

# METROPOLITAN UTILITIES DISTRICT

## Committee Meetings Agenda

8:15 a.m.

September 6, 2023

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

### **Construction and Operations – Friend, Sidzyik, Cavanaugh**

1. Capital Expenditures [Andy Melville – Interim SVP, Chief Operations Officer] – **Tab 5**
2. Acceptance of Contracts and Payment of Final Estimates  
[Masa Niiya – VP, Engineering] – **Tab 6**
3. Change Order #1 – Lake Cunningham Village Phase 2  
[Masa Niiya – VP, Engineering] – **Tab 7**
4. Bids on Materials and Contracts  
[Jon Zellars – VP, Procurement & Enterprise Services] – **Tab 8**
5. Consultant Services for Water Main Relocation Design Related to City of Omaha Streetcar Project [Masa Niiya – VP, Engineering] – **Tab 9**

### **Services & Extensions – Friend, Begley, Howard**

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

### **Personnel – Begley, Sidzyik, Friend**

1. Wage and/or Salary Increases and Ratifications  
[Bonnie Savine – VP, Human Resources] - **Tab 11**
2. Group Insurance Contract Renewals  
[Bonnie Savine – VP, Human Resources] - **Tab 12**
3. SPA Phase 2 Compensation Structure Recommendation  
[Bonnie Savine – VP, Human Resources] - **Tab 13**

### **Judicial & Legislative – Cavanaugh, Cook, Howard**

1. Cox Communications Civil Settlement [Mark Mendenhall – SVP & General Counsel] - **Tab 14**

### **Committee of the Whole**

1. Lead Service Line Replacement Program Update and State Revolving Fund Loan Authorization [Mark Myers – SVP & Chief Financial Officer] – **Tab 15**
2. Customer Satisfaction Survey Results [Megan Walter – Manager, Customer Experience]  
**[INFORMATION ONLY]**

### **Public Comment**

*(Turn over for regular Board Meeting agenda)*

# **METROPOLITAN UTILITIES DISTRICT**

## **Regular Monthly Board Meeting Agenda**

**9:00 a.m.**

**September 6, 2023**

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes – Committee Meetings & Regular Board Meeting for August 2, 2023
- CONSTRUCTION & OPERATIONS** 5. Capital Expenditures
6. Acceptance of Contracts and Payment of Final Estimates
7. Change Order #1 – Lake Cunningham Village Phase 2
8. Bids on Materials and Contracts
9. Consultant Services for Water Main Relocation Design Related to City of Omaha Streetcar Project
- SERVICES & EXTENSIONS** 10. Main Extensions
- PERSONNEL** 11. Wage and/or Salary Increases and Ratifications
12. Group Insurance Contract Renewals
13. SPA Phase 2 Compensation Structure Recommendation
- JUDICIAL & LEGISLATIVE** 14. Cox Communications Civil Settlement
- COMMITTEE OF THE WHOLE** 15. Lead Service Line Replacement Program Update and State Revolving Fund Loan Authorization
- BOARD** 16. Other Matters of District Business for Discussion
17. Public Comment
18. CLOSED SESSION – Litigation, Personnel and Real Estate

**Adjourn Regular Monthly Board Meeting**

***(Turn over for Committee Meetings agenda)***

## METROPOLITAN UTILITIES DISTRICT

### Minutes of Committee Meetings

**August 2, 2023**

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

Advance notice of the meeting was published in the print version of *The Omaha World-Herald* on Sunday, July 23, 2023. Notice was also provided on the MUD website at [www.mudomaha.com](http://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 July 28, 2023 and posted on the MUD website.

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

#### **Safety Briefing**

Vice-President of Safety, Security 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: Tim Cavanaugh, Jim Begley, Tanya Cook, Dave Friend, Bob Sidzyik, Mike McGowan, Gwen Howard.

#### **Open Meetings Act Notice**

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

#### **Construction and Operations – Friend, Sidzyik, Cavanaugh**

Vice-President of Engineering Masa Niiya presented the proposed capital expenditures as outlined in his letter to the Committee dated July 28, 2023.

Interim Director of Plant Engineering Adam Gartner reviewed the Acceptance of Contracts and Payment of Final Estimates as outlined in his letter to the Committee dated July 20, 2023.

Mr. Gartner next presented three Change Orders. The first Change Order involved a variety of field issues and material cost increases pertaining to the West Dodge Road Pump Station water main installations. He next presented a Change Order to install water mains in Antler View East which was necessitated by increased pricing for materials. This was followed by a third Change Order for a cost increase due to a redesign of a section of a project in the Westgate neighborhood involving the replacement of cast iron water mains. The redesign utilizes an alternative method other than pipe bursting installation which will reduce the cost of hard surface restoration and lessen the impact of street closures.

Vice-President of Procurement & Enterprise Services Jon Zellars presented the bids on materials and contracts as outlined in the letter to the Committee from Director of Procurement Sherri Meisinger dated August 1, 2023.

Vice-President of Engineering Masa Niiya presented the proposed main extensions as outlined in his letter to the Committee dated July 28, 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 July 27, 2023.

**Judicial & Legislative - Cavanaugh, Cook, Howard**

Senior Vice-President & General Counsel Mark Mendenhall presented the proposed acquisition of Lakewood Kruse parcel and easement as outlined in his letter to the Committee dated July 27, 2023.

Mr. Mendenhall presented the Settlement of Civil Litigation as outlined in his letter to the Committee dated July 28, 2023.

Mr. Mendenhall presented a Summary of Civil Settlements related to 422 South 16<sup>th</sup> Street lawsuits, in his letter to the Committee dated July 28, 2023.

Assistant General Counsel Joseph Kehm presented a Workers Compensation settlement for a former employee who incurred injuries in a vehicle collision in 2019.

**Public Comment**

Chairperson Cook asked if there were any further comments from the Board or if any member of the public would like to address the Board. There were none.

At 9:09 a.m., Chairperson Cook announced the Committee Meetings had concluded and the Board would reconvene in ten minutes for the regular monthly Board Meeting.

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

---

Mark Doyle  
President & Secretary to the Board

MD/mjm

**METROPOLITAN UTILITIES DISTRICT**  
**Minutes of the Regular Monthly Board Meeting**  
**August 2, 2023**

Chairperson Cook called to order the regular Board Meeting of the Metropolitan Utilities District Board of Directors at 9:19 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, July 23, 2023. Notice was also provided on the MUD website at [www.mudomaha.com](http://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 July 28, 2023 and posted on the MUD website.

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

**AGENDA NO.1**

**ROLL CALL**

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

**AGENDA NO. 2**

**OPEN MEETINGS ACT NOTICE**

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

**AGENDA NO. 3**

**PLEDGE OF ALLEGIANCE**

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

**AGENDA NO. 4**

**APPROVAL OF MINUTES FOR THE COMMITTEE MEETINGS AND REGULAR MONTHLY BOARD MEETING FOR JULY 6, 2023**

Director Cavanaugh moved to approve the minutes for the Committee Meetings and regular monthly Board Meeting for July 6, 2023, which was seconded by Director Begley and carried on a roll call vote.

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

**AGENDA NO. 5**  
**CAPITAL EXPENDITURES**

Director Friend moved to approve the proposed capital expenditures as presented in the Committee Meetings by Vice-President of Engineering Masa Niiya and as outlined in his letter to the Committee dated July 28, 2023. The motion was seconded by Director Cook and carried on a roll call vote.

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

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

Director Friend moved to approve the acceptance of contracts and payment of final estimates as presented in the Committee Meetings by Interim Director of Plant Engineering Adam Gartner and as outlined in his letter to the Committee dated July 20, 2023. The motion was seconded by Director Begley and carried on a roll call vote.

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

**AGENDA NO. 7**  
**CHANGE ORDER NO. 1 – INSTALL WATER MAINS IN WEST DODGE ROAD PUMP STATION**

Director Friend moved to approve the Change Order to install water mains for the West Dodge Pump Station located at 156<sup>th</sup> & West Dodge Road, as outlined in the letter to the Committee dated July 10, 2023, from Interim Director of Plant Engineering Adam Gartner. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

**AGENDA NO. 8**  
**CHANGE ORDER NO. 1 – INSTALL WATER MAINS IN ANTLER VIEW EAST**

Director Friend moved to approve the Change Order to install water mains in Antler View East near 180<sup>th</sup> & West Maple Road, as outlined in the letter to the Committee dated July 13, 2023, from Interim Director of Plant Engineering Adam Gartner. The motion was seconded by Director Begley and carried on a roll call vote.

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

## **AGENDA NO. 9**

### **CHANGE ORDER NO. 1 – CAST IRON WATER MAIN REPLACEMENT (PIPE BURSTING)**

Director Friend moved to approve the Change Order to replace cast iron water mains as outlined in the letter to the Committee dated July 11, 2023, from Interim Director of Plant Engineering Adam Gartner. The motion was seconded by Director McGowan and carried on a roll call vote.

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

Voting No: None

## **AGENDA NO. 10**

### **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 August 1, 2023, from Director of Purchasing Sherri Lightfoot. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

Voting No: None

## **AGENDA NO. 11**

### **NOTICE OF PURCHASES BETWEEN \$25,000 AND \$50,000**

Director Friend requested that the Notice of Purchases letter dated July 21, 2023, be placed on file.

## **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 July 28, 2023, which was seconded by Director Begley and carried on a roll call vote.

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

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 outlined in the letter dated July 27, 2023, from Vice-President of Human Resources Bonnie Savine. The motion was seconded by Director Howard and carried on a roll call vote.



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

#### **AGENDA NO. 14**

##### **ACQUISITION OF LAKEWOOD KRUSE PARCEL AND EASEMENT**

Director Cavanaugh moved to approve the acquisition of the Lakewood Kruse parcel and easement as outlined in the letter from Mr. Mendenhall dated July 27, 2023. The motion was seconded by Director Friend and carried on a roll call vote.

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

#### **AGENDA NO. 15**

##### **SETTLEMENT OF CIVIL LITIGATION**

Director Cavanaugh moved to approve the Settlement of Civil Litigation as presented by Mr. Mendenhall in the Committee Meetings and as outlined in his letter to the Committee dated July 28, 2023. The motion was seconded by Director McGowan and carried on a roll call vote.

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

#### **AGENDA NO. 16**

##### **SUMMARY OF CIVIL SETTLEMENTS**

Director Cavanaugh requested that the Summary of Civil Settlements as presented by Mr. Mendenhall in the Committee Meetings and as outlined in his letter to the Committee dated July 28, 2023, be placed on file.

#### **AGENDA NO. 17**

##### **WORKERS COMPENSATION SETTLEMENT**

Director Cavanaugh moved to approve the Workers Compensation settlement as presented by Mr. Kehm in the Committee Meetings and as outlined in his letter to the Committee dated July 28, 2023. The motion was seconded by Director Friend and carried on a roll call vote.

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

#### **AGENDA NO. 18**

##### **OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION**

Chairperson Cook asked whether any Directors had any matters of District business for discussion. Director Cavanaugh welcomed Frank Oldenhuis who was in attendance at the meetings representing Northern Natural Gas Company.

**AGENDA NO. 19**  
**PUBLIC COMMENT**

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

**AGENDA NO. 20**  
**CLOSED SESSION – LITIGATION, PERSONNEL & REAL ESTATE**

At 9:28 a.m., Director Begley moved to go into Closed Session to discuss litigation, personnel and real estate. The motion was seconded by Director McGowan and carried on a roll call vote.

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

At 10:59 a.m., Director Howard moved to return to Open Session. The motion was seconded by Director Begley and carried on a roll call vote.

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

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

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

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

The regular Board Meeting was adjourned at 11:00 a.m.



