

**METROPOLITAN UTILITIES DISTRICT**  
**DRAFT Committee Meetings Agenda**

Updated 11/27/2024 @ 10:45 am

8:15 a.m.

December 4, 2024

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

**Construction & Operations – Friend, Sidzyik, Cavanaugh**

1. Capital Expenditures [Kendall Minor – SVP & Chief Operations Officer] – **Tab 5**
2. Acceptance of Contracts and Payment of Final Estimates  
[Trevor Tonniges – Director, Plant Engineering] – **Tab 6**
3. Change Order 2 – Lake Cunningham Village Phase 2  
[Trevor Tonniges – Director, Plant Engineering] – **Tab 7**
4. Bids on Materials and Contracts [Jon Zellars – VP, Procurement & Enterprise Services] – **Tab 8**

**Personnel – Begley, Sidzyik, Friend**

1. Wage and/or Salary Increases and Ratification  
[Bonnie Savine – VP, Human Resources] – **Tab 10**
2. 2024 Wage Reopeners Recommendation [Bonnie Savine – VP, Human Resources] – **Tab 11**

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

1. Updated District Boundaries [Mark Mendenhall – SVP, General Counsel] – **Tab 12**
2. Interlocal Agreement – Lower Platte River Consortium  
[Rick Kubat – Government Relations Attorney] – **Tab 13**
3. Condemnation Authority – Moore Family Partnership [Justin Cooper – Attorney] – **Tab 14**

**Public Hearing**

1. Proposed Water Rate [Mark Myers – SVP and Chief Financial Officer] – **Tab 15**
2. Proposed Gas Rate [Mark Myers – SVP and Chief Financial Officer] – **Tab 16**
3. Proposed 2025 Gas and Water Budget  
[Mark Myers – SVP and Chief Financial Officer] – **Tab 17**

**Committee of the Whole**

1. Board Compensation Adjustment Discussion

**Public Comment**

***(Turn over for regular Board Meeting agenda)***

**METROPOLITAN UTILITIES DISTRICT**  
**DRAFT Regular Monthly Board Meeting Agenda**

9:00 a.m.

December 4, 2024

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes – Committee Meetings and Regular Board Meeting for November 4, 2024
- CONSTRUCTION & OPERATIONS** 5. Capital Expenditures
6. Acceptance of Contracts and Payment of Final Estimates
7. Change Order No. 2 – Lake Cunningham Village Phase 2
8. Bids on Materials and Contracts
9. Notice of Purchases Between \$25,000 & \$50,000
- PERSONNEL** 10. Wage and/or Salary Increases and Ratifications
11. 2024 Wage Reopeners Recommendation
- JUDICIAL & LEGISLATIVE** 12. Updated District Boundaries
13. Interlocal Agreement – Lower Platte River Consortium
14. Condemnation Authority – Moore Family Partnership
- ACCOUNTS, EXPENDITURES, FINANCE & RATES** 15. Proposed Water Rate (RESOLUTION)
16. Proposed Gas Rate (RESOLUTION)
17. 2025 Gas and Water Budget (RESOLUTION)
- COMMITTEE OF THE WHOLE** 18. Board Compensation Adjustment
- BOARD** 19. Other Matters of District Business for Discussion
20. Public Comment
21. CLOSED SESSION – Litigation, Personnel and Real Estate

**Adjourn Regular Monthly Board Meeting**

*(Turn over for Committee Meetings agenda)*

**METROPOLITAN UTILITIES DISTRICT**  
**Minutes of the Committee Meeting**  
**November 4, 2024**

Chairperson Jim Begley 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, October 20, 2024. 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 and posted on the MUD website on November 1, 2024.

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

**Safety Briefing**

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

**Open Meetings Act Notice**

Chairperson Begley 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**

Senior Vice-President and Chief Operations Officer Kendall Minor presented the proposed capital expenditures as outlined in his letter to the Committee dated October 24, 2024.

Director of Plant Engineering Trevor Tonniges reviewed the Acceptance of Contracts and Payment of Final Estimates as outlined in his letter to the Committee dated October 31, 2024.

Mr. Tonniges proceeded, presenting Change Order 1 for work with Judds Brothers Construction Co. This work is related to additional testing and changes in construction of

water mains in Gemini lot 2 as outlined in his letter to the Committee dated October 7, 2024.

Mr. Tonniges proceeded, presenting Amendment 1 for the Platte West plant process effluent dichlorination with HDR Engineering Inc. as outlined in his letter to the Committee dated October 16, 2024.

Finally, Mr. Tonniges presented Amendment 1 for the Platte West painting, thrust restraint, and sealant improvements with HDR Engineering Inc. as outlined in his letter to the Committee dated October 16, 2024.

Director of Facilities Management John Velehradsky presented Change Order 2 for mass grading work with JC Excavation for Construction Center 2. as outlined in his letter to the Committee dated October 25, 2024.

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 Lightfoot dated October 25, 2024.

Director of Engineering Design James Bartles presented the renewal of consultant agreement for water main design services with HGM Associates Inc. as outlined in his letter to the Committee dated October 22, 2024.

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

Vice-President of Engineering Masa Niiya presented the proposed main extensions as outlined in his letter to the Committee dated October 24, 2024.

Mr. Masa also provided the Members of the Board an update on the status of the Pheasant Point Landfill.

#### **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 October 24, 2024.

#### **Insurance and Pension – Howard, McGowan, Cook**

Senior Vice-President and Chief Financial Officer Mark Myers presented the recommendation for insurance brokerage services as outlined in his letter to the Committee dated October 29, 2024.

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

Senior Vice-President and Chief Financial Officer Mark Myers presented the Budget Workshop as a preliminary review of the 2025 budget with a focus on personnel and capital projects. He noted many budget decisions remain a 'work in progress' and

final decisions will be rendered over the course of the next month and will be presented to the Board for approval at the December 4<sup>th</sup> Board Meeting.

Mr. Myers stated that the proposed budget includes 943 full-time employees, a net increase of 18 compared to the 2024 budget. 9 of these new employees will be hired in advance of Construction Center 2 opening in 2026 to allow for proper training. 3 new employees will be hired to support the Lead Service Line Replacement Program and will mostly be paid out of grant funds. The hiring process for these 3 employees has begun to support the project. The remaining 6 positions are requests from Water Operations, Construction, Facilities Management and Accounting.

Mr. Myers highlighted that actual staffing has been running very close to the adjusted budget level each month this year due to lowering the budget by 3% for the impact of attrition. We plan to use the same attrition factor for the 2025 budget.

Mr. Myers recommended to hold the 2025 travel budget flat to the 2024 budgeted amount due to historic data indicating that we spend less on travel than budgeted. Director Friend asked if we notice the impact of more employees taking advantage of online training post-COVID which allows for less travel. President Mark Doyle and Mr. Myers indicated that, along with bringing training onsite, are both factors in the lower travel budget. Mr. Myers mentioned that there is a travel approval process in place that requires management approve before any travel may be arranged.

Next, Mr. Myers reviewed a summary of company-wide and individual memberships which are funded by the District and/or Northern Natural Gas marketing incentive funds.

Mr. Myers moved on to discuss the Water Department Capital Expenditures budget, reflecting the 2024 budget, 2024 projection and 2025 budget. He highlighted that capital spending for 2024 is projected to be \$12.4 million lower than budget. This is primarily due to water mains and other distribution system assets being \$7.2 million higher than budgeted and spending on all other asset types lower than budget. Most of this is timing related with most projects starting later than anticipated when the 2024 budget was prepared.

Capital Expenditures for 2025 are projected to be \$122.2 million, \$4.2 million lower than the 2024 budget. This includes \$78.5 million for construction of water mains and other distribution system assets, which is \$1.3 million more than the 2024 budget. The planned Capital Improvements at the District's three water treatment plants total \$27 million.

There are two major repump construction projects slated to begin in 2026, one reservoir and pump station in the Northwest and Southwest regions of our service area. The total spending on repumps is budgeted at \$9.3 million.

The 2025 budget also includes \$5.1 million for construction machines and \$2.2 million for furniture, equipment and other assets.

Funding for the Water Department budget includes service charge and commodity rates, developer contributions for water main construction, impact fees, and WIR fees. The primary funding for the three plant projects as well as some of the reservoir projects is bond financing.

Mr. Myers continued, discussing the Five-Year Projection of Water Plant Additions and Replacements. The cumulative spending over this time frame is anticipated to be \$775 million. Construction of water mains will represent a large portion of the spending with over the next several years with over \$70 million annually.

The Florence Water Treatment Plant CIP has a couple of large projects planned for 2026 and 2027 before we see a decrease in spending there.

As the Florence CIP winds down, we will ramp up the Platte South Water Treatment Plant CIP, expecting to spend about \$96 million over this time frame. We included \$18 million in the 2025 budget for Platte South to fund construction of a new electrical building and a new administrative building and site entrance.

A CIP has also been developed for the Platte West Water Treatment Plant with projects being phased in at the facility over the next few years.

Director McGowan asked if the construction costs for the three plant's CIPs included in-house and third party. Mr. Myers confirmed that the budgeted costs include design and construction, both internal and contracted.

The District's water master plan identified a need for two additional reservoirs and pump stations, one in both the Northwest and Southwest service areas. A current evaluation will determine which reservoir and pump station should be constructed first. The budget includes \$50 million to complete one reservoir and pump station and an additional \$20 million to begin work on the second reservoir and pump station. Land for the Southwest site was purchased in early 2024 with funds budgeted in 2025 to purchase land for the Northwest site. Design for one location will begin in 2025 with construction beginning in 2026 with targeted completion in 2028. The second location is scheduled to begin in 2027 with construction extending beyond the five-year planning window. Director McGowan asked if the Northwest pump station would be to supplement the pump station that was constructed near 156<sup>th</sup> and Dodge. Mr. Myers indicated that the new station would hold additional storage to support the Dodge pump station as well as pumping to distribute through the system in that service area.

The Water Master plan also identified the need for upgrades to existing pump stations as well as future upgrades to other pump stations. The first of these will be to the Harney pump station with a budgeted amount of \$8.5 million, \$400,000 of design

costs are budgeted in 2025 with construction to begin in 2026 and be completed in 2027. Future pump station projects are also included in the projection through 2029.

Spending on construction machines, furniture, equipment and other assets is expected to be relatively flat over the five-year term.

Many of the above-mentioned initiatives will be bond financed, including most of the Capital Improvement projects at the three water treatment plants as well as the Pump Station projects. The District issued bonds in 2022 for several of these projects. As of September 30, 2024, there is approximately \$31 million remaining from those bonds to facilitate these projects. We anticipate those funds to be exhausted by the end of quarter three in 2025. Another bond finance will be planned for later in 2025 to continue funding the water department capital improvements.

Another cost with significant impact is the water infrastructure program. Mr. Myers showed the main break frequency which continues to carry an enormous cost both in terms of financial resources and disruption (averaging 583 per year over the last 5-year period). There is not only a financial cost but a social cost to the disruption of homes and businesses. The 2024 water main breaks are trending lower this year as are the associated costs. Director Friend asked how many breaks we have encountered year to date. President Doyle reported we have 397 through the end of September with the average cost being \$13,797. We have spent \$5.4 million through September, which is considerably lower than the annual historic costs. Due to outstanding claims in the current year that have not yet been recorded, our cost per break is slightly lower year-to-date. But, we are trending in the right direction. President Doyle emphasized that, especially entering into the winter months, safety of our employees and the public is the highest priority.

