before and After

Cast Iron Pre-2008: 560 Miles



Cast Iron Today: 134 Miles



Modernization Grant

Awarded \$10 million Natural Gas Distribution Infrastructure Safety and Modernization Grant by Pipeline and Hazardous Materials Safety Administration (PHMSA).

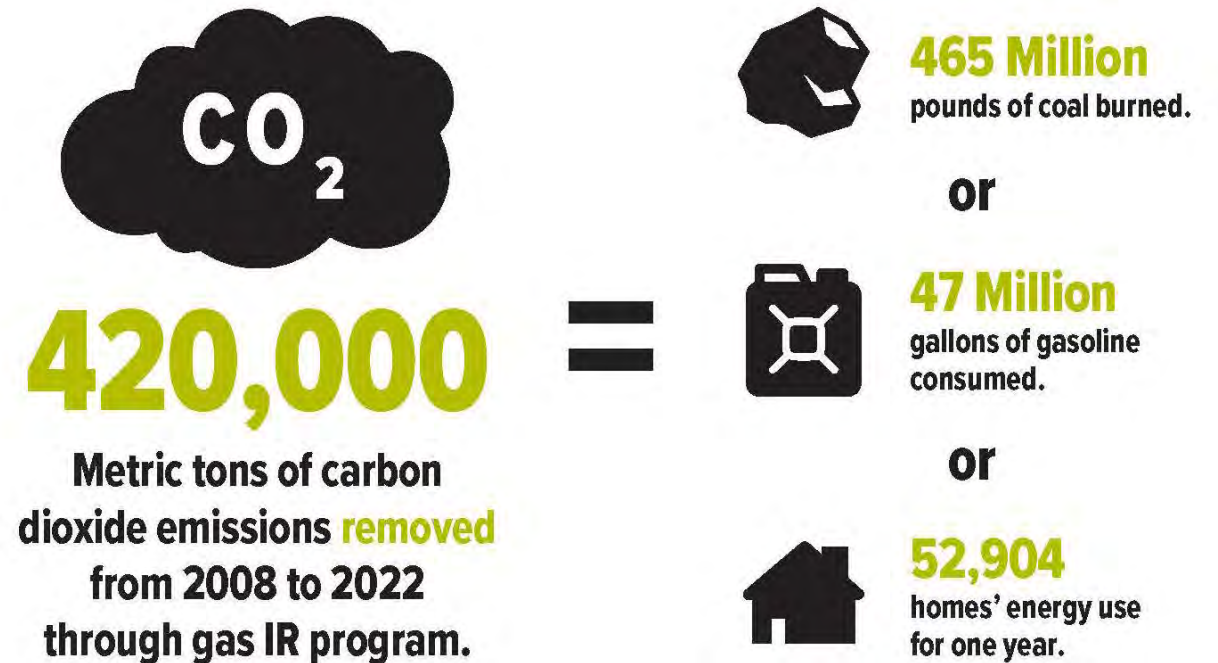
Part of Biden Administration's historic bipartisan Infrastructure Law.

Aimed at mitigating safety risk and methane emissions from natural gas distribution pipes.