---

Mark Doyle  
President & Secretary to the Board

**METROPOLITAN UTILITIES DISTRICT***Inter-Department Communication*

August 31, 2023

**Subject: CAPITAL EXPENDITURES**

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

**From:** Andy Melville, Interim SVP & Chief Operations Officer

The following items will be on the September 6, 2023, Committee Agenda for consideration and the Board Agenda for approval.

**SYSTEM IMPROVEMENTS**

**1. JOB #: GP2795** (100052001845 - \$82,300) & (100066002328 - \$1,400)

**TOTAL COST:** \$83,700

**LOCATION:** 36<sup>th</sup> Street and Faulk Avenue

**DIRECTOR SUBDIVISION:** 7 – Sidzyik

**PURPOSE:** Install 4 above ground valves and 2 above ground regulators at the OPPD Sarpy County facility. Abandon the valves that are being replaced.

**DESCRIPTION:** The existing 4" Fisher 310 regulators serving the OPPD Sarpy County plant are problematic and require a long timeframe to rebuild and repair. These regulators will be replaced by Mooney Flowgrid regulators which are readily available and quicker to repair. The inlet valves to these two regulator runs have become difficult to operate and are on Gas Distribution's budgeted list of valves that need to be replaced in 2023. These will be replaced with valves fitted with a hand wheel to allow for faster and easier operation for maintenance or emergencies. Since this work requires a difficult shutdown and most of the above ground regulator piping is being replaced, the outlet valves will also be replaced at this time. This work is tentatively scheduled for September or October 2023 pending Board approval.

**2. JOB #: GP2824** (100062000686 - \$35,000) & (100062000687 - \$20,000) & (100052001855 - \$50,300)

**TOTAL COST:** \$105,300

**LOCATION:** North 168<sup>th</sup> Street and Fort Street

**DIRECTOR SUBDIVISION:** 2 – Friend

**PURPOSE:** Install above ground regulator station and associated piping

**DESCRIPTION:** This is the first of two new regulator stations needed to boost the gas pressure in this developing area of Omaha. The 60 psig gas distribution system has seen its pressure steadily decline as this area has developed over the past ten years. Further reduction in pressures as the system expands could lead to widespread gas outages in the area during extreme cold weather events. The proposed regulator station will boost the pressure in northwest Omaha and will provide additional redundancy to the distribution system. The project is tentatively scheduled for this fall pending Board approval.

**3. JOB #: R2252** (100053001560 - \$64,000) & (100067001529 - \$2,200) & (100054001137 - \$35,000) & (100068001119 - \$1,900)

**TOTAL COST:** \$103,100

**LOCATIONS:** N. 180<sup>th</sup> Street and Emmet Street & N. 177<sup>th</sup> Street & West Maple Road

**DIRECTOR SUBDIVISION:** 1 - Begley

**PURPOSE:** Install water main offsets, abandon ductile iron water main, relocate hydrant, install plastic gas main, abandon plastic gas main.

**DESCRIPTION:** Required work will eliminate conflicts with proposed paving, grading and storm sewers being constructed for the SE 180 Maple Crossing Turn Lane Improvements Project (Costco Wholesale). This work is reimbursable due to the project being private in nature. The project is tentatively scheduled to begin in September 2023 and will be constructed by MUD crews pending Board approval.

**4. JOB #: WP2064** (100071000723 - \$89,600)

**TOTAL COST:** \$89,600

**LOCATION:** 49<sup>th</sup> Avenue-50<sup>th</sup> Street, Q street to Y Street

**DIRECTOR SUBDIVISION:** 3 – Howard

**PURPOSE:** Conduct condition assessment 1.48 miles of 6-inch cast iron water mains.

**DESCRIPTION:** This project will entail piloting the p-CAT non-invasive condition assessment technology offered by Hydromax USA (HUSA) to evaluate the condition of three stretches of 6-inch cast iron main on South 49<sup>th</sup> Avenue, South 50<sup>th</sup> Street and South 50<sup>th</sup> Avenue. HUSA's p-CAT injects a controlled transient pressure wave signal into the main which travels the entire length of the project. The data is collected and analyzed to provide condition data and defect locations. The information gathered from the inspection will be used to determine whether targeted rehabilitation is warranted vs. entire pipeline replacement. These mains have been determined to be medium risk and have experienced localized main breaks so are not currently being considered for a full replacement project. The assessment is scheduled for this fall pending Board approval.

**5. JOB #: WP2042** (100051001076 & 100071000719 - \$200,160)

**JOB #: WP2062** (100051001077 & 100071000720 - \$232,100)

**JOB #: WP2063** (100051001078 & 100071000721 - \$200,900)

**TOTAL COST:** \$633,160

**LOCATION:** 120<sup>th</sup> St., "I" St. to W. Center Rd, Blondo St., 90<sup>th</sup> St. to 102<sup>nd</sup> St., 90<sup>th</sup> St., W. Center Rd. to Pacific St.

**DIRECTOR SUBDIVISION:** 1 – Begley & 6 – McGowan

**PURPOSE:** Conduct Condition Assessment of 3.27 miles of 12" and 16" water mains.

**DESCRIPTION:** This project will entail utilizing the Pipeline Inspection and Condition Analysis Corp. (PICA) See Snake electromagnetic in-line inspection technology to assess the condition of three separate cast iron distribution mains (locations listed above). The information gathered from these inspections will be used to target rehabilitation activities vs. entire pipeline replacement. The installation of appurtenances (valves, fittings, etc.) for insertion and retrieval of the tool are included in the above costs.

## **BUILDINGS, PLANTS & EQUIPMENT**

**1. JOB #: RATIFICATION** (100031000004 - \$1,804,500)

**TOTAL COST:** \$1,804,500

**LOCATION:** Florence Water Production Facility

**PURPOSE:** Electrical Equipment Replacement for the Minne Lusa Pump Station

**DESCRIPTION:** The majority of the electrical equipment and gear in Minne Lusa was compromised during the main header break on July 25<sup>th</sup>, 2023. This C&A is to procure that equipment. The majority of this includes the two variable frequency drives (VFD's), several disconnects, breakers and panels, and four transformers. A separate C&A for installation will be sent later this year. This is a ratification C&A to ensure that the electrical gear will be ordered before August 15<sup>th</sup> to allow the VFDs to arrive in May of 2024.

**2. JOB #: WP2057 RATIFICATION** (100051001075 & 100065001724 - \$150,000)

**TOTAL COST:** \$150,000

**LOCATION:** Florence Water Production Facility

**PURPOSE:** Replace combination butterfly and check valve

**DESCRIPTION:** The 36" combination butterfly and check valve located on a 48" Florence discharge main between Basin 8 and the Filter Plant, is no longer fully functional. The valve gearing is damaged and cannot be opened and closed manually. This valve was originally installed in 1971 and repair is not feasible due to its age and condition. This valve will be used in the final phases of the Florence Header Project to eliminate potential shutdowns that would otherwise isolate the plant from Zone 1 to the south.

**3. JOB #: SUPPLEMENTAL** (100031000000 - \$50,000)

**TOTAL COST:** \$50,000

**LOCATION:** Florence Water Production Facility

**PURPOSE:** Rebuild of a Traveling Intake Screen & Trash Rack Cleaning

**DESCRIPTION:** In April of 2023, The Board approved funding for the District to rebuild a traveling screen at the Florence Water Treatment Plant. These funds totaled \$167,000.00. The traveling screen rebuild contractor notified the District that there is significantly more damage than originally included in the contract. The contract includes (5) new baskets in the base scoop and after further investigation, it was proposed to replace all 48 baskets. The District has a contracted unit bid price for these baskets, and negotiated a lower unit price due to economy of scale efficiencies. The additional fees also include miscellaneous repairs. The last time the screen was refurbished was 6-7 years ago. With the recent flooding events and very low river conditions, the screens have gone through extensive wear over the years.

**4. JOB #: WP2056 - RATIFICATION** (100031000003 - \$365,762.40)

**TOTAL COST:** \$365,762.40

**LOCATION:** Florence Water Production Facility

**PURPOSE:** Primary Basin No. 4 Repairs

**DESCRIPTION:** Primary basin No. 4 suffered extensive damage in December of 2022 when the record low Missouri River levels caused an ice jam. As a result, crystalized lime (Ikaite) formed in the primary basins which was discovered in the Spring of 2023 when the basins were drained for annual maintenance. This capital expenditure covers the design and construction for repairs to the damaged steel hood in primary basin No. 4. This is a ratification

in order to prevent delays. The design work has already been completed and the construction work is starting. This will ensure that the entire project can be completed, and the basin can be placed back into service before Winter of 2023.

**5. JOB #:** (100033000010 - \$123,000)

**TOTAL COST:** \$123,000

**LOCATION:** Platte South Water Production Facility

**PURPOSE:** Platte South garage trench drain repair

**DESCRIPTION:** The Platte South Garage has a trench drain running the length of the garage in order to capture mud and snow melt from vehicles. The drain frame has experienced corrosion over the years and the adjacent concrete is deteriorating which is causing incomplete drainage and water ponding. In addition to the trench drain repairs, the raised curb around the oil change/grease pit will be repaired.

**6. JOB #: WP2038** (100091000049 - \$409,000)

**TOTAL COST:** \$409,000

**LOCATION:** Platte West Water Production Facility

**PURPOSE:** Install security fence on north property line.

**DESCRIPTION:** This project involves installation of a fence to secure Platte West's property and mitigate the potential for encroachment or trespass. In addition to securing the property, this fence will reduce the potential for accidents resulting in any liability to the District due to unauthorized access onto Platte West property.

**7. JOB #:** (100091000054 - \$123,000)

**TOTAL COST:** \$123,000

**LOCATION:** Platte West Water Production Facility

**PURPOSE:** Pilot Study for pH Adjustment Improvements on Residuals Effluent

**DESCRIPTION:** This pilot study will investigate the use and effectiveness of Carbonic Acid (Carbon Dioxide & Water) as opposed to Hydrochloric Acid (HCL) to perform the pH reduction necessary to meet our permit requirements while providing a much safer product for staff to handle and maintain within our facilities. This request is to allow the District to enter into a rental agreement for a period of approximately 3 months with BlueInGreen, A Chart Industries Company, whom we have partnered with at Florence Water Production Facility in the past and includes all temporary plant modifications to support the proposed mobile skid and trailer systems.

**8. JOB #:** (100091000053 - \$200,000)

**TOTAL COST:** \$200,000

**LOCATION:** Platte West Water Production Facility

**PURPOSE:** Replace Water Quality and Process Control Analyzers

**DESCRIPTION:** Platte West currently uses a Hach 5500 analyzer for its Water Quality and Process Control analytics. This unit is reaching its useful service life and is in need of replacement due to continued motherboard and other equipment failures. Platte West also has Fluoride and pH units for Water Quality analysis that need replacement for similar reliability and support reasons. Both Florence and Platte South utilize ChemScan units to monitor Water Quality and Process Control parameters, and these have proven to be very reliable and still supported by the manufacturer for parts and servicing. In addition, Water

Production and Pumping has undertaken the initiative with Water Quality to add Swan pH, temperature, and Alkalinity analyzers at all Repump stations and this request includes adding Platte West for standardization and better redundancy.