The Districts' commitment to its Infrastructure Replacement (IR) program calls for annual replacement of 17 miles of aging, high consequence water mains in 2025. At the same time, the District will continue to expand efforts to deploy cost-reduction strategies including alternate installation methods such as pipe-bursting, using different material types such as PVC and HDPE, and using predictive technologies such as condition assessment and leak detection to proactively identify issues before they become main break events. We anticipate an increase in number of miles of mains replaced over the next few years, increasing to 18 miles per year in 2027. With over 1,300 leak loggers currently deployed, we have been able to identify and repair several leaks before they became costly and disruptive main breaks. The five-year plan assumes an average cost of \$2.3 million per mile of replacement with a cumulative cost of \$200 million. President Doyle also mentioned that there are over 40 miles of concrete mains in our system with pre-stressed cables in them. Between 13-15 miles of those mains are of concern due to a now defunct manufacturer error. Those mains are more costly to replace which is why the conditional assessment of those mains is of importance. \$1 million per year over the next 5 years will be budgeted for conditional assessment. Director McGowan inquired about the age of a main that was involved in a recent break downtown. President Doyle

emphasized that yes, many in the railcar zone are of similar age and we continue to assess which mains are higher risk in that area to determine which funding source will be used to replace those mains as the age of the main is only one factor, and often those mains are as good as new due to the construction of those mains. We continue to pursue grant opportunities to fund and expand these efforts.

Annual spending of the Water Infrastructure Program currently exceeds the annual revenue generated from the infrastructure components of rates. Rate increases will need to be considered for the foreseeable future in order to fully fund the IR program on a consistent basis. President Doyle added that while this is the preferred route, there are other options for the board to consider, such as lowering the number of miles replaced per year and extending the program or performing more conditional assessments.

Mr. Myers then presented the Gas Department Capital Expenditures budget, reflecting the 2024 budget, 2024 projection and 2025 budget. He discussed the higher than budgeted spend for 2024 due to higher than anticipated spending on gas mains and building projects, which are mostly offset by lower than planned spending on information technology projects, motor vehicles and furniture and equipment. The 2025 budget includes \$115.1 million, \$16.5 million more than the 2024 budget. This is due to the ramp up of the construction at Construction Centers 1 and 2. This budget includes \$44 million for the construction of gas mains and other distribution system assets, nearly equal to the budgeted amount in 2024.

The LNG Plant upgrades are nearing completion. Commissioning activities are under way and we expect the upgrades to be fully operational by the end of 2024. The \$2.4 million that is budgeted for LNG and Peak Shaving is due to a number of other smaller capital projects at the LNG plant and the propane air caverns in 2025.

Renovations of Construction Center 1 will continue in 2025 with a planned spending of \$6.8 million budgeted. \$32.3 million is budgeted for Construction Center 2.

Information Technology includes \$11.7 million, \$7.7 million of that is for the digital platform modernization project and the migration to S/4Hana that is expected to go live in early 2025. There is an additional \$2.5 million budgeted for post-implementation projects that have been identified as part of the migration.

Expenditures on Motor Vehicles is projected to be below budget in 2024. \$12.4 million has been budgeted in 2025. Furniture and equipment is also projected to be lower than budgeted in 2024 but is anticipated to be increase to \$4.6 million. These increases are due to outfitting Construction Center 2.

Mr. Myers continued, discussing the Five-Year Projection of Gas Plant Additions and Replacements which includes the Construction Centers 1 and 2 projects. One project is expected to be completed in 2026 and the other in 2027. Spending on the gas mains and distribution system assets remains in the min \$40 million range over the five-year

projection. As we are winding down on the replacement of the gas cast-iron mains (GIR 1.0) we are also introducing GIR 2.0 into the five-year projection. GIR 2.0 will focus on moving meters from inside homes to outside. Some of these will include main replacements as part of those projects as well. Spending will continue at a similar level to GIR 1.0.

The LNG plant renovation is expected to be completed by year end. Construction Center 1 renovations are expected to be complete in 2027 and Construction Center 2 construction in 2026.

Information Technology includes \$12 million for the digital platform modernization project and the migration to S4Hana that is expected to go live in early 2025.

Expenditures on Motor Vehicles and furniture and equipment is also projected to be relatively flat over the five-year projection.

The three major construction projects (LNG, CC1 and CC2) are funded with existing bond proceeds and no further bond financing is currently planned in the Gas Department through 2029.

Chairman Begley asked if there was an estimate for the longevity of GIR 2.0. Vice President of Engineering Masa Niiya shared this is anticipated to be 10 years. President Doyle indicated that the internal team will itemize GIR 2.0 to give the Board Members and idea of what the project entails beyond the meter migration as well as underground regulator stations. Chairman Begley asked if the GIR program will eventually be sunset. President Doyle indicated eventually the program, along with the GIR fee, will be eliminated and the cost of maintaining the infrastructure will move into the operating rates.

President Doyle closed by informing the Board Members as well as the public that the Water Master Plan is a public document and is available upon request.

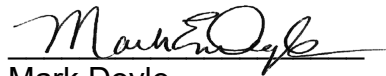
Director Cook asked if GIR 1.0 was expected to be the end of the GIR program and GIR 2.0 is a result of not meeting expectations of GIR 1.0. President Doyle said the GIR 1.0 program was created due to a national push to develop a distribution integrity management plan to resolve concerns with problematic low-pressure cast-iron gas mains in front of residences. GIR 2.0 is to address risk with other parts of the distribution system to having higher pressure gas lines running to gas meters inside of homes as well as moving the regulator stations above ground. Director Cook asked if a GIR 3.0 would follow. President Doyle stated at some point the GIR program will come to an end and the GIR rate will be eliminated. At this time the cost of maintaining the infrastructure will move into the operating cost charges. Director Howard how many interior meters have been replaced and how many are remaining. Vice President of Engineering Masa Niiya estimates there are 17,000 total in the District service area. He indicated there is no one area where these are concentrated, some blocks have them

inside every home and some are sprinkled throughout the neighborhood. This involves more planning to determine if a new main needs to be installed vs connecting to an existing main as well as the condition of the existing main. As far as the pace, we are looking to leverage the resources we have now and move meters outside as we are handling cast iron replacements. We anticipate replacing approximately 1,500 services per year over the next 10 years. That forecast will be adjusted in the budget as we learn with each project. The District is also subject to regulations requiring us to inspect the condition of our assets, including meter inside homes, for corrosion. By moving the meters outside, this will help us become more efficient in complying with those regulations. The new meter sets will allow us to adjust gas pressure entering a home to today's standard of 2 PSI vs 15 PSI piped to the meter inside the home on these older systems.

**Public Comment**

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

At 9:28 a.m., Chairperson Begley announced the Committee Meetings had concluded and the Board would reconvene in then minutes for the regular monthly Board Meeting.



Mark Doyle  
President & Secretary to the Board

MD/sec

**METROPOLITAN UTILITIES DISTRICT**  
**Minutes of the Regular Monthly Board Meeting**  
**November 4, 2024**

Chairperson Jim Begley called to order the Regular Board Meeting of the Metropolitan Utilities District Board of Directors at 9:40 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, October 20, 2024. 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 and posted on the MUD website on November 1, 2024.

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

**AGENDA NO. 1**

**ROLL CALL**

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

**AGENDA NO. 2**

**OPEN MEETINGS ACT NOTICE**

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

**AGENDA NO. 3**

**PLEDGE OF ALLEGIANCE**

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

**AGENDA NO. 4**

**APPROVAL OF MINUTES FOR THE COMMITTEE MEETINGS, REGULAR MONTHLY BOARD MEETING AND PUBLIC HEARING FOR OCTOBER 2, 2024.**

Director Cook moved to approve the minutes for the Committee Meetings and Regular Monthly Board Meeting for October 2, 2024, which was seconded by Director Howard and carried on a roll call vote.

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

Voting No: None

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

Director Friend moved to approve the proposed capital expenditures as presented in the Committee Meetings by Senior Vice-President and Chief Operations Officer, Kendall Minor as outlined in his letter to the Committee dated October 24, 2024. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

Voting Yes: Begley, Cook, Friend, McGowan, Howard, Cavanaugh  
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 Director Plant Engineering Trevor Tonniges and as outlined in his letter to the Committee dated October 31, 2024. The motion was seconded by Director Cook and carried on a roll call vote.

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

**AGENDA NO. 7**  
**CHANGE ORDER NO. 1 – PROJECT GEMINI**

Director Friend moved to approve the Change Order No. 1 for Project Gemini Lot 2 as presented in the Committee Meetings by Director Plant Engineering Trevor Tonniges and as outlined in his letter to the Committee dated October 7, 2024. The motion was seconded by Director Howard and carried on a roll call vote.

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

**AGENDA NO 8.**  
**AMENDMENT 1 – HDR PLATTE WEST DECHLORINATION AMENDMENT PROPOSAL**

Director Friend moved to approve the Amendment No. 1 for HDR Platte West Dechlorination Amendment Proposal as presented in the Committee Meetings by Director Plant Engineering Trevor Tonniges and as outlined in his letter to the Committee dated October 16, 2024. The motion was seconded by Director McGowan and carried on a roll call vote.

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

**AGENDA NO. 9**  
**AMENDMENT 1 – HDR PLATTE WEST PAINTING, THRUST RESTRAINT, AND SEALANT IMPROVEMENTS AMENDMENT PROPOSAL**

Director Friend moved to approve the Amendment No. 1 for HDR Platte West Painting, Thrust Restraint, and Sealant Improvements Amendment Proposal as presented in the Committee Meetings by Director Plant Engineering Trevor Tonniges and as outlined in his letter to the Committee dated October 16, 2024. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

**AGENDA NO. 10**  
**CHANGE ORDER NO. 2 – JC EXCAVATION**

Director Friend moved to approve the proposed change order for JC Excavation for work at CC2 as presented in the Committee Meetings by Director Facilities Management John Velehradsky as outlined in his letter to the Committee dated October 25, 2024. The motion was seconded by Director McGowan. The motion was carried on a roll call vote.

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

**AGENDA NO. 11**  
**BIDS ON MATERIALS AND CONTRACTS**

Director Friend moved to approve the bids on materials and contracts as presented in the Committee Meetings by Vice-President of Procurement and Enterprise Services Jon Zellars and as outlined in the letter to the Committee dated October 25, 2024, from Director of Procurement Sherri Lightfoot. The motion was seconded by Director McGowan and carried on a roll call vote.

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

**AGENDA NO. 12**  
**NOTICE OF PURCHASES BETWEEN \$25,000 AND \$50,000**

Director Friend requested that the Notice of Purchases letter dated October 23, 2024, from Director of Procurement Sherri Lightfoot be placed on file.

**AGENDA NO. 13**  
**RENEWAL OF CONSULTANT AGREEMENT FOR WATER MAIN DESIGN SERVICES**

Director Friend moved to approve the renewal of consultant water main design services as presented in the Committee Meetings by Director Engineering Design James Bartels and as outlined in his letter to the Committee dated October 22, 2024. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

**AGENDA NO. 14**  
**MAIN EXTENSIONS**

Director Friend moved to approve the proposed main extensions as presented in the Committee Meetings by Vice-President of Engineering Masa Niiya and as outlined in his letter to the Committee dated October 24, 2024, which was seconded by Director McGowan and carried on a roll call vote.