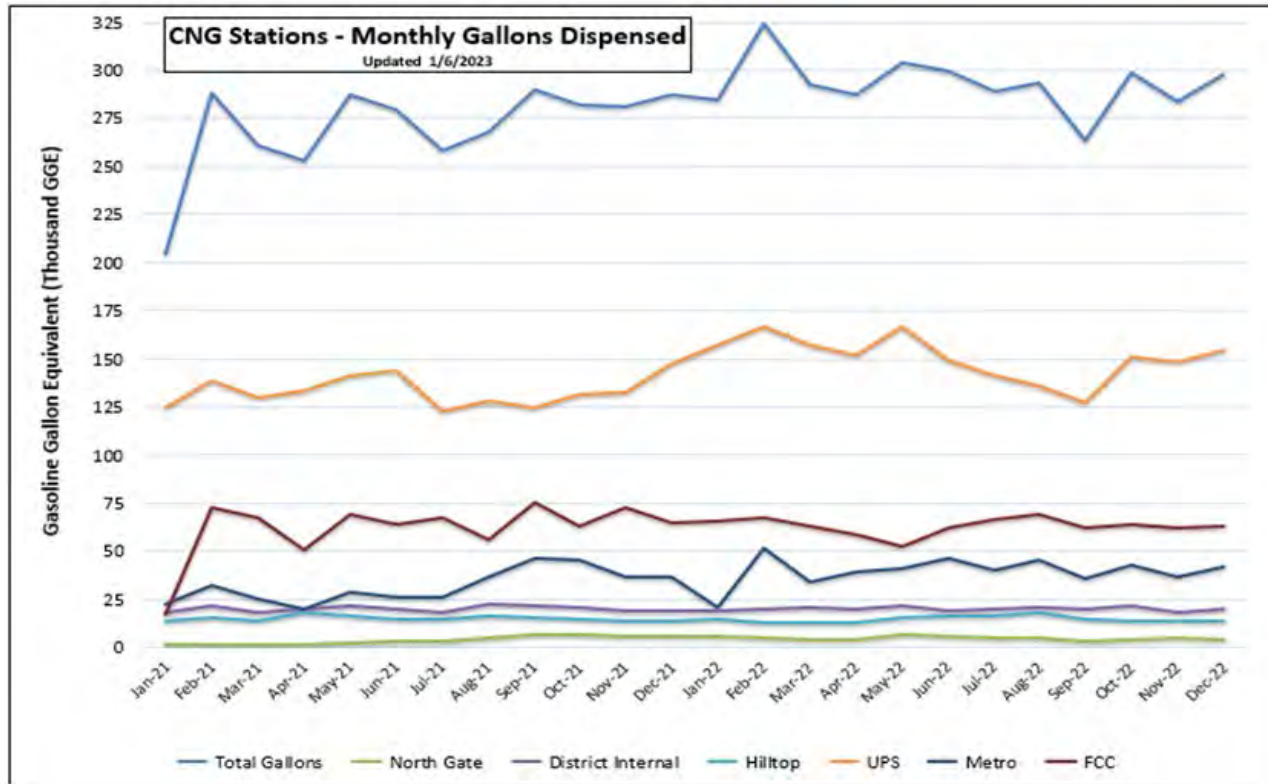


Global Methane Challenge

Environmental impact
from gas infrastructure
replacement



Environmental Sustainability



Compressed Natural Gas (CNG) Fleet Program

Over 3.5 million gasoline gallon equivalents dispensed in 2022; 6% increase from 2021

Renewable Natural Gas (RNG) – landfill project

Environmental Sustainability

Leadership and key stakeholders attended sustainability workshops focused on a variety of natural gas initiatives, including greenhouse gas emissions, CNG and RNG.

Tremendous progress on completing most of the top strategies outlined in our Sustainability Master Plan. Strategy development and prioritization continued, with focus on four areas:

- waste and recycling;
- active (human-powered) transportation to work;
- energy and water consumption, and
- employee engagement in sustainability.

M.U.D. RECYCLING

To ensure outgoing M.U.D. materials are being utilized to the highest potential, waste and recycling bins (with signage) can be found throughout Headquarters, and the Operation and Construction Centers. Please help this effort by disposing of materials as described below.



- 1 DataShield Shred Bin**
Any and all paper and envelopes—this includes magazines, envelopes, newspapers, sticky notes, etc. Staples are okay, as are plastic windows on envelopes.
- 2 Landfill Waste Bin**
Things that cannot be recycled here, including Styrofoam, soft plastics, food waste, grease and napkins should be placed in the landfill container.
- 3 Recycle Bin**
Hard plastics, #1's, metal and aluminum containers—all items should be **empty** and **free** of food and waste.
- 4 Cardboard**
Please break down and place in the waste bins.

RECYCLE	LANDFILL	PAPER
<p>ALL ITEMS MUST BE EMPTY & FREE OF FOOD AND LIQUID</p>  <p>Hard Plastics #1-7</p>  <p>Metal & Aluminum</p>  <p>Cardboard (no paper)</p>	 <p>Disposable Coffee Cups</p>  <p>Napkins</p>  <p>Styrofoam</p>  <p>Food</p>  <p>Soft Plastics (Gloves and Straws)</p>  <p>Glass</p>	 <p>All Paper goes in the DataShield Shred Bins</p> <p>For more information, visit the Sustainability and Recycling page under the For Work tab on myMUDConnect.</p> <p>METROPOLITAN UTILITIES DISTRICT</p>

Enhancing Reliability and Resiliency



\$86 million capital improvement project to expand our LNG Plant

Vaporization phase to be completed: **November 2023**

Liquefaction phase to be completed: **August 2024**

Substantially improve reliability and peak capacity of the facility for next 40 years

Partnership with OPPD's renewable energy project to provide natural gas back up to improve reliability for solar and wind



Industry Outlook

Natural gas and its infrastructure play a critical role in the energy transition to a lower-carbon world.

Working together, natural gas and renewables can hasten reductions to reach net-zero goals, while keeping energy affordable and reliable.

Focus on continued methane reduction and renewable natural gas projects.