Andy Melville  
Interim SVP, Chief Operations Officer

Approved:



Mark E. Doyle  
President

**METROPOLITAN UTILITIES DISTRICT**  
*Inter-Department Communication*

August 25, 2023

**Subject:** ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

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

**From:** Adam L. Gartner, Interim Director, Plant Engineering

The following items will be on the September 6, 2023, Committee Meeting for consideration and the Board Meeting Agenda for approval. Work has been satisfactorily completed on the following contracts and final payment is recommended:

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
<b>a.</b> Cedar Construction, WP1713, 100053001499, 100055001317, 100057000474, 100057000475, 100055001373, Install Water Mains in Windsor West; SW of S 180th St & Giles Rd.	9/1/2021	\$1,722,623.00	\$1,666,207.64

**Comments:** There was an overall decrease of \$56,415.36 (3%) for this project, primarily due to a reduction in unit quantities of augering, hydrants, embedment in poor soils, 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
<b>b.</b> Kersten Construction, WP1885, 100055001387, 100057000510, Install Water Mains in Daybreak; NE of N 192nd St. & Fort St.	5/4/2022	\$706,100.00	\$674,453.58

**Comments:** There was a decrease of \$31,646.42 (5%) for this project, resulting from a decrease in unit quantities of bends and main needed to complete the work, and a previously approved change order for a PVC redesign. 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. Kersten Construction, WP1887, 100055001389, 100057000512, Install Water Mains in Sunset Meadows Subdivision; SW of S 204th St. & Harrison St.	5/4/2022	\$1,172,160.85	\$1,160,676.25

**Comments:** There was a decrease of \$11,484.60 (1%) on this project due to a reduction in unit quantities of water main pipe, augering, casing, and bends that were needed to complete the work and a previously approved change order. 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. Judds Bros Construction Co., WP1901, 100057000515, Install Water Mains in Bluesky Phase 1; NW of State St. & Hwy 133.	8/3/2022	\$237,500.00	\$241,040.89

**Comments:** There was an increase of \$3,540.89 (1%) for this project due to additional excavation quantities needed to complete the work and additional erosion control items. 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
e. Cedar Construction, WP1918, 100055001405, Install Water Mains in Chestnut Hills Lots 107-252; NE of 177th St. & State St.	7/6/2022	\$720,531.00	\$729,528.85

**Comments:** There was an overall increase of \$8,997.85 (1%) for this project due to an increase in unit quantities of augering required to complete the work and additional cost due to installation work performed under frost conditions. 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
f. Q3 Contracting, GP2582, 100092001656, 100042000106, 100082000040, 100082000041, 100082000042, 100082000043, Contracted Cast Iron Gas Main Replacement; N. 21st St. to N. 27th St., From Sahler St. to Spencer St.	1/5/2022	\$1,604,859.50	\$1,823,962.41

**Comments:** This is the fifth of the seven gas contracting projects from the 2022 contract. There was an overall increase of \$219,102.91 (14%) from the estimated unit quantities. The gas main was installed in 2022; however, services were not finished until 2023. Additional costs were incurred for temporary concrete restoration over the winter to address neighborhood concerns prior to restarting service work in 2023. Additional costs were also incurred due to removing abandoned railroad ties and for enhanced traffic control safety devices along the busy N 24<sup>th</sup> St corridor. 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:

*Adam Gartner*

121848991F67477...

Adam L. Gartner

Interim Director, Plant Engineering

DocuSigned by:

*Masa Niya*

98B161DE431645F...

Masa Niya  
Vice President  
Engineering

DocuSigned by:

*Andy Melville*

FFF7CDEC5E034EB...

Andy Melville  
Interim Senior Vice President  
Chief Operations Officer

DocuSigned by:

*Mark Doyle*

C1E4FA06F230426...

Mark E. Doyle  
President

## METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

July 31, 2023

**Subject:** CHANGE ORDER 1 – INSTALL WATER MAINS IN LAKE CUNNINGHAM VILLAGE PHASE 2 AND APPROACH MAIN; SE OF N 96TH ST. & STATE ST.; KERSTEN CONSTRUCTION; WP1708A (100055001340 & 100057000473)

**To:** Committee on Construction & Operations  
**Cc:** All Board Members, Doyle, Melville, Myers, Mendenhall, Ausdemore, Lobsiger, and All Vice Presidents

**From:** Adam Gartner, Interim Director, Plant Engineering

On May 4, 2022 the District entered into a contract with Kersten Construction to install water mains in Lake Cunningham Village Phase 2 and Approach Main. The original contract price was \$435,984.90. Change Order No. 1 results in a net add of \$48,924.00. This will change the total contract price to \$484,908.90.

Change Order No. 1 represents an additional cost of \$48,924.00 due to design changes to the 12" water main and hydrants. These changes were necessary to accommodate future roadway improvements by Douglas County. Engineering was notified of the future construction in late March of 2022, coinciding with the advertisement of this approach main and the attached subdivision.

This work has already been completed to prevent delays and your approval is requested. The developer has approved these costs.

DocuSigned by:

Adam Gartner

121848991F67477...  
Adam Gartner

Interim Director, Plant Engineering

**Approved:**

DocuSigned by:

Masa Miya

98B161DE431645F...  
Masa MiyaVice President,  
Engineering

DocuSigned by:

Andy Melville

FEF7CDECEE034EB...  
Andy MelvilleInterim Sr. Vice President,  
Chief Operations Officer

DocuSigned by:

Mark Mendenhall

51BB46766D35440...  
Mark MendenhallSr. Vice President,  
General Counsel

DocuSigned by:

Mark Doyle

C1E4FA06F330426...  
Mark Doyle

President

## METROPOLITAN UTILITIES DISTRICT

*Inter-Department Communication*

August 23, 2023

**Subject:** BIDS ON MATERIALS AND CONTRACTS DURING THE MONTH OF AUGUST

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

**From:** Sherri A Lightfoot, Director, Procurement

The following items will be on the September 6, 2023 Committee Agenda for consideration and the September 6, 2023 Board Agenda for approval. The recommended bid is bolded and listed first. Nonlocal bidders have been indicated in italics.

**WATER/GAS MAIN CONTRACTS**

<b><u>Item</u></b>	<b><u>Bids Sent / Rec'd</u></b>	<b><u>Bidders</u></b>	<b><u>Bid Amount</u></b>
Install Water Mains in Magnolia Subdivision Lot 1-175, SW. of 180th Street and HWY 370 100055001438 100057000533 WP1997 Engineering Estimate: \$2,345,307.00 (A C&A in the amount of \$2,576,366.00 will be presented to the Board on September 6, 2023 for approval.)	18/2	<b>Cedar Constr.</b> Kersten Constr.	<b>\$2,082,207.50</b> 2,125,850.00
Install Water Mains in Maverick Landing, N.E. of 72 <sup>nd</sup> Street and Grover Street 100055001396 100051001059 100065001685 WP1902 Engineering Estimate: \$186,430.00 *Bids Rejected	18/2	Kersten Constr. Cedar Constr.	\$202,999.00* 245,925.00*

Install Water Mains in the Villas at Pine Creek Woods, Lots 1 & 2 SW. of 156 <sup>th</sup> Street and Potter Street 100055001449 WP 2029 *Bids Rejected	18/5	<i>Pat Thomas Constr.</i> <i>Vincentini Plumbing</i> <i>Castle Contracting</i> <i>Kersten Constr.</i> <i>Cedar Constr.</i>	<i>\$72,088.00*</i> <i>77,298.00*</i> <i>92,631.00*</i> <i>152,379.00*</i> <i>159,876.00*</i>
---	------	--	---

### **RATIFICATION**

<b><u>Item</u></b>	<b><u>Bids Sent / Rec'd</u></b>	<b><u>Bidders</u></b>	<b><u>Bid Amount</u></b>
Replacement Variable Speed Drives Florence Water Treatment Facility Minne Lusa Pump Station 100031000004 *Bid Rejected, Non- Responsive (A C&A in the amount of \$1,804,500.00 will be presented to the Board on September 6, 2023 for approval.)	2/2	<b>Eaton (CED)</b> Allen Bradly (CED)	<b>\$1,061,885.28</b> 925,000.00*
Primary Basin 4 Repairs at the Florence Water Treatment Plant (WTP) 100031000003 WP 2056 (A C&A in the amount of \$365,762.40 will be presented to the Board on September 6, 2023 for approval.)	4/1	<b>Cummings &amp; Sons</b>	<b>\$288,862.40</b>

### **INFORMATION TECHNOLOGY**

<b><u>Item</u></b>	<b><u>Bids Sent / Rec'd</u></b>	<b><u>Bidders</u></b>	<b><u>Bid Amount</u></b>
Managed Print Services (MPS) Five Year Lease (September 1, 2023 to August 31, 2028)	8/9	<b>Access Systems</b> Capital Business(Cannon) Bishop Business(Epson) Eakes Office Solutions Bishop Business (HP) All-Copy Bishop Business(Toshiba) Capital Business(Ricoh) Visual Edge	<b>\$227,730.00</b> 249,483.60 259,758.60 271,843.20 283,947.00 296,634.60 300,701.40 317,946.60 392,094.60

**OTHER**

<b><u>Item</u></b>	<b><u>Bids Sent / Rec'd</u></b>	<b><u>Bidders</u></b>	<b><u>Bid Amount</u></b>
Twelve (12) Heavy Duty Cutaway Cab Chassis and Cargo Body 100088000783 (C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)	8/1	<b><i>Husker Auto Group</i></b>	<b>\$695,964.00</b>
One (1) Welding Truck Body and Crane 100088000824 (C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 4, 2023 in the amount of \$18,504,550.00.)	6/1	<b>Aspen Equipment</b>	<b>\$61,300.00</b>
Transformer Replacement for the Minne Lusa Pump Station 100031000004 (A C&A in the amount of \$1,804,500.00 will be presented to the Board on September 6, 2023 for approval.)	2/2	<b>Hammond (CED) Eaton (CED)</b>	<b>\$81,100.00 108,944.68</b>
Platte West Water Treatment Plant Data Center UPS Replacement 100091000055 (C&A for 100091000055 approved August 26, 2023 in the amount of \$48,090.00.)	2/2	<b>Data Power Tech. Yoka Power</b>	<b>\$38,875.00 54,172.00</b>
Platte West Water Treatment Plant North Perimeter Fence 100091000049 WP2038 Engineering Estimate: 347,000.00 (A C&A in the amount of \$409,000.00 will be presented to the Board on September 6, 2023 for approval.)	6/4	<b>American Fences Arbor Roofing &amp; Constr. Acreage Fences Elkhorn Fence</b>	<b>\$294,877.86 342,484.60 373,458.40 399,853.60</b>
Platte South Garage Drain Trench Repair 100033000010 WP2017 Engineering Estimate: \$80,000.00 (A C&A in the amount of \$123,000.00 will be presented to the Board on September 6, 2023 for approval.)	10/1	<b><i>Judds Bros</i></b>	<b>\$97,000.00</b>

Operations Center Reconfiguration	2/2	<b>CCS Presentation Syst.</b>	<b>\$84,865.21</b>
Training Room Audio/Visual Equipment		<i>OneNeck IT Solutions</i>	98,992.68
100084001324 GP 2817			
(C&A for 100084001324 approved June 7, 2023 in the amount of \$799,130.00.)			

Operations Center Reconfiguration	3/3	<b>Paladin Technologies</b>	<b>85,543.47</b>
Security Upgrades		Electric Co. of Omaha	86,229.00
100084001324 GP 2817		Prime Secured	88,439.06
(C&A for 100084001324 approved June 7, 2023 in the amount of \$799,130.00.)			