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

**AGENDA NO. 15**  
**WAGE AND/OR SALARY INCREASES AND RATIFICATIONS**

Director Begley moved to approve the Wage and/or Salary Increases and Ratifications as presented in the Committee Meetings by Vice-President of Human Resources Bonnie Savine and as outlined in her letter dated October 24, 2024. The motion was seconded by Director Howard and carried on a roll call vote.

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

**AGENDA NO. 16**  
**RFP FOR INSURANCE BROKER RECOMMENDATION**

Director Howard moved to approve the Recommendation to contract the services of Gallagher for Insurance Broker Services as requested in the Committee Meetings by Senior Vice President and Chief Financial Officer Mark Myers and as outlined in his letter dated October 29, 2024. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

**AGENDA NO. 17**  
**OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION**

Chairperson Begley asked whether any Board Members had any comments they wished to share.

Chairperson Begley announced that the January Committee and Board Meetings would take place on Wednesday, January 8, 2025, due to the New Years Holiday.

**AGENDA NO. 18**  
**PUBLIC COMMENT**

Chairperson Begley asked whether any members of the public were present who wished to address the Board.

Vice President of Gas Operations Jim Knight provided a brief update on the current District gas supply as we enter winter.

**AGENDA NO. 19**

**CLOSED SESSION – LITIGATION, PERSONNEL AND REAL ESTATE**

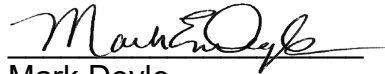
A Closed Session was not necessary.

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

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

Voting No: None

The regular Board Meeting was adjourned at 10:00 a.m.



Mark Doyle

President & Secretary to the Board

MD/sec

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 27, 2024

**Subject: CAPITAL EXPENDITURES**

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

**From:** Kendall Minor, SVP & Chief Operations Officer

The following items will be on the December 4, 2024, Committee Agenda for consideration and the Board Agenda for approval.

**BUILDINGS, PLANTS & EQUIPMENT**

**1. JOB #: WP2158** (100031000022 - \$150,000)

**TOTAL COST:** \$100,000

**LOCATION:** Florence Water Production Facility

**PURPOSE:** Recondition #2 Low Service Motor

**DESCRIPTION:** This request is to recondition the motor driving the #2 Low Service Pump at Florence. The 750 HP induction motor drives a 40 MGD raw water pump in the low service building. The reconditioning will include additional inspection and testing along with cleaning, rotor balancing, and varnishing to prolong the life of the motor. The total estimated cost includes work beyond the base scope that may result from inspection and testing.

This motor was installed in 1959, and the last reconditioning service was completed in 1997.

This work will take place in early 2025.

**2. JOB #:** (100084001355 - \$112,270)

**TOTAL COST:** \$112,270

**LOCATION:** Operations Center

**PURPOSE:** Floor Tile Removal and Concrete Floor Polishing

**DESCRIPTION:** Facilities Management is seeking approval to remove the existing floor tiles with asbestos mastic and perform concrete floor polishing in the main corridors, stairwells, Classroom A, and elevator at the Operations Center. The floor tile was originally installed during facility construction in the late 1960's. This work is being performed to remove the asbestos mastic and improve the facility's appearance to be in conformance with recently completed remodeling efforts. Work will include removing the existing floor tiles and mastic in accordance with safe asbestos removal and disposal procedures, grinding and polishing the concrete floor, and painting the steps in the stairwells.

## **SYSTEM IMPROVEMENTS**

The three system improvement projects listed below are all part of utility relocations necessitated by the City of Omaha Streetcar Project. The District entered into a Term Sheet with the City of Omaha in February 2023 that limits District costs relative to the District's Streetcar-related work to \$7,600,000. Board approval of these projects will allow them to move forward but will not commit District dollars in excess of the \$7.6 million already agreed to.

To ensure the District's total spend is less than \$7.6 million, Management recommends Board approval of a proposal provided to the City on October 8, 2024. Under the proposal, Management intends to limit District expenditures on Streetcar work in the near term to approximately \$6,500,000. Costs in excess of \$6,500,000 will be invoiced to the City for payment within 30 days. After project completion, a "true up" will be performed and, as necessary, payment will be made to the City to bring the District's total spend to \$7.6 million.

**1. JOB #: R2320 – STREETCAR PROJECT** (100054001170 - \$770,000) & (100068001153 - \$80,000)

**TOTAL COST:** \$850,000

**LOCATION:** Harney Street from South 10<sup>th</sup> Street to South 19<sup>th</sup> Street

**PURPOSE:** Relocate gas mains

**DESCRIPTION:** This work is required to eliminate conflicts on the City of Omaha's Streetcar Project OPW 54338. This phase will be the sixth of eight (8) gas relocation projects along the currently proposed streetcar route. This work is anticipated to begin January 2025 and will be constructed by District crews.

**2. JOB #: R1858 – STREETCAR PROJECT** (100053001587 - \$2,570,000) & (100067001558 - \$70,000)

**TOTAL COST:** \$2,640,000

**LOCATION:** Farnam Street and Harney Street Bridges over I-480

**PURPOSE:** Relocate water mains

**DESCRIPTION:** This work is required to eliminate water main conflicts on the City of Omaha's Streetcar Project OPW 54338. This phase is one of three (3) water relocation projects along the currently proposed streetcar route. This work is anticipated to begin December 2024 and will be constructed by Hawkins Construction Company.

**3. JOB #: R1858 – STREETCAR PROJECT** (100053001585 - \$3,760,000) & (100067001556 - \$70,000)

**TOTAL COST:** \$3,830,000

**LOCATION:** Farnam Street from Turner Boulevard to South 40<sup>th</sup> Street

**PURPOSE:** Relocate water mains

**DESCRIPTION:** This work is required to eliminate water main conflicts on the City of Omaha's Streetcar Project OPW 54338. This phase is one of three (3) water relocation projects along the currently proposed streetcar route. This work is anticipated to begin December 2024 and will be constructed by Hawkins Construction Company.

DocuSigned by:  
*Kendall Minor*  
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Kendall Minor  
SVP, Chief Operations Officer

Approved:

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

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 22, 2024

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

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

**From:** Trevor Tonniges, Director, Plant Engineering

The following items will be on the December 4, 2024, 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
a. OPERATIONS CENTER EXTERIOR BUILDING REPAIRS; WESTERN SPECIALTY CONTRACTORS OF AMERICA; 100084001338	6/5/2024	\$122,565.81	\$127,376.90

**Comments:** There was one change order that was approved on 10/9/2024 that represented an additional cost of \$4,811.09 for extra work to seal joints along the rooftop parking lot and garage. 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. CONTRACTED CAST IRON GAS MAIN REPLACEMENT, 38 <sup>TH</sup> AVE. TO 51 <sup>ST</sup> ST. & LEAVENWORTH ST. TO CENTER ST.; Q3 CONTRACTING, INC.; GP2656 (100092001670, 100042000126, 100082000040, 100082000041, 100082000042, 100082000043)	1/4/2023	\$1,654,489.23	\$1,454,051.80

**Comments:** There was a decrease of \$200,437.43 (-12.1%) for this project, largely due to a reduction in quantities for concrete driveway replacement, temporary pavement, and high-early strength concrete 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
<b>c. CONTRACTED CAST IRON GAS MAIN REPLACEMENT, N. 41<sup>ST</sup>. ST. TO N. 49<sup>TH</sup> ST. &amp; WIRT ST. TO MILITARY AVE.;</b> Q3 CONTRACTING, INC.;; GP2662 (100092001676, 100042000132, 100082000040, 100082000041, 100082000042, 100082000043)	1/4/2023	\$2,381,659.21	\$1,907,477.73

**Comments:** There was a decrease of \$474,181.48 (-19.9%) for this project, largely due to a reduction in quantities for concrete driveway replacement, temporary pavement, and high-early strength concrete 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
<b>d. HEADQUARTERS WINDOWS REPAIRS;</b> MID-CONTINENTAL RESTORATION CO INC.;; GP2892 (100084001341)	8/7/2024	\$7,503.40	\$7,503.40

**Comments:** There were no adjustments to quantities or change orders required for this project. 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>e. HEADQUARTERS GARAGE REPAIRS;</b> MCGILL RESTORATION INC.;; GP2893 (100084001342)	8/7/2024	\$24,131.00	\$24,131.00

**Comments:** There were no adjustments to quantities or change orders required for this project. 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>f.</b> INSTALL WATER MAINS IN LAKE CUNNINGHAM VILLAGE PHASE 2 AND APPROACH MAIN; SE OF N 96 <sup>TH</sup> ST. & STATE ST.; KERSTEN CONSTRUCTION; WP1708A (100055001340 & 100057000473)	11/2/2022	\$435,984.90	\$582,945.62

**Comments:** There was a net increase of \$146,960.72 (+33.7%) for this project, due to a change order in the amount of \$48,924.00, that was previously approved in September of 2023 to accommodate adjacent Douglas County roadway improvements. The roadway project was subsequently deferred by the County, resulting in change order no. 2, in the amount of \$107,460.43. There was also a small reduction in unit price quantities in the amount of \$9,423.71. 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>g.</b> INSTALL WATER MAINS IN WINDSOR WEST PHASE IV LOTS 98 THRU 227, SW. OF 180 <sup>TH</sup> ST. & GILES RD.; CEDAR CONSTRUCTION COMPANY INC.; WP1986 (100055001431)	2/1/2023	\$566,340.00	\$542,974.00

**Comments:** There was a decrease of \$23,366.00 (-4.1%) for this project, largely due to a reduction in quantities for water main, bend, sleeve and air relief 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
<b>h. INSTALL WATER MAINS IN THE HILL PHASE III LOTS 394-396, NE. OF 168<sup>TH</sup> ST. &amp; STATE ST.;</b> KERSTEN CONSTRUCTION INC.;; WP2007 (100055001442)	5/3/2023	\$289,238.50	\$324,512.45

**Comments:** There was a net increase of \$35,273.95 (+12.2%) for this project, largely due to an increase in project size and scope at the request of the developer, resulting in the addition of approximately 426 feet of 8" main and associated items. A remobilization item was paid due to the developer requesting that all contractors temporarily leave the site. There was also a \$2,700 charge to install a temporary end of main hydrant and reducer required to put the main in service. 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>i. INSTALL WATER MAINS IN BLUE SAGE CREEK 3, LOTS 1-172, SE. OF 222<sup>ND</sup> ST. &amp; GROVER ST.;</b> CEDAR CONSTRUCTION COMPANY INC.;; WP2024 (100055001447)	7/5/2023	\$855,948.00	\$810,666.70

**Comments:** There was a decrease of \$45,281.30 (-5.3%) for this project, largely due to a reduction in water main, bend, air relief and augering unit items. There was also a water work order that resulted in a reduction of \$423.00 for additional time required for flushing and sampling. All work required by the contract has been completed by the Contractor and is acceptable and in compliance with the Contract and Specifications.

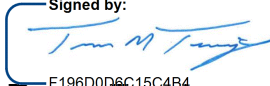
Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
j. PLATTE WEST WPF PERIMETER FENCE (EAST); EMPIRE NETTING & FENCE; WP2038 (100035000011)	5/1/2024	\$314,465.75	\$314,465.75

**Comments:** There were no adjustments to quantities or change orders required for this project. 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
k. 2816 STATE ST DEMO, GRADING & RESTORATION; BIG A DEMO & EXCAVATING LLC; WP2135 (100031000016)	8/7/2024	\$17,736.32	\$17,736.32

**Comments:** There were no adjustments to quantities or change orders required for this project. All work required by the contract has been completed by the Contractor and is acceptable and in compliance with the Contract and Specifications.