Water Infrastructure Risk Mitigation

Since 2008: Replaced 132 miles of critical water main

2022: Replaced 15.9 miles and evaluated 2.1 miles of main with condition assessment tools.

Future Goal: Replace or Condition Assess up to 25 miles a year by 2025.



Leak Detection Tools



Installed 32 Smart Hydrants and deployed Leak Loggers at various locations across the city.

Spot leaks in our system and potentially prevent more costly pipe problems.

Smart Hydrants have built-in multi-sensors to detect temperature and pressure conditions. Data is uploaded to a portal where scheduled reports and real-time alerts can be accessed by staff.

Leak Loggers monitor for potential leaks on nearby mains. Transmitter provides alerts for staff to further investigate.

Strategy for Lead Services

Changes in Lead and Copper Rule regulations.

Although water service lines are responsibility of property owner, regulations are expected to shift responsibility of full lead line replacement to water utility.

12,000 known lead services and an additional 4,000 services that may potentially be lead, which will be identified through investigation and testing.

District developing strategies for funding and implementing lead service line replacement program.

Task force is ensuring compliance deadlines are met.



Location of Lead Service Lines

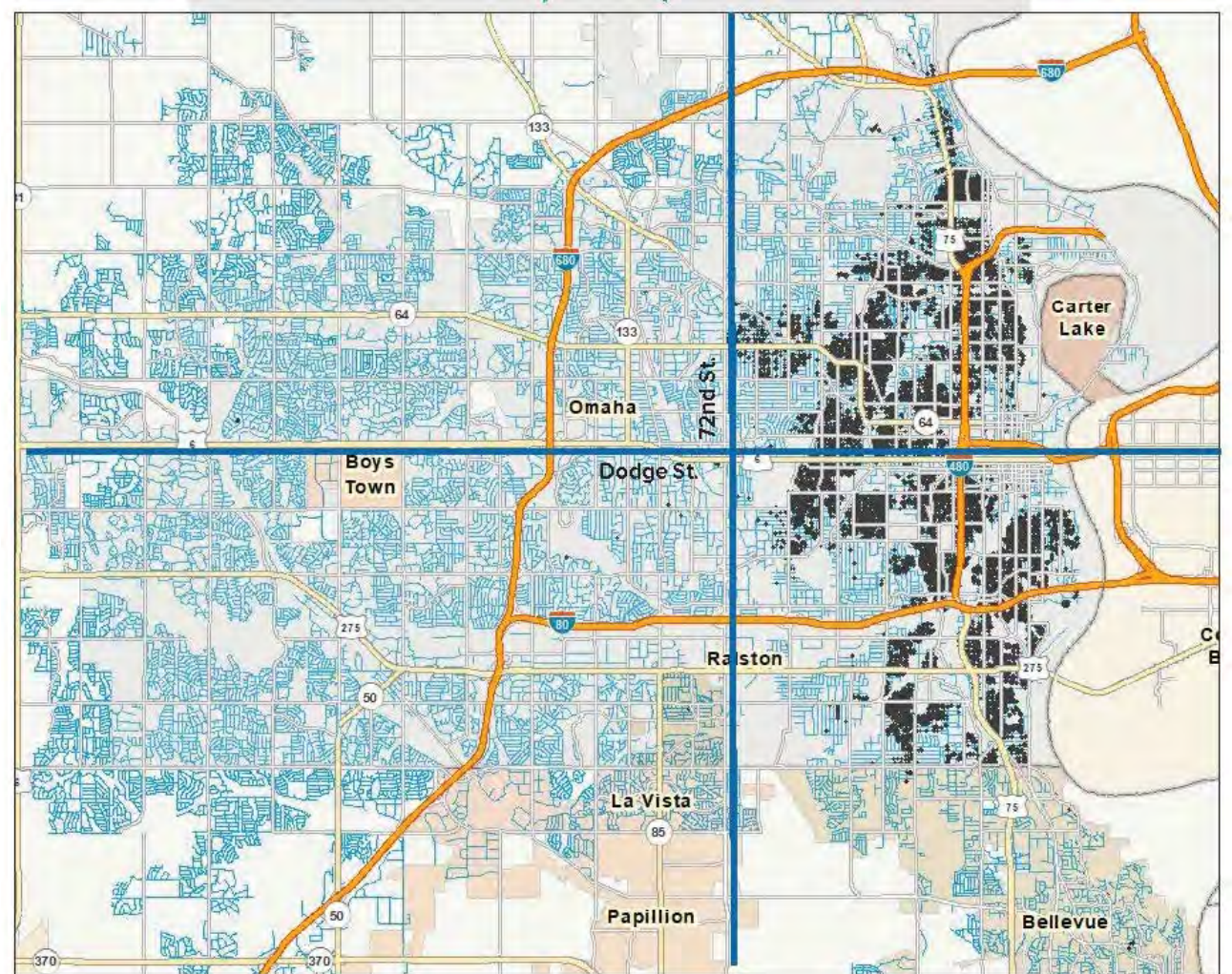
East of 72nd St.