### **ANNUALS**

<u><b>Item</b></u>	<u><b>Bids Sent / Rec'd</b></u>	<u><b>Bidders</b></u>	<u><b>Bid Amount</b></u>
Precast Concrete Vault Sections Extension #1 (October 1, 2023 to September 30, 2024)	1/1	<b>Kersten Precast Conc.</b>	<b>\$187,393.00</b>
Magnesium Anodes (700 – 17lbs and 900 – 32lbs) (September 1, 2023 to August 31, 2024)	4/4	<b>BK Corrosion</b>	<b>\$199,500.00</b>
		<i>Corrpro</i>	260,500.00
		<i>Mesa</i>	266,600.00
		<i>Groeber</i>	283,075.00
Gas Meters Class 250 (10,000 meters) (January 1, 2025 to December 31, 2025)	1/1	<b>Groeber</b>	<b>\$1,366,800.00</b>
Gas Meters Class 400 (250 meters) (January 1, 2025 to December 31, 2025)	1/1	<b>Groeber</b>	<b>\$100,172.50</b>

Water Meter  
(5/8" and 3/4" Sizes)  
(10,000 meters per size)  
Extension #1  
(January 1, 2024 to December 31, 2025)

1/1

**Sensus**

**\$2,360,400.00**



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

Approved:



Jon Zellars  
Vice President, Procurement and Enterprise Services



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



Mark E. Doyle  
President



**METROPOLITAN UTILITIES DISTRICT***Inter-Department Communication*

August 31, 2023

**Subject:** RECOMMENDATION TO UTILIZE CONSULTANT SERVICES FOR WATER MAIN RELOCATION DESIGN RELATED TO STREETCAR

**To:** Construction and Operations Committee  
cc: all Board members, Doyle, Mendenhall, Myers, Ausdemore, Lobsiger, Melville and all Vice Presidents

**From:** James W. Bartels, Director, Engineering Design

**Purpose**

Management is recommending that the District hire HGM Associates, Inc. (HGM) for the water main relocation design work necessitated by the City of Omaha Streetcar.

**Background**

Since 2013, the District has had multiple consultant agreements with HGM for professional engineering services to design water main projects and assist with peak shaving design workload. The District has gone through the RFQ/RFP process twice (2013 and 2018) related to engineering consulting work to design water main projects and on both occasions, HGM was chosen as the preferred design consultant from a number of other qualified firms. Most recently, the Board of Directors approved a three-year agreement with HGM, extending the consulting services through 2024.

Generally, water main design projects fall into one of three categories as follows:

1. Distribution water mains for new development
2. Distribution water mains for Infrastructure Replacement
3. Transmission water mains extensions (24" through 54")

Water main relocation designs have historically remained in-house given many relocation projects also involve gas design and there is usually an additional level of collaboration needed with city, county and state agencies, on these types of projects.

**Streetcar**

In February of 2023, the District entered into an agreement with the City of Omaha recognizing that the District's Opinion of Probable Cost ("OPC") for relocation work associated with the streetcar project is approximately \$20.5 million, based upon a 0% streetcar design. This agreement limits the District's costs to relocate its facilities as a result of the streetcar to \$7.6 million.

The streetcar is planned to be in service by the winter of 2026 with engineering work for the streetcar project and associated utilities in progress. District Engineering is

currently engaged in the gas relocation design that will continue for another 15 months with the initial gas construction work starting towards the end of 2023. To accommodate the streetcar project schedule, the water main relocation design needs to be ahead of water main construction, that is planned to happen concurrently with streetcar construction beginning in the summer of 2024.

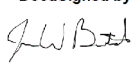
## Financial Considerations

Currently, District staff is fully allocated to the Infrastructure Replacement Programs and relocation work associated with private redevelopment, CSO projects, and road improvement work. Hence the District does not have the design resources, nor the time to ramp up to meet the streetcar project design schedule. Therefore, the District obtained an estimate from HGM in the amount of \$1,360,638 to design the water main relocations associated with the streetcar project, to stay on schedule. The water relocation design work will be invoiced in 2023 through 2025.

## Recommendation

**Management is requesting that we hire HGM for the water main relocation design work related to the streetcar project.**


Your approval is requested.

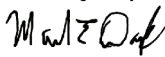
DocuSigned by:  
  
41368AFE070F446...  
James W. Bartels  
Director, Engineering Design

## APPROVED:

DocuSigned by:  
  
98B161DE431645F...  
Masa Niya  
Vice President, Engineering

DocuSigned by:  
  
FEF7CDECEE034EB...  
Andy Melville  
Interim Senior Vice President  
Chief Operations Officer

DocuSigned by:  
  
51BB46766D35440...  
Mark Mendenhall  
Senior Vice President  
General Counsel

DocuSigned by:  
  
C1E4FA06F330426...  
Mark E. Doyle  
President

# METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

APPROVED BY BOARD

August 29, 2023

**Subject:** MAIN EXTENSIONS

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

**From:** Masa Niiya, Vice President, Engineering

The following main extensions will be on the September 6, 2023, Committee Agenda for consideration and the Board Agenda for approval:

**1. JOB #: WP1842 SUPPLEMENTAL** (100057000497 - \$4,882,681) & (100057000498 - \$3,583,555) & (100057000499 - \$800,258) & **(100057000500 - \$1,607,575) & (100057000537 - \$333,704)**

**PROJECT COST:** \$11,207,773

**DISTRICT COST:** \$1,865,184

**LOCATION:** 168<sup>th</sup> Street from Schram Road to Capehart Road/Highway 50 to Fairview Road.

**DIRECTOR SUBDIVISION:** 7 – Sidzyik

**PURPOSE:** Install water mains for the Gemini industrial development

**DESCRIPTION:** The construction for this project was previously approved at the January 2023 Board meeting for \$10,477,317. Since approval, the developer re-platted the property requiring additional mains along Fairview Road and 156<sup>th</sup> Street to serve the property. This supplemental request is for \$730,456. There are no additional District costs requested for this supplemental request.

**2. JOB #: WP1997** (100055001438 - \$1,313,818) & (100057000533 - \$1,262,548)

**PROJECT COST:** \$2,576,366

**DISTRICT COST:** \$382,678


**LOCATION:** 180<sup>th</sup> Street and Highway 370

**DIRECTOR SUBDIVISION:** 4 - Cavanaugh

**PURPOSE:** Install water main in Magnolia Subdivision

**DESCRIPTION:** Provide domestic water service and fire protection to 175 single residence lots in the Magnolia Subdivision. Work is requested to be completed by June 2024. The developer is contributing an additional \$142,311 in pioneer fees to existing mains in S. 168<sup>th</sup> Street. This project is within the City of Gretna's zoning jurisdiction and is being developed by MDC Vala Vista, LLC.

Approved:

  
Masa Niiya  
Vice President, Engineering



Andy Melville  
Interim Sr. Vice President, Chief Operations Officer



Mark E. Doyle  
President

**METROPOLITAN UTILITIES DISTRICT**  
*Inter-Department Communication*

August 24, 2023

**Subject: Wage and/or Salary Increases and Ratifications, September 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, Lobsiger, Mendenhall, Myers & Interim

Senior Vice President Andy Melville

**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.

<b>Employee:</b>	<b>Leatha Bland</b>
<b>Current position (department):</b>	Cashier II (Customer Accounting)
<b>New position (department):</b>	Customer Account Clerk III (Customer Accounting)
<b>Current rate; step/grade:</b>	\$28.56; S4
<b>Proposed rate; step/grade:</b>	\$31.04; S3
<b>Percent of increase:</b>	8.63%
<b>District hire date:</b>	June 25, 2007

<b>Employee:</b>	<b>James Branstetter</b>
<b>Current position (department):</b>	Computer Aided Drafting Technician II (Engineering Design)
<b>New position (department):</b>	Senior Computer Aided Drafting Technician (Engineering Design)
<b>Current rate; step/grade:</b>	\$33.11; S2
<b>Proposed rate; step/grade:</b>	\$35.95; S1
<b>Percent of increase:</b>	8.58%
<b>District hire date:</b>	October 19, 2020

<b>Employee:</b>	<b>Marvin Cifuentes</b>
<b>Current position (department):</b>	Mechanic I (Transportation)
<b>New position (department):</b>	Meter Reader – Car Route (Meter Services)
<b>Current rate; step/grade:</b>	\$27.63; S1
<b>Proposed rate; step/grade:</b>	\$30.23; S1
<b>Percent of increase:</b>	9.41%
<b>District hire date:</b>	February 6, 2023

**Employee:** Lucas Colbert  
**Current position (department):** Utility Worker (Construction)  
**New position (department):** Crew Leader (Construction)  
**Current rate; step/grade:** \$41.15; S4  
**Proposed rate; step/grade:** \$43.43; S3  
**Percent of increase:** 5.54%  
**District hire date:** January 27, 2014

**Employee:** Trevor Groenjes  
**Current position (department):** General Maintenance Mechanic (Water Distribution)  
**New position (department):** Valve Maintenance Mechanic (Water Distribution)  
**Current rate; step/grade:** \$38.92; S4  
**Proposed rate; step/grade:** \$40.73; S4  
**Percent of increase:** 4.65%  
**District hire date:** July 31, 2017

**Employee:** Gage Koziel  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Water Maintenance Trainee (Water Distribution)  
**Current rate; step/grade:** \$26.04; S1  
**Proposed rate; step/grade:** \$27.70; S2  
**Percent of increase:** 6.38%  
**District hire date:** October 10, 2022

**Employee:** Sharon Novak  
**Current position (department):** Customer Account Clerk II (Customer Accounting)  
**New position (department):** Customer Account Clerk III (Customer Accounting)  
**Current rate; step/grade:** \$30.87; S4  
**Proposed rate; step/grade:** \$32.67; S4  
**Percent of increase:** 5.83%  
**District hire date:** March 14, 2005

## **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.

<b>Employee:</b>	<b>David Clark</b>
<b>Current position (department):</b>	Computer Aided Drafting Technician I (Engineering Design)
<b>New position (department):</b>	Computer Aided Drafting Technician II (Engineering Design)
<b>Current rate; step/grade:</b>	\$30.03; Step 4
<b>Proposed rate; step/grade:</b>	\$33.11; Step 2
<b>Percent of increase:</b>	10.26%
<b>District hire date:</b>	December 7, 2020

<b>Employee:</b>	<b>Aaron Halagarda</b>
<b>Current position (department):</b>	Pipe Layer Trainee (Construction)
<b>New position (department):</b>	Pipe Layer (Construction)
<b>Current rate; step/grade:</b>	\$30.63; Step 4
<b>Proposed rate; step/grade:</b>	\$32.93; Step 2
<b>Percent of increase:</b>	7.51%
<b>District hire date:</b>	August 30, 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.

**There are no recommendations for approval this month**

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

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

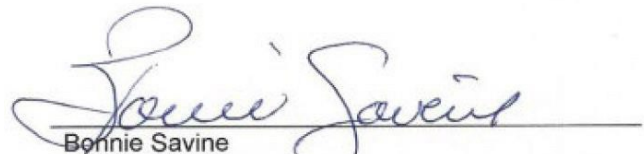
<b>Employee:</b>	<b>Ibrahim Abuzaho</b>
<b>Current position (department):</b>	Engineer I (Engineering Design)
<b>Current rate; step/grade:</b>	\$77,676; SPA – 02
<b>District hire date:</b>	August 28, 2023

<b>Employee:</b>	<b>Sarah Clayton</b>
<b>Current position (department):</b>	Executive Assistant (President's Office)
<b>Current rate; step/grade:</b>	\$73,000; SPA – 01
<b>District hire date:</b>	August 14, 2023

**Employee:** Jacob Felty  
**Current position (department):** Engineer I (Plant Engineering)  
**Current rate; step/grade:** \$73,280; SPA – 02  
**District hire date:** August 7, 2023

**Employee:** Eric Kuck  
**Current position (department):** Senior Engineering Technician – Operations (Plant Engineering)  
**Current rate; step/grade:** \$85,000; SPA – 03  
**District hire date:** August 28, 2023

**Employee:** Farhad Latifi  
**Current position (department):** Engineer II (Plant Engineering)  
**Current rate; step/grade:** \$85,399; SPA – 04  
**District hire date:** August 7, 2023



Bonnie Savine  
Vice President, Human Resources

**APPROVED:**



---

Mark A. Mendenhall  
Senior Vice President, General Counsel



---

Mark E. Doyle  
President

**METROPOLITAN UTILITIES DISTRICT***Inter-Department Communication*

August 25, 2023

**Subject: GROUP INSURANCE CONTRACT RENEWALS****To:** Personnel Committee members Begley, Friend, and Sidzyik**cc:** Board Members Cavanaugh, Cook, Howard, and McGowan

President Doyle; Senior Vice Presidents Ausdemore, Lobsiger, Mendenhall and Myers; Interim Senior Vice President Melville

**From:** Bonnie Savine, Vice President, Human Resources

The following group insurance contracts are being recommended for 2024: PPO health, HMO health, dental, vision, flexible spending accounts, basic life insurance, supplemental (voluntary) life insurance, accidental death & dismemberment (AD&D), long-term disability (LTD), COBRA administration, Allstate supplemental benefits and employee assistance program (EAP) benefits. The District worked with HUB International Great Plains (HUB), the District's third-party benefit consultant, to review the existing agreements and plan options for 2024.