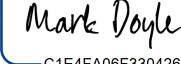
*\*Based upon Engineering's estimated unit quantities.*

Signed by:  
  
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**Trevor Tonniges**  
 Director, Plant Engineering

Approved:

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**Masa Niya**  
 Vice President  
 Engineering

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**Kendall Minor**  
 Senior Vice President  
 Chief Operations Officer

DocuSigned by:  
  
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**Mark Doyle**  
 President

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 12, 2024

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

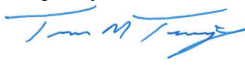
**To:** Committee on Construction & Operations  
**Cc:** All Board Members, Doyle, Minor, Myers, Mendenhall, Ausdemore, Lobsiger, and All Vice Presidents

**From:** Trevor Tonniges, 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, approved in September 2023, resulted in a net add of \$48,924.00. Change Order No. 2 will result in a net add of \$107,460.43. This will change the total contract price to \$592,369.33.


Change Order No. 2 represents an additional cost of \$107,460.43 due to additional design changes and additional construction efforts to install the 12” water main, hydrant, and connections to accommodate the future Douglas County roadway improvements. These changes were necessary to accommodate future roadway improvements by Douglas County. Engineering was notified of the future roadway 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.


Signed by:  
  
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Trevor Tonniges  
Director, Plant Engineering

**Approved:**

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Masa Niya  
Vice President,  
Engineering

DocuSigned by:  
  
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Kendall Minor  
Sr. Vice President,  
Chief Operations Officer

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Mark Mendenhall  
Sr. Vice President,  
General Counsel

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Mark Doyle  
President

**QA/QC**  
ALG  
11/12/2024

METROPOLITAN UTILITIES DISTRICT  
*Inter-Department Communication*

November 22, 2024

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

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

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

The following items will be on the December 4, 2024 Committee Agenda for consideration and the December 4, 2024 Board Agenda for approval. The recommended bid is bolded and listed first. Nonlocal bidders have been indicated in italics.

**JOINT CONTRACT**

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders*</u>	<u>Bid Amount</u>
Joint Contract – City of Omaha Streetcar Project OPW 54338; Bridge Package 100053001587, 100067001558 R1858 Engineering Estimate: \$1,647,595.00	4/2	<b>Hawkins Const.</b> <i>General Excavating</i>	<b>\$1,305,753.72**</b> 1,685,499.84

\*If different than the water main subcontractor, the general contractor of City of Omaha Project OPW 54338 is in parenthesis.

\*\*The District and the City of Omaha previously agreed as part of the joint contracting process that the lowest overall bid for the project be accepted.

(A C&A in the amount of \$2,640,000.00 will be presented to the Board on December 4, 2024 for approval.)

Joint Contract – City of Omaha Streetcar Project OPW 54338; Utilities West Package 4A 100053001585, 100067001556 R1858	4/2	<b>Hawkins Const.</b> L.G. Roloff Const.	<b>\$2,373,280.72**</b> 3,300,022.50
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Engineering Estimate: \$4,216,645.00

\*If different than the water main subcontractor, the general contractor of City of Omaha Project OPW 54338 is in parenthesis.

\*\*The District and the City of Omaha previously agreed as part of the joint contracting process that the lowest overall bid for the project be accepted.

(A C&A in the amount of \$3,830,000.00 will be presented to the Board on December 4, 2024 for approval.)

**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>
Click Field Service Edge Software License Agreement Renewal (January 1, 2025 to December 31, 2026)	1/1	<b>Salesforce</b>	<b>\$310,587.36</b>
ESRI Enterprise Advantage Program and Enterprise License Agreement Renewal (December 31, 2024 to December 30, 2029)	1/1	<b>ESRI</b>	<b>\$2,350,000.00</b>

**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>
Four (4) Regular Cab, Cab and Chassis with Dump Body, Tandem Dump Truck Application (CNG) 100088000848	7/2	<b>Truck Center</b> Midwest Peterbilt	<b>\$988,268.00</b> 844,392.00*

\*Bid Withdrawn

(C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 3, 2024 in the amount of \$18,794,100.00.)

One (1) Engine Driven Welder 100090001511	3/3	<b>Matheson</b> MSC Airgas	<b>\$28,103.03</b> 34,394.12 35,721.46
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(C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 3, 2024 in the amount of \$18,794,100.00.)

Asbestos Tile Abatement, Polish Concrete Floors and Painting at Operations Center 100084001355	3/2	<b>Jamco Abate. Svs.</b> McGill Asbestos Abate.	<b>\$97,177.00</b> 102,780.00
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Engineering Estimate: \$92,500.00

(A C&A in the amount of \$112,270.00 will be presented to the Board on December 4, 2024 for approval.)

Request for Proposals/Request for Qualifications -Water Pitcher & Water Test Kits Distribution	2/2	<b>TruePani</b> 120Water	<b>\$187,596.00</b> 370,720.00
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(An Annual C&A for Water Service Replacements approved January 3, 2024 in the amount of \$13,017,490.00)

**ANNUALS**

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Diesel- Construction Center (January 1, 2025 to December 31, 2025)	4/4	<b>Nebraska-Iowa Supply</b> <i>Petroleum Traders</i> Sapp Bros Harms Oil	<b>\$385,523.00</b> 443,621.50 476,637.50 485,428.00
Gasoline – Operating Center (January 1, 2025 to December 31, 2025)	4/4	<b>Nebraska-Iowa Supply</b> <i>Petroleum Traders</i> Harms Oil Sapp Bros	<b>\$330,382.50</b> 364,250.25 384,909.00 397,810.00
Water Meters – 1 ½” Size (400 Units) (January 1, 2025 to December 31, 2025)	5/4	<b>Master Meter</b> <i>Badger Meter</i> DSG <i>Technology Intl</i>	<b>\$144,880.00</b> 210,856.00 252,000.00 646,000.00
Water Meters – 2” Size (250 Units) (January 1, 2025 to December 31, 2025)	5/4	<b>Master Meter</b> <i>Badger Meter</i> DSG <i>Technology Intl</i>	<b>\$127,140.00</b> 174,320.00 187,500.00 511,250.00

Ductile Iron Retainer Glands Accessory Pack and Gland Packs (January 1, 2025 to December 31, 2025)	3/3	<b>Omaha WinWater</b> Core and Main American UGD	<b>\$246,809.29</b> 251,411.95 254,768.82
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**ANNUALS**

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid/Bid Value#</u>
Quick Lime (6,000 tons by Rail) Florence WTP (December 5, 2024 to August 31, 2025)	7/1	<b>Mississippi Lime</b>	<b>\$1,589,820.00/ 1,553,272.00</b>

#Bid Value based on percentage of available Calcium Oxide (CaO)

Quick Lime (2,000 tons by Truck) Florence WTP (December 5, 2024 to August 31, 2025)	7/1	<b>Mississippi Lime</b>	<b>\$682,000.00/ 666,322.00</b>
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#Bid Value based on percentage of available Calcium Oxide (CaO)

DocuSigned by:

*Sherri A. Lightfoot*

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

Approved:

DocuSigned by:

*Jon Zellars*

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**Jon Zellars**  
Vice President, Procurement and Enterprise Services

Signed by:

*Steve Ausdemore*

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

DocuSigned by:

*Mark E. Doyle*

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**Mark E. Doyle**  
President

METROPOLITAN UTILITIES DISTRICT  
Inter-Department Communication

November 22, 2024

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

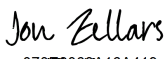
**To:** All Board Members  
cc: Doyle, Ausdemore, Lobsiger, Mendenhall, Minor, Myers and all Vice Presidents

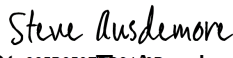
**From:** Sherri A. Lightfoot, Director, Procurement


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

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidder</u>	<u>Amount Bid</u>
Diesel – Florence, LNG, Platte South, Platte West, Rainwood Pump Station (January 1, 2025 to December 31, 2025)	4/3	<b>Nebraska- Iowa Supply</b>	<b>\$37,682.40</b>
		Sapp Bros	45,714.60
		Harms Oil	48,666.90
Gasoline – Florence, LNG, Platte South, Platte West (January 1, 2025 to December 31, 2025)	4/3	<b>Nebraska-Iowa Supply</b>	<b>\$43,758.21</b>
		Sapp Bros	50,937.80
		Harms Oil	52,409.26

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

Approved:  
DocuSigned by:  
  
Jon Zellars  
Vice President, Procurement and Enterprise Services

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

DocuSigned by:  
  
Mark E. Doyle  
President

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

November 22, 2024

**Subject: Wage and/or Salary Increases and Ratifications, December 2024 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, Minor and Myers

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

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

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

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

**Employee:** **Brett Aaberg**  
**Current position (department):** Pipe Layer (Construction)  
**New position (department):** Meter Reader – Car Route (Meter Services)  
**Current rate; step/grade:** \$34.15; Step 2  
**Proposed rate; step/grade:** \$36.90; Step 4  
**Percent of increase:** 8.05%  
**District hire date:** May 16, 2022

**Employee:** **Jeffrey Carman**  
**Current position (department):** Material Handler II (Stores)  
**New position (department):** Crew Leader – Material Handling (Stores)  
**Current rate; step/grade:** \$42.14; Step 4  
**Proposed rate; step/grade:** \$44.78; Step 4  
**Percent of increase:** 6.26%  
**District hire date:** July 8, 2013

**Employee:** **Trisha Miller**  
**Current position (department):** Administrative Clerk III (Field Services)  
**New position (department):** Administrative Clerk V (Field Services)  
**Current rate; step/grade:** \$32.06; Step 4  
**Proposed rate; step/grade:** \$34.51; Step 1  
**Percent of increase:** 7.64%  
**District hire date:** February 18, 2014

## Wage and/or Salary Increases and Ratifications

December 2024

Page 2

**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.

**Employee:** Dean Bedell  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Customer Service Technician Trainee (Field Services)  
**Current rate; step/grade:** \$28.60; Step 2  
**Proposed rate; step/grade:** \$29.82; Step 3  
**Percent of increase:** 4.27%  
**District hire date:** June 26, 2023

**Employee:** Travis Bryant  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Customer Service Technician Trainee (Field Services)  
**Current rate; step/grade:** \$30.19; Step 3  
**Proposed rate; step/grade:** \$31.39; Step 4  
**Percent of increase:** 3.97%  
**District hire date:** January 23, 2023

**Employee:** Alex Case  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Customer Service Technician Trainee (Field Services)  
**Current rate; step/grade:** \$28.60; Step 2  
**Proposed rate; step/grade:** \$29.82; Step 3  
**Percent of increase:** 4.27%  
**District hire date:** July 10, 2023

**Employee:** Daniel Hulsebus  
**Current position (department):** Water Maintenance Trainee (Water Distribution)  
**New position (department):** Customer Service Technician Trainee (Field Services)  
**Current rate; step/grade:** \$28.74; Step 2  
**Proposed rate; step/grade:** \$29.82; Step 3  
**Percent of increase:** 3.76%  
**District hire date:** November 6, 2023

Wage and/or Salary Increases and Ratifications

December 2024

Page 3

**Employee:** **Scott Rytter**  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Customer Service Technician Trainee (Field Services)  
**Current rate; step/grade:** \$28.60; Step 2  
**Proposed rate; step/grade:** \$29.82; Step 3  
**Percent of increase:** 4.27%  
**District hire date:** June 26, 2023