12,000 known lead services

Additional 4,000 services that may potentially be lead

7% of our 225,000+ water accounts

Found in homes built prior to 1940.



Water Master Plan

Plan updated to serve as our roadmap for system improvements, including ongoing capital improvement projects for our three water treatment facilities.

Planned outages to complete facility updates while continuing to meet customer demand.

Board approved record 48 water main extension projects in 2022, totaling 47.7 miles at an estimated cost of \$42.7 million (financed primarily through developer funds).





Improvement Plans

Florence Plant – CIP 80% complete

Site Header - replacing all piping between the clearwell and Minne Lusa Pump Station.

Next up - Pre-sedimentation basins and raw water lines

Platte South Plant

CIP launched in 2021

Two projects underway in 2023

Platte South Projects

Underway:

New administrative building and security improvements, including new entrance, guard shack and fencing. Bid late summer; completion estimated in late 2024.



New electrical building and associated equipment, including new generators and switch gear. HDR will begin design process soon. Bid, construction and completion dates TBD.

Upcoming:

Wellfield improvements, including a horizontal collector well, new vertical wells and replacement of electrical distribution system. Currently developing RFQ/RFP. Highly likely this project will consist of multiple construction bid packages.

West Dodge Pump Station

Help meet peak demands for water in our growing service area.

Installed 30-inch water transmission main and completed new water pump station.

Scheduled to be online by **summer 2023**.



Hydration Station



Re-introduced mobile hydration station at large community events.

Updated station wrap with water stats and infographics.

Opportunity for employees to engage with public.

Continue to showcase our On Tap! branding to increase customer confidence in our safe, high-quality water.

Facility Updates – CC1 and CC2

Goal:

Provide business continuity for operations by constructing a new Construction Center (CC2) and modernizing existing Construction Center (CC1).

CC1 Status:

Master Planning and Programming Phase near complete:

- First step in the design process to establish space needs, general building configuration, and design goals and objectives.
- Collaborative effort through focus group meetings between the design team and employee groups.

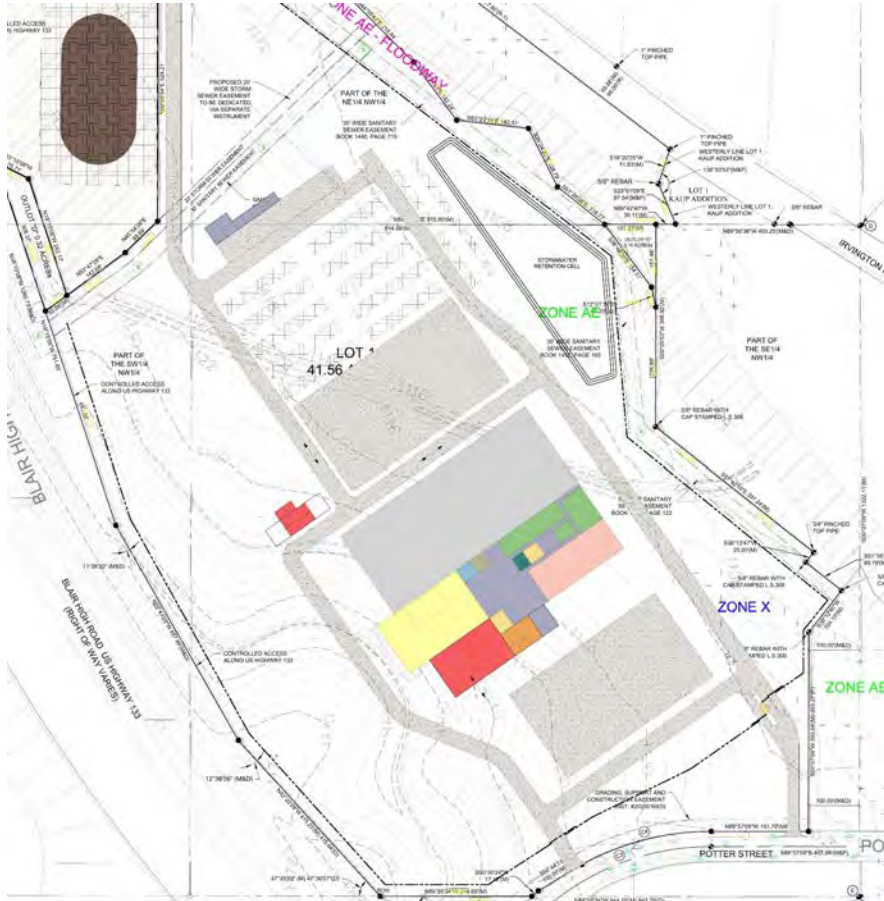
CC 1 Renovation Schedule

2023 - Start renovation of restroom and breakroom.