The open enrollment period is slated for October 23, 2023, through November 22, 2023, and will be communicated through a variety of in-person and virtual meetings, along with the traditional written communications which are mailed to employee's homes. New this year, the District will also have open enrollment information available via the myMUDHub benefits app. We plan to hold our annual Benefits Fair in person on Thursday, October 19th at the Omaha Firefighters Union Hall. At the event, attendees will have the opportunity to meet with the District's benefit vendors, obtain vaccinations, participate in an onsite mammogram, obtain a biometric screening and more.

**Blue Cross and Blue Shield of Nebraska – Medical and Rx**

The existing agreement with Blue Cross and Blue Shield of Nebraska (BCBS-NE) was reviewed. While a new three-year contract was executed beginning in 2022, BCBS-NE is offering a new three-year guarantee beginning in 2024. With the new agreement, there will be a reduction to the per employee per month (PEPM) base claims administration fee in 2024, due to a new partnership between BCBS-NE and Mutual of Omaha. As a result of the partnership and due to the existence of three lines of District coverage currently in force with Mutual of Omaha, BCBS-NE will reduce the District's base administration fee by \$0.75 to \$46.50 for the 2024 plan year. The fee will increase by \$0.25 in 2025 (\$46.75) and by another \$0.25 (\$47.00) in 2026.

**PPO Medical**

There were no bargained changes for the PPO health plan effective January 1, 2024.



### **HMO Medical**

Plan changes were evaluated and considered for the 2024 renewal period. At this time, a recommendation is being made to adopt the attached HMO copay changes for 2024 in an effort to incrementally keep pace with increased costs of the plan.

HUB is recommending a one-year commitment with Prime Therapeutics (Prime) for the 2024 pharmacy benefits. Per HUB there continue to be rapid changes within the pharmaceutical industry and the recommended one-year commitment allows the District to reevaluate the pharmacy benefit terms in subsequent renewal periods. Currently, the pharmacy benefits are seamlessly built in with BCBS-NE. Renewal terms from Prime include an improved position for minimum guarantees on both the network pricing and rebates. The contract will continue to be a 'pass-through' arrangement where MUD will receive the 'better of' the minimum guarantees or the actual pharmacy discounts and rebates.

The pharmacy program reconciliation for the 2022 plan year shows that MUD achieved an additional \$994,329 in savings above the minimum guarantees. Network performance (pricing) accounted for \$537,855 of this savings, with the remaining \$372,449 was attributed to rebates. This follows the 2021 plan year in which the pharmacy savings were \$994,041 greater than the minimum guarantees. The value of rebates reported for the rolling 12-month period ending June 2023 was \$2,302,520.

With the recommended renewal, BCBS-NE will be updating their standard contract provisions, primarily adding clarifying language to existing coverage provisions. An optional pharmacy benefit program, HighTouchRx, is recommended for 2024. The HighTouchRx program has a \$0.20 per member per month (PMPM) fee, but also comes with a \$0.60 PMPM performance guarantee that is reconciled on an annual basis. The HighTouchRx program identifies members with complex health conditions and analyzes data claim data to highlight opportunities for drug therapy intervention that may help lower prescription drug costs for the health plan and member.

At no additional cost to the administrative fees above is program support for items such as the District's benefits app - myMUDHub, the Retiree Drug Subsidy program, care management programs and the District's Wellness program, BALANCE, through the collaboration on the Personal Health Assessment.

### **HM Life – Aggregate and Specific Stop Loss Coverage**

Aggregate stop loss coverage is under contract with the current administrator, HM Life. A preliminary stop loss renewal from HM Life has been received. Based on the preliminary renewal offer a 12.0% increase to the specific stop loss is proposed which equates to an estimated annual premium increase of \$133,000. The individual stop loss deductible remains unchanged at \$425,000 (with the exception of two lasered individuals at higher limits due to chronic health conditions). The proposed aggregate stop-loss increase is 4.1% which equates to an annual premium increase of approximately \$3,000. Additionally, the proposal includes a 7.8% increase to the aggregate claim factor from 2023. This means the aggregate claims total would need to exceed the annual maximum claims estimate before the stop loss

insurance would reimburse the District. A final offer will be provided by HM Life upon receipt and review of August 2023 claims.

A market review was initiated to solicit proposals from alternate stop-loss carriers. At this time, a change is not recommended due to HM Life being the only preferred carrier with BCBS-NE, and an additional \$3.00 PEPM fee would be charged by BCBS-NE for monthly reporting to a non-preferred carrier.

#### **Ameritas - Dental Plan**

The claims administration contract with Ameritas will renew with no change to the monthly administration fee (\$3.89 PEPM) and will be guaranteed for two years until January 1, 2026.

#### **Ameritas - Voluntary Vision Care**

Ameritas underwrites the vision plan with employees having access to a dual choice plan through either EyeMed or Vision Service Plan (VSP) networks. Ameritas has offered another two-year renewal with premium rates increasing by 4.4% and guaranteed until January 1, 2026. As a reminder, employee participants pay 100% of the premium associated with vision care.

#### **Mutual of Omaha - Life Insurance, AD&D, and LTD Plans**

Mutual of Omaha underwrites the basic life, accidental death and dismemberment (AD&D), voluntary life and long-term disability (LTD) plans. For 2023 there was a \$0.01 increase on both the Life and LTD plans. Mutual of Omaha guaranteed all life and disability rates for a period of two years until January 1, 2025.

An alternate LTD plan is recommended for 2024 to increase the monthly benefit maximum for the SPA classes to \$15,000 (from \$10,000). As a result, the premium rate for SPA employees would increase from \$0.66 to \$0.72 impacting annual costs by approximately \$44,000.

#### **PayFlex - Flexible Spending Accounts**

PayFlex administers the District's flexible spending accounts (FSA) for Health Care and Dependent Care. The contract with PayFlex renewed in 2022 at a reduced fee of \$4.25 PEPM, guaranteed until January 1, 2025. The arrangement with PayFlex allows the District to terminate the contract during this three-year period with proper notice should there be a need to consider alternate FSA administrators.

#### **WEX - COBRA Administration**

Third party COBRA Administrative services are being provided by WEX. These services provide administration of the COBRA regulatory notices as required under the Act. The current administration fee of \$0.55 PEPM is guaranteed until January 1, 2026.

#### **Allstate Accident, Critical Illness and Universal Life with Long-Term Care (LTC)**

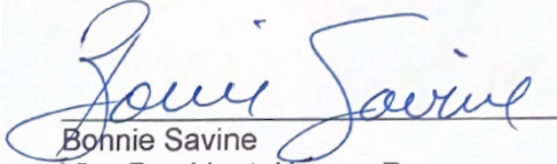
The District continues to offer supplemental Allstate benefits including accident, critical illness, and universal life with long-term care insurance. As a reminder, employee participants pay 100% of the premium associated with the Allstate benefit plans.

**BestCare Employee Assistance Program (EAP)**

The employee assistance program renewal with BestCare EAP is recommended for 2024. The 2024 renewal pricing is increasing from \$20.75 PEPY to \$21.78 PEPY. The District is recommending an additional Legal & Financial Services benefit be added to EAP program. The 2024 EAP cost including the additional benefit is \$22.90 PEPY. This new offering includes one free 30-minute consultation with a legal or financial expert within the designated provider network annually for employees or their dependents.

**Recommendation**

The District recommends the Board of Directors approve the negotiated rates for the Group Insurance products outlined above at the September 6, 2023, meeting. I will be at the meeting to answer any questions you may have.



Bonnie Savine  
Vice President, Human Resources

APPROVED:



---

Mark A. Mendenhall  
Sr. Vice President, General Counsel



---

Mark E. Doyle  
President



August 24, 2023

Ms. Bonnie Savine  
Vice President, Human Resources  
Metropolitan Utilities District (MUD)  
3100 South 61st Avenue  
Omaha, NE 68106

RE: Renewal Summary and Suggestions – 2024 Plan Year

Dear Bonnie:

On behalf of HUB International Great Plains (HUB), we thank you for the opportunity to work with Metropolitan Utilities District (MUD) as your employee benefits consultant. The following will summarize our suggestions for the January 1, 2024, renewal of your employee benefit programs.

#### **General Medical/Rx Overview**

While a new three-year contract was executed beginning in 2022, Blue Cross Blue Shield of Nebraska (BCBSNE) offered a new three-year guarantee beginning in 2024. There will be no change to the \$47.25 per employee per month (PEPM) base claims administration fee in 2024, and the fee will increase by \$0.25 in 2025 and by another \$0.25 in 2026. The fees for the AmWell Telehealth and Magellan Spine Management programs, \$0.25 PEPM and \$0.65 PEPM respectively, remain unchanged for the 2024 contract year.

BCBSNE has entered into a partnership with Mutual of Omaha and due to the existence of three lines of coverage currently in force with Mutual of Omaha, BCBSNE will reduce the base administration by \$0.75 (\$0.25 per line of coverage) if the life/disability coverages remain with Mutual of Omaha. This brings the base administration fee down to \$46.50 for the 2024 plan year.

Renewal terms have been provided by Prime Therapeutics (Prime) for the pharmacy contract, including an improved position for minimum guarantees on both the network pricing and rebates. The contract will continue to be a “pass-through” arrangement where MUD will receive the “better of” the minimum guarantees or the actual discounts and rebates.

The pharmacy program reconciliation for the 2022 plan year shows that MUD achieved an additional \$994,329 in value above the minimum guarantees. Network performance (pricing) accounted for \$537,855 of this value, with the remaining \$372,449 attributed to rebates. This follows the 2021 plan year in which the pharmacy savings were \$994,041 greater than the minimum guarantees. The value of rebates reported for the 12-month period ending June 2023 was \$2,302,520.

BCBSNE will be updating its standard contract provisions, mainly adding clarifying language to existing coverage provisions. Optional programs specific to a virtual second opinion service, weight loss drug therapy and HighTouchRx pharmacy have also been presented for consideration. The HighTouchRx program does have a \$0.20 per member per month (PMPM) fee, but also comes with a \$0.60 PMPM performance guarantee that is reviewed and reconciled on an annual basis.

### **Preferred Provider Organization (PPO) Medical**

On the PPO medical plan, the Affordable Care Act (ACA) maximum allowable out-of-pocket for 2024 changes to \$9,450 for an individual and to \$18,900 for a family. As a result, the prescription drug out-of-pocket maximum will change to \$6,950 for an individual and to \$13,900 for a family. This equates to the ACA maximum less the negotiated medical out-of-pocket maximum for 2024.

The employee contribution amounts will remain at 15.0% for the 2024 plan year. This percentage will be incorporated into the MUD rate figuration review based on a three-year average of premium costs.

### **HMO Medical**

Several HMO plan changes were evaluated for the 2024 renewal, with a suggestion being made to adopt the proposed changes. The 2024 budget deficit for the active population is driven by the unfavorable performance of the HMO plan.

### **Pharmacy**

The renewal offer includes modest improvements on the pricing discounts and minimum rebate guarantees. The guarantees are tempered somewhat given that the pharmacy contract will continue to be a "pass-through" arrangement where MUD receives the better of the minimum guarantees or actual savings. The pharmacy reconciliation for each of the last three years shows that the savings credited to MUD has been measurably greater than the minimum contractual guarantees.