**Employee:** **Timothy Weimer**  
**Current position (department):** Water Maintenance Trainee (Water Distribution)  
**New position (department):** Customer Service Technician Trainee (Field Services)  
**Current rate; step/grade:** \$30.33; Step 3  
**Proposed rate; step/grade:** \$31.39; Step 4  
**Percent of increase:** 3.49%  
**District hire date:** April 24, 2023

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

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

**Employee:** **Patricia Baker**  
**Current position (department):** Computer Aided Drafting Technician I (Engineering Design)  
**New position (department):** Computer Aided Drafting Technician II (Engineering Design)  
**Current rate; step/grade:** \$31.15; Step 4  
**Proposed rate; step/grade:** \$34.36; Step 2  
**Percent of increase:** 10.30%  
**District hire date:** February 22, 2022

**Employee:** **Michael Deleon**  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Pipe Layer (Construction)  
**Current rate; step/grade:** \$31.78; Step 4  
**Proposed rate; step/grade:** \$34.15; Step 2  
**Percent of increase:** 7.46%  
**District hire date:** November 28, 2022

Wage and/or Salary Increases and Ratifications

December 2024

Page 4

**Employee:** Reid Hanson  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Pipe Layer (Construction)  
**Current rate; step/grade:** \$31.78; Step 4  
**Proposed rate; step/grade:** \$34.15; Step 2  
**Percent of increase:** 7.46%  
**District hire date:** November 7, 2022

**Employee:** Dawson Kline  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Pipe Layer (Construction)  
**Current rate; step/grade:** \$31.78; Step 4  
**Proposed rate; step/grade:** \$34.15; Step 2  
**Percent of increase:** 7.46%  
**District hire date:** November 28, 2022

**Employee:** Terrance Stephens  
**Current position (department):** Pipe Layer Trainee (Construction)  
**New position (department):** Pipe Layer (Construction)  
**Current rate; step/grade:** \$31.78; Step 4  
**Proposed rate; step/grade:** \$34.15; Step 2  
**Percent of increase:** 7.46%  
**District hire date:** October 10, 2022

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

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

**Employee:** Nick Ahl  
**Current position (department):** Computer Aided Drafting Technician I (Engineering Design)  
**New position (department):** Sr. Engineering Technician – Operations (Plant Engineering)  
**Current rate; step/grade:** \$26.48; Step 1  
**Proposed rate; step/grade:** \$81,973; SPA – 03  
**Percent of increase:** 48.83%  
**District hire date:** December 18, 2023

**Employee:** Chadwick Haffke  
**Current position (department):** Customer Service Technician – Fitter (Field Services)  
**New position (department):** Sr. Engineering Technician – Operations (Plant Engineering)  
**Current rate; step/grade:** \$47.31; Step 4  
**Proposed rate; step/grade:** \$102,656; SPA – 03  
**Percent of increase:** 4.32%  
**District hire date:** November 26, 2018

Wage and/or Salary Increases and Ratifications

December 2024

Page 5

**Employee:** **Gage Hartline**  
**Current position (department):** Field Engineer I (Construction)  
**New position (department):** Sr. Engineering Technician – Operations (Plant Engineering)  
**Current rate; step/grade:** \$72,974; SPA – 01  
**Proposed rate; step/grade:** \$81,973; SPA – 03  
**Percent of increase:** 12.33%  
**District hire date:** September 13, 2021

**Employee:** **Richard Irwin**  
**Current position (department):** Gas Plant Engineer (Gas Production)  
**New position (department):** Gas Production Operating Foreman (Gas Production)  
**Current rate; step/grade:** \$48.64; Step 4  
**Proposed rate; step/grade:** \$114,922; SPA – 05 (Includes Compression)  
**Percent of increase:** 13.59%  
**District hire date:** July 12, 1999

**Employee:** **Lynn Kaluza**  
**Current position (department):** Accounting Clerk I (Accounting)  
**New position (department):** Purchasing Administrator (Purchasing)  
**Current rate; step/grade:** \$33.85; Step 4  
**Proposed rate; step/grade:** \$73,928; SPA – 01  
**Percent of increase:** 5.00%  
**District hire date:** November 19, 2018

**Employee:** **Jared Tomes**  
**Current position (department):** Engineer I (Infrastructure Integrity)  
**New position (department):** Engineer II (Infrastructure Integrity)  
**Current rate; step/grade:** \$94,811; SPA – 02  
**Proposed rate; step/grade:** \$99,552; SPA – 04  
**Percent of increase:** 5.00%  
**District hire date:** April 15, 2019

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

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

**Employee:** **Chad Juszyk**  
**Current position (department):** Water Analyst I (Water Quality)  
**Current rate; step/grade:** \$78,500; SPA – 01  
**District hire date:** November 18, 2024

Wage and/or Salary Increases and Ratifications  
December 2024  
Page 6

**Employee:** **Erinn Wilkins**  
**Current position (department):** Water Analyst I (Water Quality)  
**Current rate; step/grade:** \$78,500; SPA – 01  
**District hire date:** November 18, 2024

DocuSigned by:

*Bonnie Savine*

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Bonnie Savine

Vice President, Human Resources

**APPROVED:**

DocuSigned by:

*Mark Mendenhall*

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Mark A. Mendenhall

Senior Vice President, General Counsel

DocuSigned by:

*Mark Doyle*

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Mark E. Doyle

President

## METROPOLITAN UTILITIES DISTRICT

November 26, 2024

### **Subject: 2024 BARGAINING UNIT WAGE RE-OPENER**

**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, Minor, and Myers

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

The District's Collective Bargaining Agreement (CBA) with the IBEW #1521 ("Agreement") includes language that an annual wage re-opener will be conducted each year. This language provides the opportunity for employees occupying positions covered by the Agreement to petition a committee consisting of two (2) union and two (2) management representatives to adjust the pay for their position based upon significant changes in their respective duties and responsibilities that have taken place since either the date the job description was created or last updated. Supervisors and employees meet with the Committee to present their position(s) and to answer any questions the Committee may have. In accordance with the CBA language, the Committee as a whole must agree to the adjustment of a wage rate or no change will occur.

For the 2024 Wage Re-Opener, the Committee held nineteen (19) meetings encompassing seventy-one (71) requestors reviewing sixteen (16) jobs. The Committee is recommending adjustments to two (2) jobs, affecting wages for five (5) employees.

The following wage or job adjustments are recommended:

#### **Administrative Clerk V (10009) – Customer Receivables**

The Administrative Clerk V job classification is assigned to the Customer Receivables Division. There is one (1) employee assigned to this position.

Duties that are new to the role include arranging customer payments by setting up installment plans related to Collections, reviewing corrected bills with customers, and helping to resolve customer complaints. These new duties have allowed this position to effectively and efficiently address customer concerns with overdue accounts. This role has taken on additional responsibilities related to escalations from Collection Service Representatives.

It is the conclusion of the Committee the duties performed by the employee of this Administrative Clerk V position are better identified by the Administrative Clerk VI job classification. The Committee recommends employee Kimberly Plummer be promoted to the position of Administrative Clerk VI.

2024 Bargaining Unit Wage Re-opener  
Page 2

The Committee is recommending the following adjustments:

Job Re-Classification & Wage Adjustment:

The employee is at Standard Wage of the position, which is \$40.60 per hour. Kimberly Plummer will be placed at \$42.13 per hour – Standard Wage of the Administrative Clerk VI effective December 7, 2024.

This recommendation has been reviewed by Senior Vice President, Sue Lobsiger.

**Senior Mechanic (10225) - Transportation**

The Senior Mechanic job classification is assigned to the Transportation Division. There are four (4) employees assigned to the Senior Mechanic position in the Transportation Division.

The responsibilities of this role related to Compressed Natural Gas (“CNG”), including CNG vehicles, CNG Fuel Systems, and CNG dispensers have evolved, requiring advanced training and skills. The District’s fleet and related technology have also experienced changes expanding the breadth of knowledge and accountability required for this role.

The Committee is recommending the following adjustments:

Wage Adjustment:

Matthew Davison, Aaron Mays, Theodore Reis, and Thomas Zach are at the Standard Wage of Senior Mechanic \$46.35 per hour. The recommended adjustment increases the Standard Wage of the Senior Mechanic to \$47.74 per hour. Matthew Davison, Aaron Mays, Theodore Reis, and Thomas Zach will be placed at \$47.74 per hour – Standard Wage effective December 7, 2024.

This recommendation has been reviewed by Senior Vice President, Steve Ausdemore.

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*Bonnie Savine*  
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Bonnie Savine  
Vice President, Human Resources

**APPROVED:**

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*Mark Mendenhall*  
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Mark A. Mendenhall  
Sr. Vice President, General Counsel

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*Mark Doyle*  
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Mark E. Doyle  
President

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 14, 2024

**Subject:** Updated District Boundaries

**To:** Judiciary and Legislative Committee

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

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

Throughout the course of the year, the District has entered into main extension agreements with developers seeking water, gas or both to serve various residential or commercial subdivisions. The result of those main extension agreements is an expansion of the District's boundaries.

Management is recommending the Board adopt and approve the updated boundaries as depicted on the attached map. Newly served areas can be identified on the attached subdivision maps in yellow with red cross hatch. The various newly served areas are also numbered and indexed on the bottom of each page. In total, there are fourteen new subdivisions spread throughout Douglas and Sarpy Counties. There were no additions to Washington or Saunders Counties.

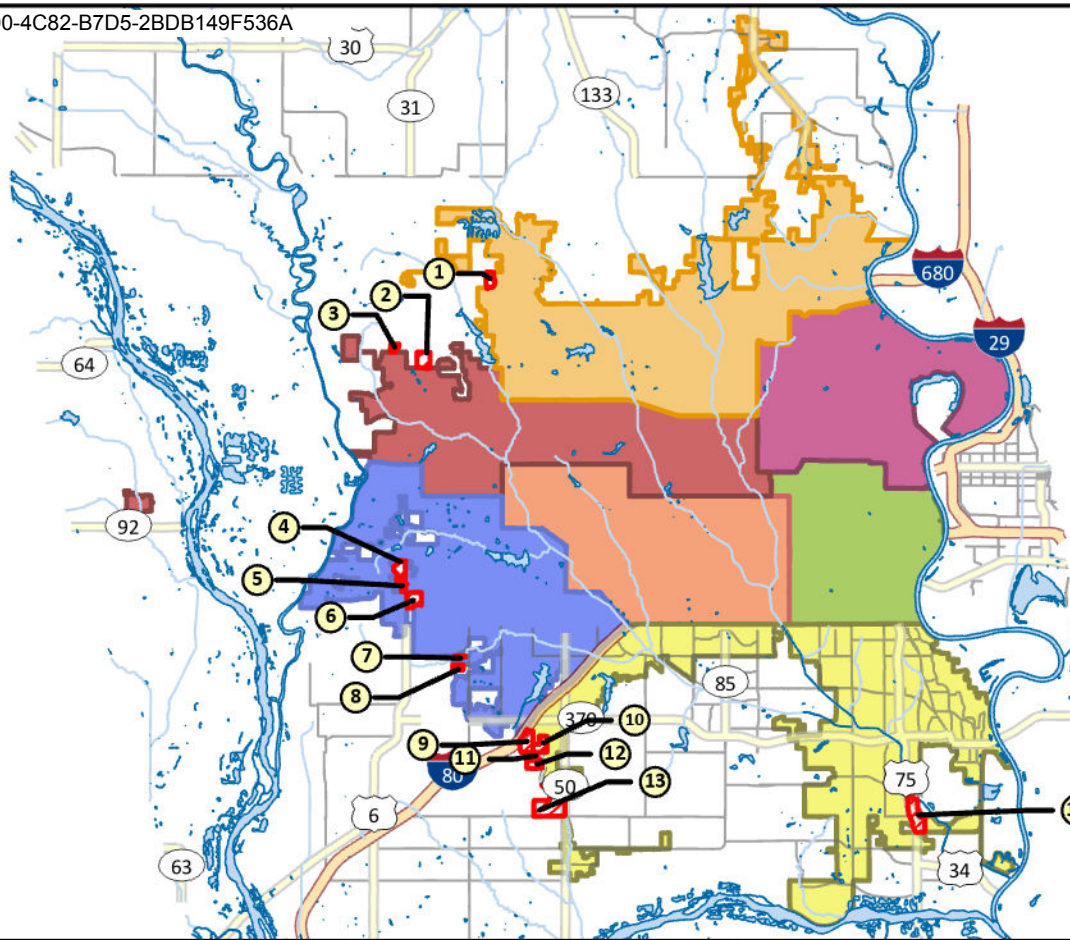
After Board approval of the recommended changes, I will communicate the changes to a number of entities including the various election commissioner offices for the counties served by the District as well as the Nebraska Secretary of State's Office.