2025 through early 2027 - complete renovation.



CC 2 Status



Programming Phase nearly complete

- First step in design process to establish space needs, general building configuration and design goals and objectives.
- Collaborative effort through focus group meetings between the design team and employee groups.

Final Plat submitted to Omaha City Planning

Interlocal agreements being developed with neighboring SIDs for Right-of-Way (ROW) construction at Hwy. 133 and Potter.

Schedule:

2023 - Perform ROW construction required for project. Start rough grading site later in year.

2024 through early 2026 - complete construction.

Strategic Plan

Strategic Planning sessions are on-going.

Areas of focus include:

- Customer Experience
- Operational Excellence
- Strategic Asset Management
- Community Engagement
- Environmental Stewardship



Resiliency, Refocus and Renewal

Recovery post pandemic

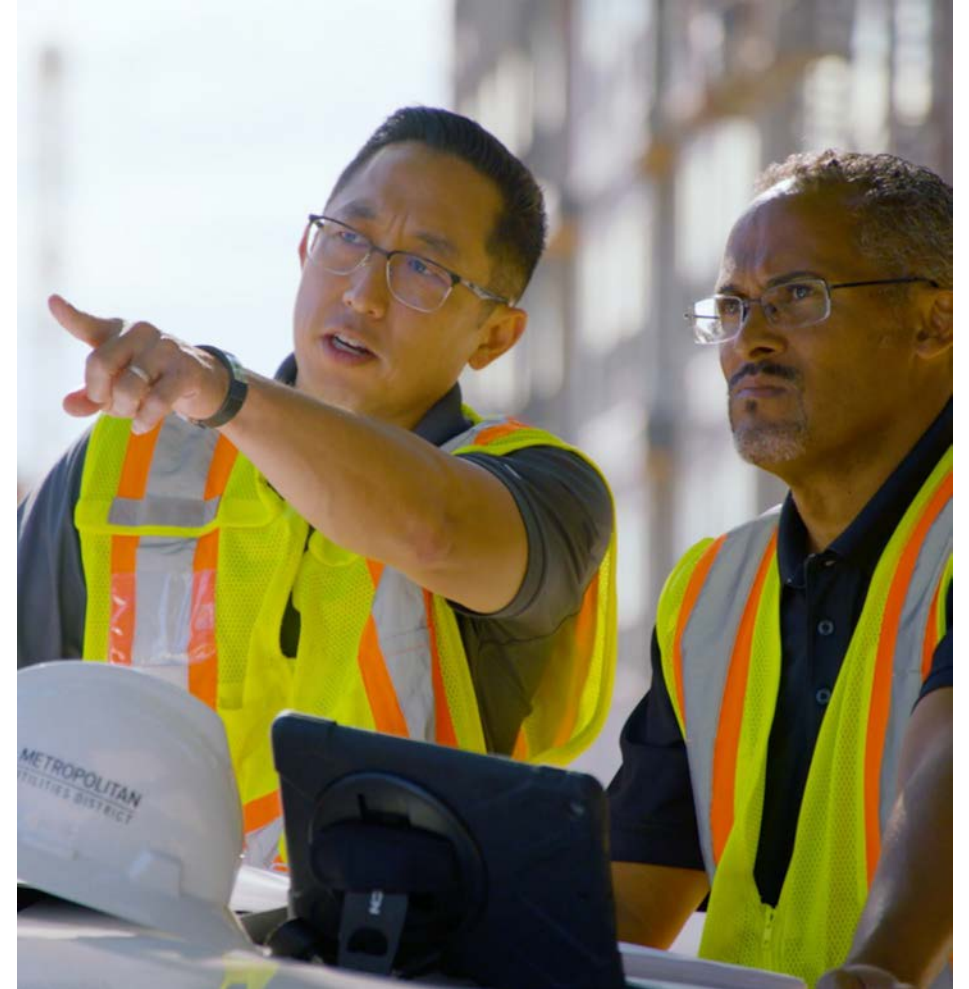
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Questions?



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