The renewal offer is on a one-year contractual basis. It is suggested to evaluate the contractual terms on an annual basis. The pharmacy environment is frequently changing, so it is advisable to avoid locking into predetermined terms for an extended period in the event more favorable terms are warranted in the near term.

### **Stop-Loss**

HM Life has provided an initial preliminary renewal offer with a 12.0% increase to the specific stop-loss premium, a 4.1% increase to the aggregate stop-loss premium and a 7.8% increase to the aggregate claim factor. There are two existing specific deductible lasers that will remain in place for the 2024 policy year.

A final/firm offer will be provided by HM Life upon receipt and review of August claims.

A market review has been conducted to solicit proposals from alternate stop-loss carriers. While several proposals have been received, all quotes are preliminary and are subject to additional underwriting review of claims experience through September.

Lasers have been indicated by all carriers on the current lasered members, with amounts subject to final underwriting review. With HM Life being the only preferred carrier with BCBSNE, an additional \$3.00 PEPM fee would be charged by BCBSNE for monthly reporting to any other carrier. After factoring in the additional stop-loss fee, only one carrier (ISU) has issued a proposal that potentially offers a total annual fixed cost savings of \$79,002 compared to the initial HM Life renewal.

### **Dental**

The claims administration contract with Ameritas will renew with no change to the fee (\$3.89 PEPM) and will be guaranteed for two years until January 1, 2026.

### **Premium Equivalencies for Medical/Rx and Dental**

HUB will finalize the projected premium equivalencies for the 2024 plan year with the inclusion of claims through August 2023. These evaluations will be shared with MUD prior to the October annual enrollment. Initial budget projections indicate that the medical/Rx plan would be in an overall 2.3% deficit position for the 2024 plan year. Note the following broken down by group: 4.4% surplus for the active PPO; 13.5% deficit for the active HMO; 4.5% deficit for active total (PPO and HMO combined); and 4.0% surplus for the retirees. The proposed HMO plan changes would reduce the HMO plan deficit to 11.8% and the active total deficit to 3.7%.

The dental plan is running in a surplus position and would not require an increase for the 2024 plan year.

### **Group Medicare Supplement Program**

Initial exploration was conducted to consider the impact on retiree benefits and financials to support a separate group Medicare Supplement/Prescription Drug Program for the post-65 retiree population.

### **Infertility Treatment**

The MUD health plan currently provides coverage for the diagnosis of infertility but there is no plan coverage for treatment. Options for coverage of infertility treatment were explored, both within the MUD health plan and through stand-alone vendors.

### **Vision**

A voluntary vision plan has been offered since 2019. Ameritas underwrites the vision plan, with employees having access to a dual choice plan with both the EyeMed and Vision Service Plan (VSP) networks.

Current premium rates had been guaranteed for two years through the end of 2023. Ameritas has offered another two-year renewal with premium rates increasing by 4.4%. The following premium rates are guaranteed until January 1, 2026:

<b>Enrollment Tier</b>	<b>Current Premium</b>
Employee only	\$7.68
Employee and spouse	\$14.84
Employee and child(ren)	\$15.16
Family	\$23.64

Ms. Bonnie Savine  
August 24, 2023  
Page -4-

**Life and Disability**

Mutual of Omaha underwrites the basic life/accidental death and dismemberment (AD&D), voluntary life and long-term disability (LTD) plans. For 2023, there was a \$0.01 increase in both the life and LTD plans. Mutual of Omaha guaranteed all life and disability rates for a period of two years until January 1, 2025.

An alternate LTD plan was requested to increase the monthly benefit maximum for SPA classes to \$15,000 (from \$10,000). The premium rate for SPA employees would increase from \$0.66 to \$0.72. It is suggested that this option be adopted effective January 1, 2024.

**Flexible Spending Accounts (FSAs) Administration**

The contract with PayFlex renewed in 2022 at a reduced fee of \$4.25 per participant per month guaranteed until January 1, 2025. The arrangement with PayFlex allows MUD to terminate the contract during the contract period with proper notice should there be a need to consider alternate FSA administrators.

**COBRA Administration**

Administrative services are provided by WEX. The current administration fee of \$0.55 PEPM is guaranteed until January 1, 2026.

**Universal Life with Long-Term Care**

Coverage was implemented in 2022 with an initial guarantee issue offering followed by another guarantee issue offering during the annual open enrollment period for 2023.

Current new hires enrolling when initially eligible go through a simplified underwriting process. Employees not electing coverage when initially eligible will be subject to full underwriting requirements if enrollment is requested later.

**Consulting Fees and Commissions**

A new consulting agreement was executed effective January 1, 2023. The monthly consulting fee of \$8,560 is billed by HUB directly to MUD. The monthly fee is guaranteed through the end of the current contract term until January 1, 2025.

The voluntary vision plan commissions will not change for 2024 and the premiums for the basic life/AD&D, voluntary life and LTD benefits are net of commissions.

Again, we appreciate the opportunity to work with you as your benefits consultant. If you have any questions regarding any of this review, or our suggestions, please do not hesitate to contact me.

Best regards,



Bill Fox, CEBS  
Senior Vice President, Director of Financial Consulting

BF/je

**Medical/Rx  
HMO Benefit Summary  
BlueCross BlueShield of Nebraska**

	In-Network	Out-of-Network
Eligibility	Employees working 30+ hours per week	
Waiting Period	Day following 30 days	
<b>Calendar Year Deductible</b>		
	<i>(Embedded Family Deductible)</i>	
Individual	\$0	N/A
Family	\$0	N/A
<b>Coinsurance</b>		
	100%	0%
<b>Out-of-Pocket Maximum</b>	<i>(Includes Medical and Rx copays)</i>	
Individual	\$3,000	N/A
Family	\$6,000	N/A
<b>Lifetime Maximum</b>		
	Unlimited	
<b>Physician Services</b>		
Primary Care Physician Office Visit	\$25 copay	Not Covered
Specialist Office Visit	\$40 copay (\$50 copay)	Not Covered
Preventive Services	100%	Not Covered
Telehealth Services	\$5 copay	Not Covered
Routine Vision Exam (limit 1 per cal. yr.)	100%	Not Covered
Immunizations		
Related to an illness	100%	Not Covered
Pediatric (up to age 7)	100%	Not Covered
Age 7 and older	100%	Not Covered
Maternity	\$250 copay after initial visit copay	Not Covered
Inpatient & Outpatient Services	100%	Not Covered
Emergency Room Services	100%	Same as in-network
<b>Hospital Services</b>		
Inpatient	\$250 copay per admission (\$300 copay per admission)	Not Covered
Outpatient	100% for non-surgical services \$250 copay for surgical services (\$300 copay for surgical services)	Not Covered
Urgent Care Center	\$40 copay	Not Covered
Emergency Room	\$150 copay (\$200 copay) Copay waived if admitted to the hospital	Same as in-network
Ambulance	100%	Same as in-network
<b>Mental Health &amp; Substance Abuse</b>		
Outpatient		
Office Visit	\$25 copay	Not Covered
Telehealth	\$5 copay	Not Covered
Other	100%	Not Covered
Inpatient	\$250 copay (\$300 copay)	Not Covered
Emergency Room	\$150 copay (\$200 copay)	Same as in-network



**Medical/Rx  
HMO Benefit Summary  
BlueCross BlueShield of Nebraska**

	In-Network	Out-of-Network
<b>Other Covered Services</b>		
Durable Medical Equipment	100%	Not Covered
Prosthetics	100%	Not Covered
Home Health Care		
Home Health Aide	Not Covered	Not Covered
Skilled Nursing Care (limit 100 days per cal. yr.)	\$30 copay ( <del>\$50 copay</del> )	Not Covered
Respiratory Care	100%	Not Covered
Hospice Care		
Inpatient	100%	Not Covered
Outpatient	\$30 copay ( <del>\$50 copay</del> )	Not Covered
Bereavement Counseling	100%	Not Covered
Respite Care	Not Covered	Not Covered
Skilled Nursing Facility (Limit 100 days per cal. yr.)	100%	Not Covered
Outpatient Therapy - Physical, Occupational, and Chiropractic or Osteopathic Physiotherapy (limit 60 sessions per cal. yr. combined)	\$25 copay ( <del>\$30 copay</del> )	Not Covered
Speech therapy (limit 30 sessions per cal. yr.)	\$25 copay ( <del>\$30 copay</del> )	Not Covered
Osteopathic Manipulative Treatments	\$25 copay ( <del>\$30 copay</del> )	Not Covered
Chiropractic Manipulative Treatments	\$40 copay ( <del>\$50 copay</del> )	Not Covered
Transplants	100%	Not Covered
Independent Laboratory		
Diagnostic	100%	Not Covered
Preventive	100%	Not Covered
<b>Prescription Drugs</b>		
Prescription Drug Network	Network C, PDL 20	
Retail (30-day supply)		
Generic	\$15 copay	Not Covered
Name Brand on Formulary	\$40 copay ( <del>\$45 copay</del> )	Not Covered
Name Brand not on Formulary	\$60 copay ( <del>\$70 copay</del> )	Not Covered
Mail Order (90-day supply)	2x Retail copay	Not Covered
Specialty Drugs (must be purchased at designated pharmacy after 1 fill)	\$100 copay ( <del>\$125 copay</del> )	Not Covered
Contraceptives (women to age 50)		
Formulary (Generic & Brand)	Covered at 100%; no copay	25% Penalty
Nonformulary (Generic & Brand)	Same as Retail	Same as Retail
<b>Notes</b>		
	Certain services may require precertification	

## METROPOLITAN UTILITIES DISTRICT

*Inter-Department Communication*

August 29, 2023

**Subject:** SPA SALARY STRUCTURE ADJUSTMENT & POLICY REVISION  
RECOMMENDATIONS

**To:** Personnel Committee members Begley, Friend, and Sidzyik

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

President Doyle; Senior Vice Presidents Ausdemore, Lobsiger, Mendenhall  
and Myers; Interim Senior Vice President Melville

**From:** Bonnie Savine, Vice President, Human Resources

In 2021 a recommendation was approved by the Board of Directors to modify the SPA Salary Structure for supervisory jobs at the Director level and higher focusing on changes to the mid-point differential and range spread as supported through an analysis with our consultant SilverStone Group/HUB. With support from senior management, the Human Resources Department has continued its analysis of the SPA salary structure for the remaining supervisory levels & compensation policies. Throughout this endeavor, the District partnered with SilverStone Group/HUB for third-party analysis. SilverStone Group/HUB conducted an analysis of the District's existing SPA salary structure and an external market analysis for a segment of supervisory jobs in grades SPA-03 through SPA-07.

At this time, Human Resources is recommending the following changes to SPA Compensation Administration policies and practices while keeping the District's Core Values, including Fiscal Responsibility & Organizational Excellence, in mind as we strive to reach our goals:

1. Reform the salary grade structure for supervisors in salary grades SPA-03 through SPA-07 and revise the District's compression policy in order to make progress with addressing salary compression, equity and to remain competitive with recruitment and retention of our supervisory jobs.
2. Recognize and reward high performers in eligible SPA jobs to support employee engagement and retention as well as support succession planning by the leadership team.