This matter is on the agenda for the Committee meeting on December 4, 2024 and the regular Board meeting to follow. I will be present to answer any questions you may have.

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*Mark Mendenhall*  
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Mark Mendenhall  
Senior Vice President/General Counsel

Approved:

DocuSigned by:  
*Mark Doyle*  
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Mark Doyle  
President



**METROPOLITAN  
UTILITIES DISTRICT**

**M.U.D. Service Area  
2024 Additions**

**Legend**

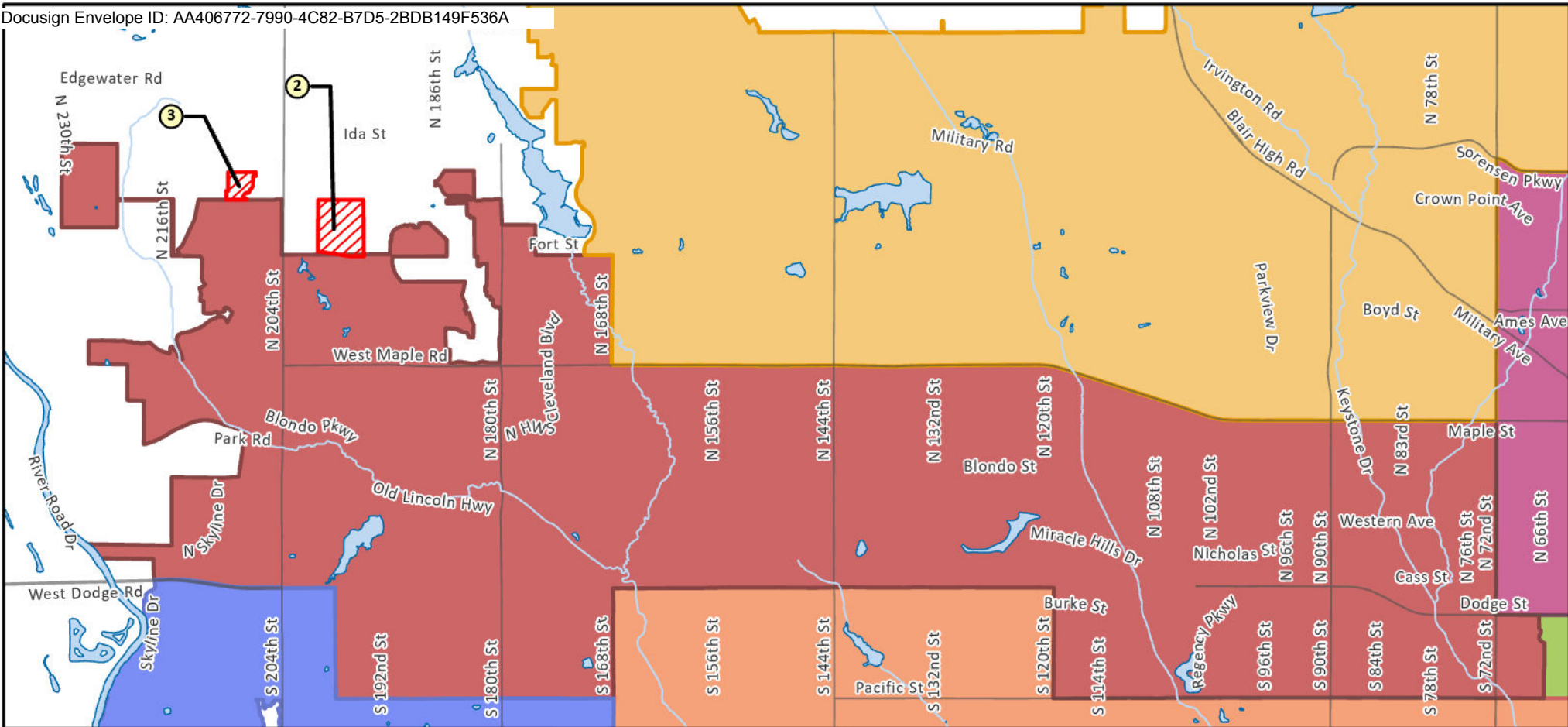
**District**

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- D2
- D3
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- D7
- BoundaryAdditions2024



**Index Project Number New Addition**

1	WP2077	Stratford West Subdivision Lots 1-236 & Outlots "A"-"k"
2	WP1894	Avante Subdivision Lots 1-272
3	WP1911	Acadia Ridge Subdivision Lots 1-114
4	WP1939	Iron Bluff Subdivision Lots 93-104
5	WP1974	Kensington Park Lots 3-12 & 14-15
6	WP1890	South Streams Subdivision Lots 1-240
7	WP1870	S 182nd st W to S 186th st
8	WP1986	Windsor West Subdivision Lots 98-227
9	WP1966	Steel Ridge South Lots 4-8
10	WSC100075003376	15203 Gold Coast Road
11	WP2087	Sarpy West Industrial Sub. Lot 1
12	WP2010	R&R Commerce Park South Lot 4
13	WP1842	S 168th st and Capehart Rd Main Extension
14	WP1907	FCC Holdings and Waste Connections E of JFK FWY/HWY



**METROPOLITAN  
UTILITIES DISTRICT**

**Subdivision 1**  
2024 Additions

**Legend**

**District**

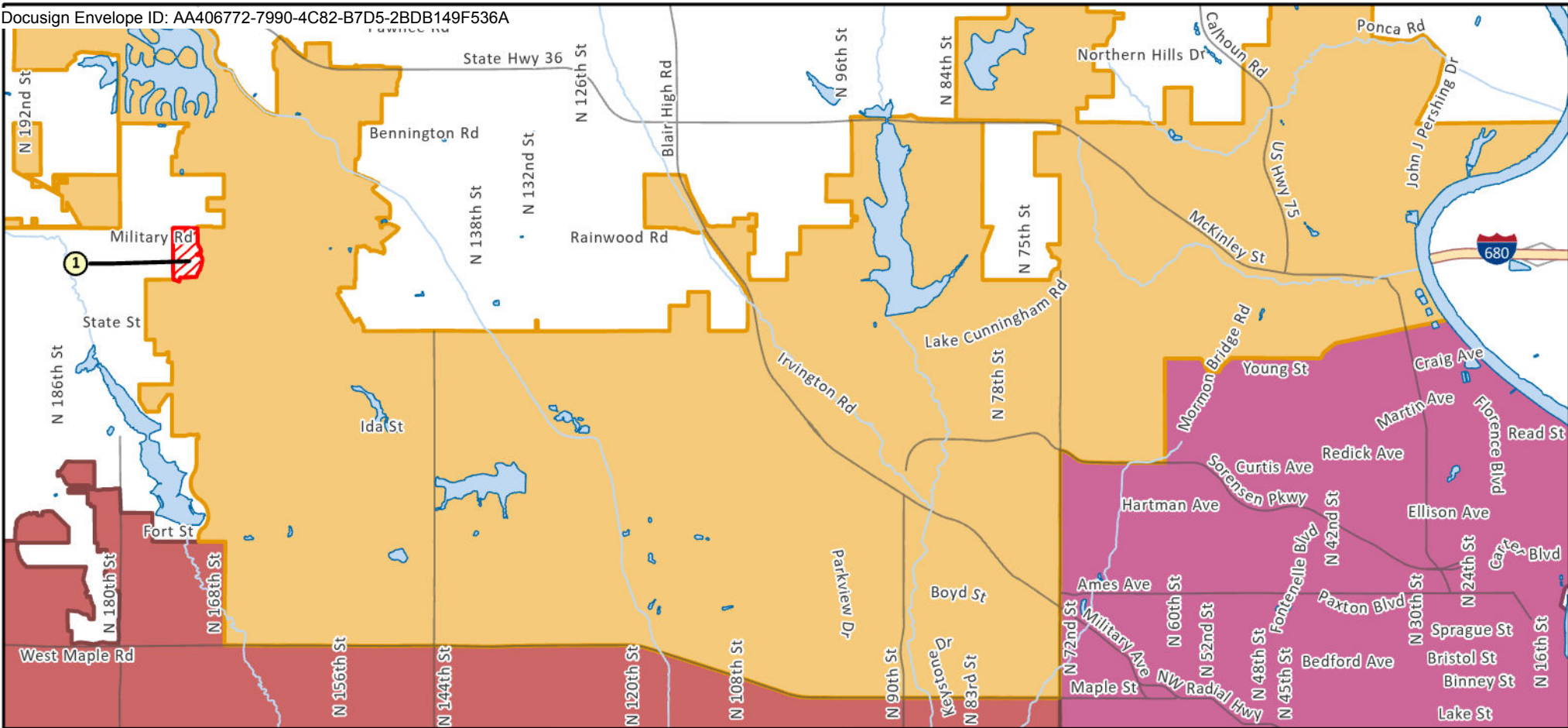
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BoundaryAdditions2024



**Index Project Number New Addition**

Index	Project Number	New Addition
1	WP2077	Stratford West Subdivision Lots 1-236 & Outlots "A"-"k"
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14	WP1907	FCC Holdings and Waste Connections E of JFK FWY/HWY