### **Recommendations:**

#### **1) Salary Structure Adjustments**

Develop new guidelines using best practices for salary grade midpoint differentials and range spread for foreman, supervisor, and manager jobs in salary grades SPA-03

through SPA-07. New salary scales will help alleviate compression and provide a financial incentive to recruit and retain employees in these supervisory roles. The recommendation would require the following:

- Create four (4) new salary grades SPA-03S through SPA-06S. The new grades will separate foremen, supervisors, and managers from individual performers in existing grades SPA-03 through SPA-06. Managers currently in grade SPA-07 will be placed in the existing grade SPA-07S. Salary grades for supervisory jobs will be represented on a separate salary grade chart (attached) and salary grades for individual performer jobs will be represented in the existing salary grade chart.
- Implement midpoint differentials of 9% for supervisory salary grades SPA-03S through SPA-06S with a 40% range spread. This positions these grades to better align with the Director grades and higher.
- Prepare the SPA salary scales using these midpoint differentials and range spreads.
- The grades presented in the attachment are a revision of the existing 2023 SPA salary grades.
- Revise Section 5: Personnel Policy Manual to reference the separate salary scale structures and modify the language referencing compression.

The revised grade structure will be effective March 1, 2024. At that time, the attached grade scales will be updated effective March 1, 2024 to include any approved general increase using the new grade structure outlined above. This timeline allows the District time to budget for implementation in 2024. To reiterate, approval of this recommendation will not result in any salary changes until the scheduled SPA Compensation cycle in March 2024. And the only salary changes impacted by the revised salary structure are annual progression increases of up to 5%. The estimated cost of the revised SPA Salary Scales in 2024 is \$272,000. These changes are anticipated to impact approximately 83 SPA supervisors in the foreman, supervisor, and manager roles.

The recommended compression policy changes will allow for a supervisor's salary to be 5% over their highest paid employee (OAC or SPA) at the time of hire or promotion. This differential will help mitigate the potential compression issues between supervisor salaries and the earnings of their direct reports. The 5% compression adjustment at the time of hire or promotion will be treated as the supervisor's regular base annual salary for future salary change calculations.

## **2) SPA High Performer Rewards**


In an effort to recognize eligible SPA high performing employees, the recommendation is to budget an additional 0.5% of the overall SPA payroll budget to utilize for high performer rewards. The estimated cost of the SPA High Performer Rewards in 2024 is \$184,000. The objective is to uniformly recognize the top 20% of eligible high performing SPA employees in 2024 and future years. We would plan to communicate the policy as soon as approved, so eligible SPA employees will have the opportunity to work throughout the remainder of the calendar year with the incentive in mind. A





standard matrix tool will be used by the senior team to aid in ranking employees to identify the top 20% each year. The high performer reward will be issued as vacation hours and distributed equally (in dollar value) among the identified SPA high performers in proportion to the number of eligible SPA employees reporting in each Sr. Vice President's org chain. Sr. Vice President's and Vice President's are NOT eligible for this reward. This reward is limited to SPA employees in Director jobs and below in the org chain.

The vacation sell back policy in the Personnel Policy Manual will be modified to allow vacation sell back of the high performer rewards in addition to the current 40 hours of allowable annual sell back. This policy change recommendation provides high performing employees choice and flexibility in how to utilize their reward – as time off or a lump sum payment.

Management is confident these recommendations align with the District's efforts to remain an employer of choice while demonstrating fiscal responsibility for our customers.

  
\_\_\_\_\_  
Bonnie Savine  
Vice President, Human Resources

APPROVED:

  
\_\_\_\_\_  
Mark A. Mendenhall  
Sr. Vice President, General Counsel  
\_\_\_\_\_  
Mark E. Doyle  
President

**Attachments:**

Revised SPA Salary Structure without 2024 General Increase

2023 SPA Salary Scale Individual Performers					2023 SPA Salary Scale Proposed Supervisor Scales (3S - 7S)				
Current Pay Scales			Midpoint Differential	Range Spread	Current Pay Scales with 3S-7S *New*			Midpoint Differential	Range Spread
Grades	2023 Minimum	2023 Maximum			Grades	2023 Minimum	2023 Maximum		
					SPA - 13S	\$213,764	\$320,647		
					SPA - 12S	\$185,883	\$278,823		
					SPA - 11S	\$161,636	\$242,454		
					SPA - 10S	\$140,554	\$210,831		
					SPA - 9S	\$127,777	\$191,664		
SPA - 8	\$115,882	\$148,119	8%	28%	SPA - 8S	\$116,159	\$174,240	10%	50%
SPA - 7	\$107,436	\$136,766	8%	27%	SPA - 7S	\$107,450	\$161,174	10%	50%
SPA - 6	\$99,620	\$126,295	8%	27%	SPA - 6S	\$104,666	\$146,533	9%	40%
SPA - 5	\$92,188	\$116,403	8%	26%	SPA - 5S	\$96,024	\$134,435	9%	40%
SPA - 4	\$85,399	\$107,392	8%	26%	SPA - 4S	\$88,095	\$123,334	9%	40%
SPA - 3	\$79,010	\$98,946	8%	25%	SPA - 3S	\$80,822	\$113,150	9%	40%
SPA - 2	\$73,280	\$91,384	8%	25%					
SPA - 1	\$68,070	\$84,545		24%					

## METROPOLITAN UTILITIES DISTRICT

August 30, 2023

**Subject:** SETTLEMENT OF COX COMMUNICATIONS CLAIM

**To:** Judiciary and Legislative Committee

**Cc:** All Board Members; President Doyle; Senior Vice Presidents Ausdemore, Langel, Lobsiger and Schaffart; and all Vice Presidents

**From:** Mark Mendenhall, Senior Vice President/ General Counsel

In late December 2021, District crews were working in the area of 36<sup>th</sup> and Cornhusker Road in Bellevue to install gas main pipelines. During the course of that work, a marked fiber optic utility line was damaged. The fiber optic line was subsequently determined to be owned and operated by Cox Communications.

Cox Communications repaired the damaged fiber optic utility and made a claim for costs to repair. The District's Claims Department engaged in a review of that claim and negotiated a proposed settlement of \$87,425.45. This settlement is reasonable and appropriate given the circumstances of this claim.

If you have any questions, please feel free to contact me.

Approved:

Mark Mendenhall  
SVP/ General Counsel

Mark Doyle  
President

**METROPOLITAN UTILITIES DISTRICT**  
*Inter-Departmental Communication*

APPROVED BY BOARD

August 29, 2023

**Subject:** DRINKING WATER STATE REVOLVING FUND LOAN

**To:** Members of the Board

cc: Doyle, Ausdemore, Mendenhall, Lobsiger, Melville, and all Vice Presidents

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

**Background**

In June 2022, the Board approved capital expenditures for three pilot stand-alone lead water service line replacement projects. The purpose of these pilot projects was to test the viability of starting a full-scale lead water service line replacement program and to gather information in anticipation of new requirements expected with the revised Lead and Copper Rule scheduled to go into effect in October 2024.

A cross functional committee was established to evaluate the results of the three pilot projects and to develop a formal program to replace all existing lead water service lines within the District's service area. There are approximately 16,000 lead water service lines within the system, including 12,000 verified and 4,000 assumed to contain lead. The committee has developed a plan to replace all of these lead water service lines by the end of 2034.

The estimated cost to replace all 16,000 lead water service lines by 2034 is approximately \$157 million. This assumes a cost of \$8,000 per service increased annually for inflation and includes the cost of verifying the composition of the remaining 4,000 services assumed to contain lead.

**Funding**

Management is exploring several funding opportunities for this program. One source currently available is the Drinking Water State Revolving Loan Fund (DWSRF) administered by the Nebraska Department of Environment and Energy (NDEE). Under the DWSRF program, \$40 million is currently available to the District for use in replacing lead water service lines.

DWSRF loans offer forgiveness of a portion of the balance, reducing the amount of principal required to be repaid. For example, the program offers 100% loan forgiveness for costs incurred to verify the number of lead service lines in the system (inventory verification). It also offers loan forgiveness for a portion of the cost of replacing lead service lines within disadvantaged communities. The percentage varies based on census tract data and the number of disadvantaged homeowners located within each area. Based on current projections, it is estimated that approximately 54% of the \$40 million loan would be forgiven, requiring repayment of approximately \$18.5 million.

In addition to the benefit of loan forgiveness, DWSRF loans offer other favorable terms. We anticipate this loan to include a 0% interest rate. Funds are received on a reimbursement basis, with the loan balance growing only as costs are incurred. Repayment begins approximately three years after the loan closing date. For example, repayment of a loan closed in 2023 would not begin until 2026.

Assuming a loan principal balance of \$18.5 million with repayment over 30 years, the annual debt service payments are estimated to be approximately \$626,000. The District currently budgets \$1.0 million per year to replace lead water service lines through the Water Infrastructure Replacement program. A portion of this \$1.0 million could be used to repay the DWSRF loan beginning in 2026. This would allow the District to leverage the use of the DWSRF program and utilize budgeted funds to repay the loan.

### **Summary**

A \$40 million DWSRF loan would provide significant funding to assist in launching this program and would establish a strong foundation for successful replacement of lead service lines within our community. It is estimated that this amount would allow the replacement of approximately 4,250 service lines.

Management is requesting approval to submit an application to the NDEE for a DWSRF loan in the amount of \$40 million to begin funding the District's Lead Water Service Line Replacement Program.

If granted approval to apply for the loan, Management will begin the financing process. Once the loan documents are completed, a resolution will be presented to the Board for approval prior to executing the final agreement.

While we continue to pursue other funding opportunities, the DWSRF loan program is expected to be the primary source of financing for this program now and through its completion. We anticipate the need for additional DWSRF loans in the future to assist in funding the remainder of the project. Management will request Board approval before applying for any additional loans.

An update on the Lead Water Service Line Replacement Program will be presented at the Board meeting on September 6, 2023. In addition to discussion of the DWSRF loan program, the presentation will include a summary of the Lead and Copper Rule requirements, the District's replacement strategy, other funding options, and plans for public outreach and communication. This information was also communicated to the Accounts, Expenditures, Finance & Rates Committee on August 29, 2023.



Mark F. Myers  
Senior Vice President, Chief Financial Officer  
(402) 504-7174

Approved:



Mark E. Doyle  
President



# Lead Water Service Line Replacement

**September 2023**

# Agenda

1. EPA's Lead and Copper Rule
2. Lead service overview
3. Strategy
4. Funding
5. Communication

# Overview – EPA Lead and Copper Rule

---

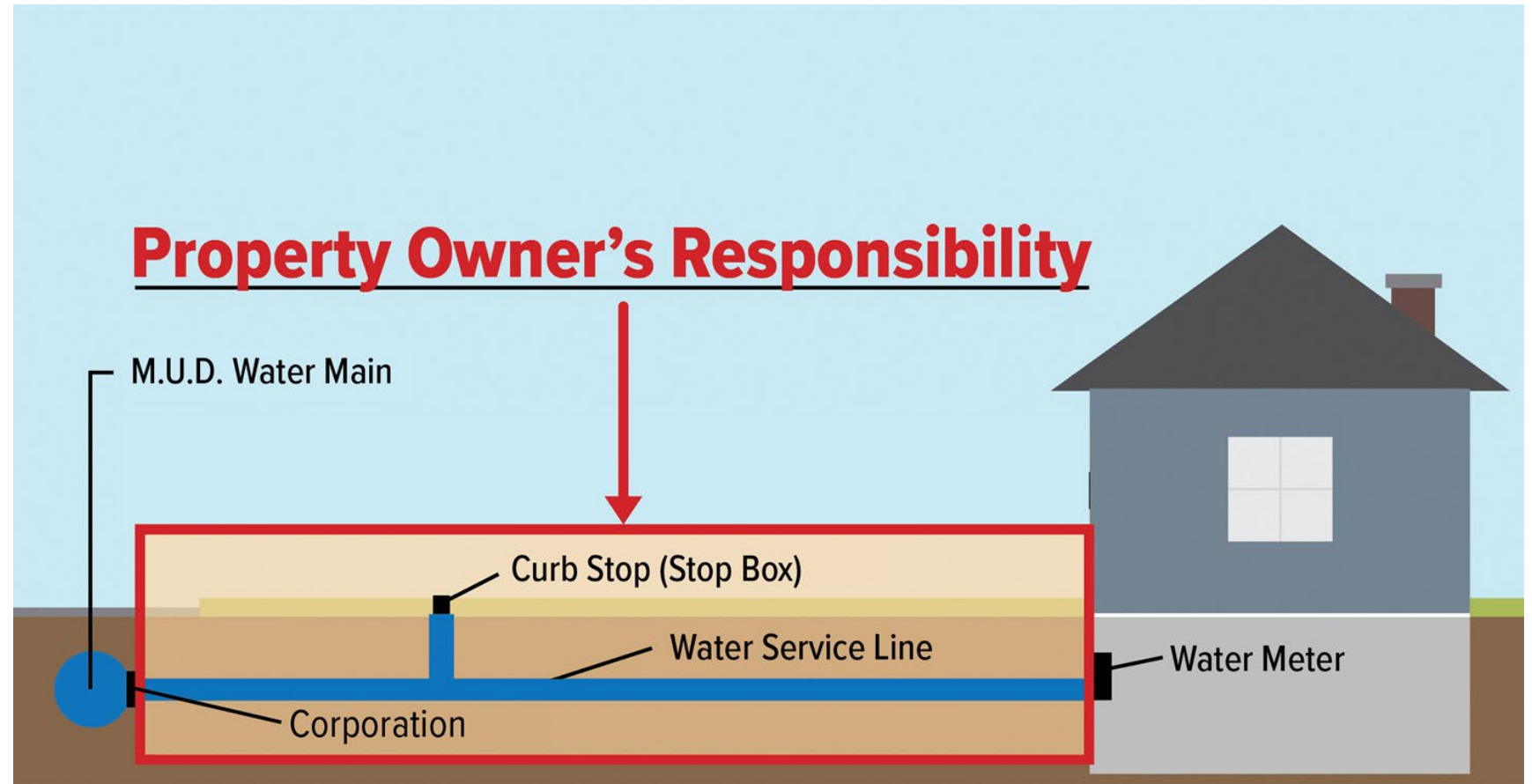
## Health Effects

- Reduction in cognitive ability
- Hyperactivity
- Decreased IQ and attention span
- Most at risk are pregnant women, infants and children

## Major Rule Changes

- Inventory
- Testing protocols
- Communication
- Escalated removal

# What is a Water Service?



# Lead Service Replacement thru IR

---

200

Lead Service Lines  
Replaced Each Year  
through Infrastructure  
Replacement

16,000

Lead Service Lines  
to Replace in Total

80

Years to  
Complete  
(Projected)

# Where are the Lead Service Lines?

72nd Street

# Funding

---

## Appropriations

1. \$10 million – LB 814 and 818 via State Senator McDonnell
2. \$4 million – Federal appropriation via Senator Fischer
3. No dollars designated currently – Pursuing State of Nebraska American Rescue Plan (ARPA) via North and South Omaha Grant Program



## State of Nebraska – State Revolving Fund

# Program Cost Estimate

---

**\$157M**

- Total estimated cost of \$157 million to fund:
  - *Replacement of lead water service lines*
  - *Inventory verification*
- General assumptions:
  - *16,000 lead service lines; 12,000 known + 4,000 unknown*
  - *Cost of \$8,000 per service increased annually for inflation*
  - *All 16,000 replaced by 2034*



# DWSRF Loan - \$40 million

---

- Loan Forgiveness:
  - *100% for inventory verification costs*
  - *Approximately 50% for service line replacement (percentage varies by census tract)*
- A \$40 million DWSRF funding agreement results in:
  - *Forgiveness/grant = \$21.5 million*
  - *Loan Principal = \$18.5 million*
- Loan repayments begins approximately 3 years after loan closing
  - *0% interest rate and no administrative fees*
  - *Repayment begins in June 2026 on loan closed in October 2023*
- Must spend proceeds with 5 years of closing date
- Annual debt service of approximately \$626,000 assumed over 30 years
  - *Use \$1 million budgeted WIR funds to repay loan starting in 2026*
  - *Leverages dollars for DWSRF loan forgiveness*
- No rate increases for loan payback

# Community Outreach

---

**2023**

- **Public forum**
- **Website**
- **Interactive map**

**2024**

- **Community meetings**
- **Neighborhood associations**
- **Public events**

# Communications

---

## Public

Medical facilities  
Schools  
Daycares  
Health Department

## Customer

Annual notification  
Project notices  
Testing

## Tier 1 Notifications

Testing results  
System-wide notifications  
State approved plans

# Questions?



# Annual Customer Satisfaction Survey

Customer Engagement

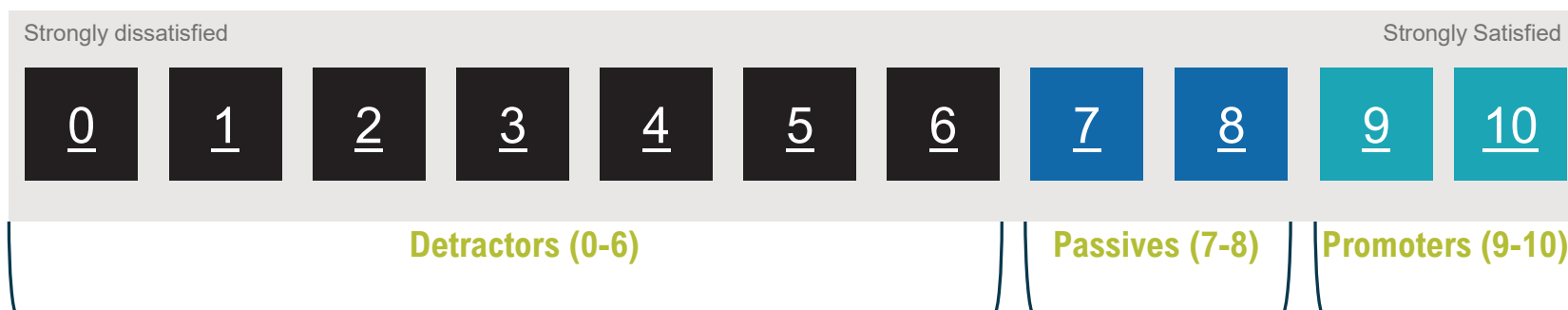
# Net Promoter Score (NPS)



# Net Promoter Score (NPS)

## Overall Customer Satisfaction

What is your overall satisfaction with Metropolitan Utilities District?





# Total Responses

**15,855 Responses**

Subdivision 1 – 15.3%

Subdivision 2 – 16.6%

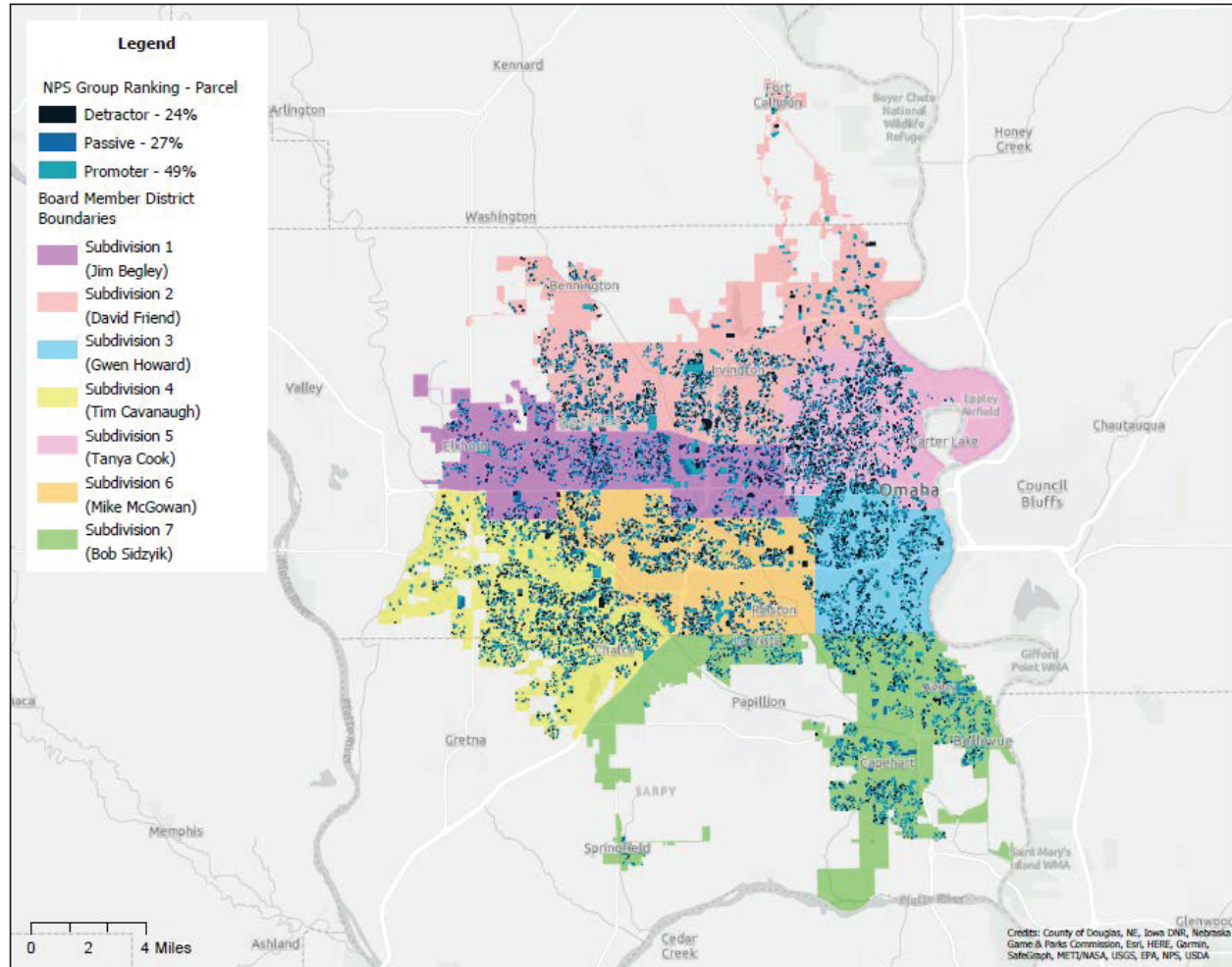
Subdivision 3 – 11.4%

Subdivision 4 – 16.2%

Subdivision 5 – 14.2%

Subdivision 6 – 14.3%

Subdivision 7 – 12.0%





# Promoters

I have never had an issue with water or gas. M.U.D. and their team make sure our services are always good to go.

Great response time with updated texts on time of arrival.

You're here when we need you. We will always need the products for our homes, so be encouraged to continue providing your products and services at an affordable cost.

Nice people to deal with. Courtesy call when my water usage was high.

You guys do a good job keeping our water safe to use and drink. Thank you.

Dependable service, rain or shine!!

So willing to help people who are in need of help.

# Detractors

My bill is very high. The charges for sewer are more than water and gas. It used to be sewer costs were based off water cost, now it is way more for sewer.

I'm not happy with how the prices keep going up.

The rates are outrageous! I'm on a fixed income and your prices keep going up and I'm not getting more money to take care of your rate increases.

Discouraged that your website does not have updates to water outages online 24 hours.

The cost is getting ridiculous for the cost of sewage to be higher than both gas or water!

Unable to use the website to pay bills due to not being able to log in.

Rates are excessive.



# M.U.D. Net Promoter Score

(Promoters – Detractors) / Number of Responses x 100  
 $(7,772 - 3,729) / 15,855 \times 100 = 25.50$

**Industry Standard for Utilities – 7.9**



# Areas of Opportunity

Where do we go from here?

- Increase communication and outreach
- Continued education
  - Customers
  - Employees
- More transaction-based surveys
- Quality Assurance
- Customer Preferences

# Questions?

# METROPOLITAN

---

## UTILITIES DISTRICT