**METROPOLITAN  
UTILITIES DISTRICT**

**Subdivision 2**  
2024 Additions

Created By: SP  
Date Created: 11/8/2024

**Legend**

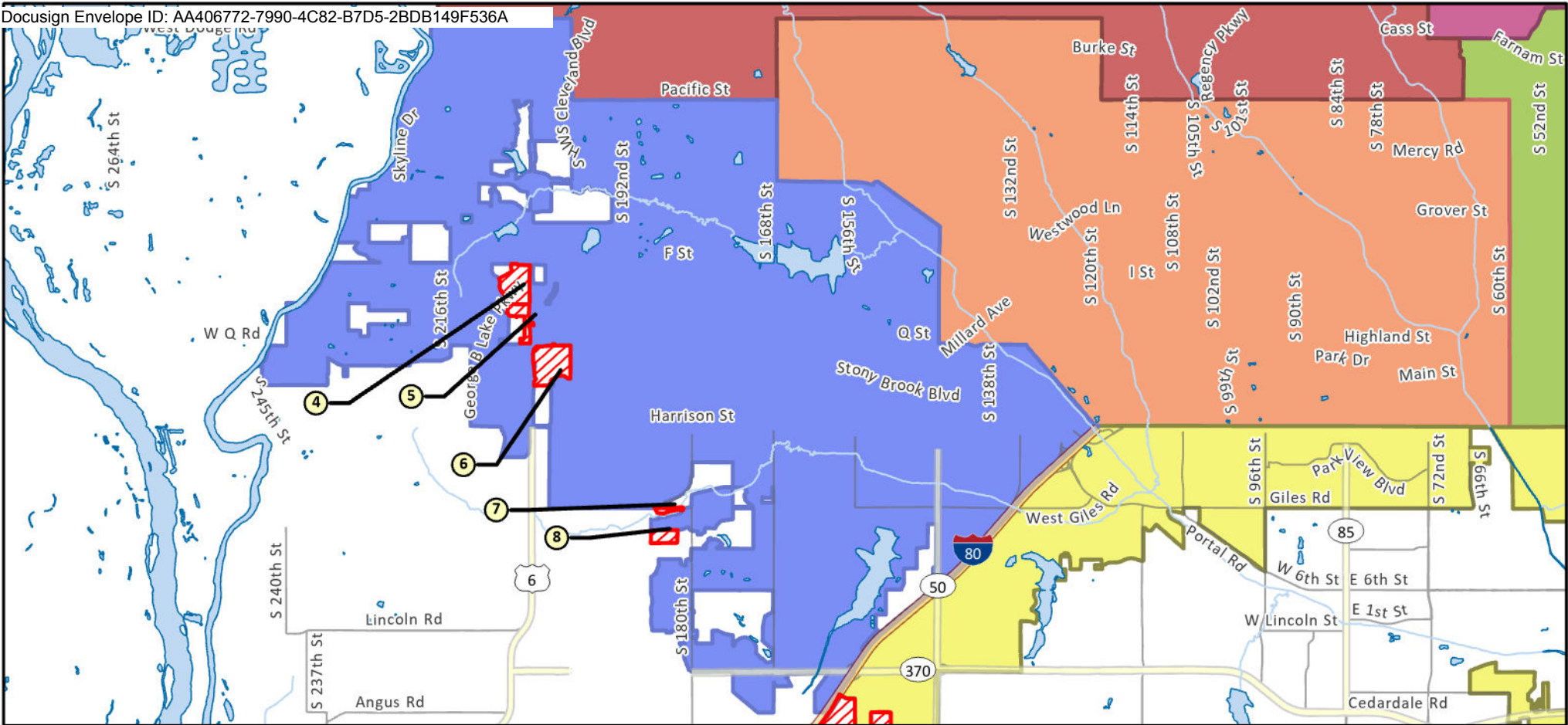
District

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- BoundaryAdditions2024



**Index Project Number New Addition**

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13	WP1842	S 168th st and Capehart Rd Main Extension
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**METROPOLITAN  
UTILITIES DISTRICT**

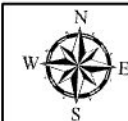
**Subdivision 4**  
2024 Additions

**Legend**

District

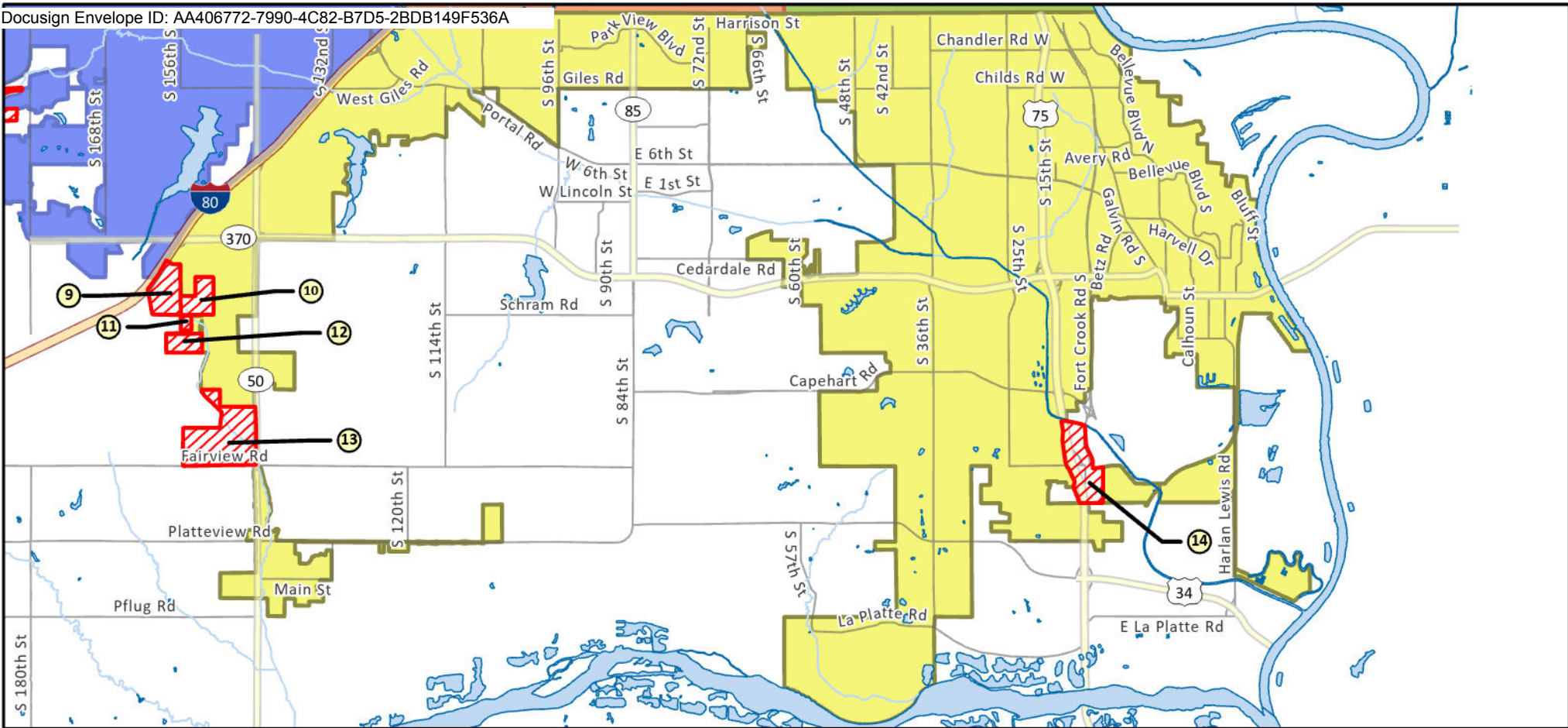
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BoundaryAdditions2024



**Index Project Number New Addition**

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**METROPOLITAN  
UTILITIES DISTRICT**

**Subdivision 7**  
2024 Additions

**Legend**

District

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**Index Project Number New Addition**

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14	WP1907	FCC Holdings and Waste Connections E of JFK FWY/HWY

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 20, 2024

**Subject:** MUD – LOWER PLATTE RIVER CONSORTIUM INTERLOCAL COOPERATION AGREEMENT

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

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

**From:** Rick Kubat, Government Relations Attorney

The District entered into an initial interlocal agreement with several governmental agencies in September 2023. That interlocal, formed with the Nebraska Department of Natural Resources, Lower Platte South Natural Resources District, Lower Platte North Natural Resources District, Papio-Missouri River Natural Resources District and Lincoln Water System formed the Lower Platte River Consortium (“Consortium”).

The Consortium was formed to “collaboratively evaluate the water supplies available to the (Lower Platte River) Basin during times of shortage and develop a drought contingency plan for the Basin. The parties to the Consortium desire to renew the interlocal agreement for an additional five (5) year term.

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

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

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

Signed by:



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Rick Kubat  
Government Affairs Attorney

APPROVED:

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Mark A. Mendenhall  
Senior Vice President, General Counsel

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Mark E. Doyle  
President

**SECOND AMENDMENT OF  
LOWER PLATTE RIVER CONSORTIUM  
INTERLOCAL COOPERATION AGREEMENT**

WHEREAS, the Nebraska Department of Natural Resources (“Department”), Lower Platte South Natural Resources District (“LPSNRD”), Lower Platte North Natural Resources District (“LPNNRD”), Pappio-Missouri River Natural Resources District (“PMRNRD”), Lincoln Water System (“LWS”), and Metropolitan Utilities District (“MUD”), all of which are agencies or political subdivisions of the State of Nebraska, and are parties (“Parties”) to the Lower Platte River Consortium Interlocal Cooperation Agreement (“Agreement”) that was entered on December 5, 2022; and

WHEREAS, pursuant to Section 10.05 of the Agreement, the Agreement may be amended in a writing duly executed by all of the Parties; and

WHEREAS, on December 2, 2023, the Parties executed the First Amendment to the Agreement, which extended the Agreement term to December 4, 2024; and

WHEREAS, the Parties now desire to extend the Agreement and to change the title of the interlocal cooperation agreement in this Second Amendment.

NOW THEREFORE, the Parties hereby mutually agree to the following amendments to the Agreement:

1. The Parties agree to extend the Agreement for an additional period of five (5) years from the final execution date of this Second Amendment, to end on December 4, 2029.
2. The Parties agree to change the name of the consortium in Section 3 and the title of the interlocal cooperation agreement from “Lower Platte River Consortium” to “Lower Platte River Drought Consortium” to better describe the purpose of the Agreement.

Except as expressly set forth herein, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties have signed and executed this Second Amendment on the dates shown next to their respective signatures.

NEBRASKA DEPARTMENT OF NATURAL RESOURCES

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

LOWER PLATTE SOUTH NATURAL RESOURCES DISTRICT

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

LOWER PLATTE NORTH NATURAL RESOURCES DISTRICT

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

LINCOLN WATER SYSTEM

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

METROPOLITAN UTILITIES DISTRICT

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

**LOWER PLATTE RIVER CONSORTIUM  
INTERLOCAL COOPERATION AGREEMENT**

This Lower Platte River Consortium Interlocal Cooperation Agreement (“Agreement”) is entered into by and between the Nebraska Department of Natural Resources (“Department”); Lower Platte South Natural Resources District (“LPSNRD”); Lower Platte North Natural Resources District (“LPNNRD”); Papio-Missouri River Natural Resources District (“PMRNRD”); Lincoln Water System (“LWS”); and Metropolitan Utilities District (“MUD”); all of which are an agency or political subdivisions of the State of Nebraska, each sometimes hereinafter individually referred to as “Party” or collectively referred to as “Parties.” The natural resources districts are sometimes collectively referred to as “NRDs.”

WHEREAS, the Parties desire to work together, under the Interlocal Cooperation Act (“Act”), Neb. Rev. Stat. §§ 13-801 to 13-827, to make the most efficient use of their respective authorities and other powers by enabling them to cooperate with one another on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of each Party; and

WHEREAS, the Parties desire to form a joint agreement under Neb. Rev. Stat. § 13-807 authorized by the governing body of each Party to the agreement, and which shall set forth fully as provided in the Act the purposes, powers, rights, objectives, and responsibilities of the contracting parties; and

WHEREAS, the Department has certain statutory authorities and responsibilities pertaining to the surface water of the State, and also authorities and responsibilities granted under the Nebraska Ground Water Management and Protection Act (“GWMPA”), Neb. Rev. Stat. §§ 46-701 to 46-754 for integrated management of hydrologically connected ground water and surface water. In addition, the Department has authority to expend funds from the Water Resources Cash Fund to aid management actions taken to reduce consumptive uses of water or to enhance streamflows or ground water recharge in river basins, subbasins, or reaches which are deemed by the Department overappropriated or fully appropriated pursuant to the GWMPA or are the subject of an interstate compact or decree or a formal state contract or agreement; and

WHEREAS, the NRDs are organized pursuant to Neb. Rev. Stat. §§ 2- 201 et seq. and have certain statutory authorities and responsibilities, particularly pertaining to the ground water in their respective areas of the State, and also authorities and responsibilities granted by the GWMPA for integrated management of hydrologically connected ground water and surface water; and

WHEREAS, MUD pursuant to its authorities provides water for the majority of the Omaha metropolitan area; and LWS pursuant to its authorities provides water to the City of Lincoln; and

WHEREAS, the Lower Platte River Basin (“Basin”) is geographically large and diverse in its geology, land use, ground and surface water supplies, and water uses. Each of the Parties are charged with responsibilities for planning, managing, and/or supplying water resources. The Parties are located and carry out their functions in the lower subbasin of the Basin, but much of

the water supplies that support these functions are derived from the upper subbasins of the Basin; and

WHEREAS, the Parties entered into an Agreement on September 28, 2016 to collaboratively evaluate the water supplies available to the Basin during times of shortage and develop a drought contingency plan for the Basin. As a result of this effort, the Parties developed the Lower Platte River Drought Contingency Plan (“Drought Plan”), which is hereby attached and incorporated into this Agreement by this reference; and

WHEREAS, the Parties desire to enter into a new Agreement to administer and implement the Drought Plan.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the Parties, it is agreed by and among the Parties hereto as follows:

1. PARTIES:

1.01 All Parties to this Agreement are public agencies within the meaning of Neb. Rev. Stat. §13-803(2).

2. AUTHORITY:

2.01 Neb. Rev. Stat. § 13-807 authorizes any two (2) or more public entities to enter into agreements with one another to perform any governmental service, activity, or undertaking, which at least one (1) of the public agencies entering into the agreement is authorized by law to perform.

2.02 The Parties enter into this Agreement pursuant to the authority conferred on each of them under the Act.

2.03 No part of this Agreement shall be interpreted as relieving the Department of any obligation or responsibility it may have to regulate water use or to compel compliance with any laws, regulations, interstate compacts or interstate agreements or as a delegation of its responsibilities and obligations to the Parties of this Agreement. No part of this Agreement may be or shall be interpreted as relieving the NRDs of any obligation or responsibility it may have to regulate water use or to compel compliance with any laws, regulations, interstate compacts or interstate agreements or as a delegation of its responsibilities and obligations to the Parties of this Agreement. No part of this Agreement shall be interpreted as relieving the LWS or MUD of any obligation or responsibility it may have as required by law or regulation.

3. CONSORTIUM

3.01 The Parties hereby create the Lower Platte River Consortium (“Consortium”). The

Consortium shall be governed by the terms of this Agreement and the Drought Plan. The Consortium shall carry out the purposes as set forth in Section 5 of this Agreement. The Consortium shall be responsible for the administrative, technical, and financial affairs of the Consortium and the Drought Plan. The Consortium shall not be considered a joint entity separate and distinct from the respective Parties to this Agreement, but rather a collaborative working arrangement of the Parties.

#### 4. DURATION

4.01 The duration of this Agreement shall be for a period of one (1) year from the execution date of this Agreement by the last Party. This Agreement may be extended for successive one (1) year terms by the mutual agreement of all Parties hereto. The Parties may only extend this Agreement for ten (10) additional terms.

#### 5. PURPOSES

5.01 The purposes of this Agreement pursuant to Neb. Rev. Stat. § 13-804 (3)(c) are: (1) to form a Consortium to evaluate long-term water supplies available to the Basin for enhancing streamflows or aquifer storage to support sustainable public water systems; and (2) to implement the Drought Plan.

5.01.1 The Drought Plan's purpose is to establish a framework for coordination and communication amongst Consortium members to address droughts in the Basin. The Drought Plan will refine the Consortium's collective understanding of drought vulnerabilities while developing more robust monitoring and forecasting tools coupled with timely triggers, new mitigation strategies, and responsive actions to create a sound, operational framework and to improve critical water supply needs of the area through drought periods.

5.02 This Agreement shall provide the organizational and administrative structure and enumeration of the powers, privileges, and authority of the Consortium and the financial cooperative effort necessary to carry out the purposes in Subsection 5.01 of this Agreement. The powers, privileges, and authorities of the Consortium shall not be used in a manner that is in violation of any of the Parties' public purposes.

#### 6. MANNER OF FINANCING AND OF ESTABLISHING AND MAINTAINING A BUDGET

6.01 The manner of financing and expenditure accounting of the Consortium pursuant Neb. Rev. Stat. §13-804(3)(d) shall be as follows:

6.01.1 The Consortium will be financed by the Parties as needed for certain projects

or activities the Consortium decides to pursue. Some years the Consortium will not have a budget because projects will not be pursued in that fiscal year. In years when the Consortium decides to pursue projects or activities, an annual budget will be adopted as described in other portions of Section 6 of this Agreement. Proportions of payments by each Party will be determined at the time the annual budget is adopted.

- 6.01.2 The Consortium shall have the authority to authorize applications for financial grants, to include use of Consortium funds and in-kind services for match. Such applications shall be made by the Administrator on behalf of the Consortium.
  - 6.01.3 No bonds will be issued and no taxes will be levied or collected jointly by the Parties. Individual Parties may contribute funds derived from tax levies or bonds but these shall not be considered a tax levy or bond issuance by the Consortium.
- 6.02 The manner of establishing and maintaining a budget pursuant to Neb. Rev. Stat. §13-804(3)(d) shall be as follows:
- 6.02.1 The Administrator as designated in Subsection 7.02.7 of this Agreement shall prepare, establish, adopt, and maintain a budget of revenues and expenditures annually for each fiscal year. Such annual budget shall be adopted by formal resolution on or before April 15th of each year for the upcoming fiscal year. The fiscal year will be July 1 through June 30 of the succeeding year.
  - 6.02.2 Upon completion of each annual budget, the Administrator will determine whether any payments need to be made by each Party for such fiscal year.
    - 6.02.2.1 Each payment obligation of a Party is subject to the availability of government funds which are appropriated or allocated for the payment of the obligations incurred by signing this Agreement. If funds are not apportioned or appropriated and available for the continuance of the obligations incurred, the Agreement may be terminated at the end of the period for which funds are available. A Party shall notify the other Parties at the earliest possible time of the obligations which will or may be affected by a shortage of funds. No penalty shall accrue to any Party if this provision is exercised.

7. ADMINISTRATION

- 7.01 The Consortium shall administer the Drought Plan in accordance with Section 6 of the Drought Plan and this Agreement.
- 7.02 The Consortium shall be composed of one (1) representative from each of the Parties.

- 7.02.1 Each representative on the Consortium shall be entitled to one (1) vote by either the representative or alternate for each Party.
  - 7.02.2 All decisions shall be made by unanimous consensus of the Consortium members.
  - 7.02.3 A quorum, which shall be the presence of a representative or alternate representative of each Party shall be required to transact any official discussions or business.
  - 7.02.4 All meetings of the Consortium shall follow the requirements of the Open Meetings Act.
  - 7.02.5 Meetings of the Consortium shall be in accordance with the Drought Plan, or at the call of the Consortium Chair.
  - 7.02.6 The LPSNRD shall serve as the Administrator as required under Neb. Rev. Stat. § 13-804(4)(a). As Administrator, its responsibilities include: serving as the financial administrator, which includes collecting and holding the contributions from members and other revenues, making the disbursements for expenses related to the Consortium activities, and as grant applicant and administrator; serving as contracting member on behalf of Consortium; and serving as day-to-day administration for the Consortium, including information dissemination to members and the general public, scheduling and organization of meetings, record-keeping, and coordination of Drought Plan activities. The LPSNRD Representative shall serve as Chair for the Consortium and as Consortium Chair, shall preside at all Consortium meetings and shall develop agendas for each meeting.
- 7.03 The Consortium shall have such powers, privileges, and authority as authorized by the Parties, and as necessary to achieve the purposes of the Consortium as set forth in this Agreement and the Drought Plan. Such powers, privileges, and authority shall include but not be limited to the following.
- 7.03.1 Schedule and conduct meetings to transact business.
  - 7.03.2 Hold public meetings.
  - 7.03.3 Enter into contracts and agreements with other public agencies and private sector vendors.
  - 7.03.4 Undertake studies, investigations, or surveys and do research as may be necessary, and publish and disseminate the results.

- 7.03.5 Take actions as set forth in the Drought Plan.
  - 7.03.6 Access private land, which will be coordinated with the landowner.
  - 7.03.7 Retain legal and other professional services.
  - 7.04 Any Party may withdraw from this Agreement and from representation on the Consortium upon written notification to the Consortium Chair. Such withdrawal shall be effective upon receipt of the written notification. There will be no financial reimbursement of remitted funds unless specifically authorized by the Consortium.
  - 7.05 New members can be added to the Consortium with a vote of the Consortium. Eligible entities shall be limited to political subdivisions charged with responsibilities for planning, managing, and/or supplying water resources for public water systems in the Basin.
8. PROPERTY
- 8.01 The manner of acquiring, holding, and disposing of real and personal property pursuant to Neb. Rev. Stat. § 13-804 (4)(b) is as follows.
    - 8.01.1 In the event it becomes necessary for the Consortium to purchase any property, either real or personal, the Consortium will vote to determine how the property will be disposed of.
9. TERMINATION
- 9.01 The permissible method or methods to be employed in accomplishing the complete or partial termination of this Agreement under Neb. Rev. Stat. §13-804(3)(e) shall be as follows.
    - 9.01.1 This Agreement and the Consortium created hereby shall be terminated upon the earlier of the completion of its purposes and objectives described herein or upon the vote of two-thirds of the then constituted Consortium for the complete or partial termination of the Consortium and this Agreement. Upon action to terminate the Consortium, all outstanding debts and obligations of the Consortium shall be paid and all unused funds and appropriations shall be returned to the remaining Parties in such proportions as represented by the pro rata share paid by each Party.
10. MISCELLANEOUS PROVISIONS
- 10.01 All of the Parties' books, records, and documents relating to work performed or monies received or spent under this Agreement shall be subject to audit at any reasonable time after reasonable notice by the NRDs, Department, LWS, MUD,

and the State Auditor or as required by any grant agreements, donations or other source of funds. The Administrator shall maintain all of such records throughout the existence of this Agreement and for a period of ten (10) full years from the date of termination of the Agreement, or until all issues related to an audit, litigation or other action are resolved, whichever is longer. All records shall be maintained in accordance with generally accepted accounting principles and record retention as required by the Secretary of State, Records Management Division.

- 10.02 Any governing body as defined in Neb. Rev. Stat. § 13-503 which is a Party to this Agreement shall provide information to the Auditor of Public Accounts regarding this Agreement as required in Neb. Rev. Stat. § 13-513.
- 10.03 No Party may assign its contractual rights or obligations under this Agreement without the prior written consent of all other Parties to this Agreement.
- 10.04 Each Party shall have taken, prior to the execution of this Agreement by such Party, appropriate action by ordinance, resolution, or otherwise pursuant to the law of the governing body of such Party so that this Agreement may enter into force consistent with the provisions of Neb. Rev. Stat. § 13-804(2).
- 10.05 This Agreement may be amended in a writing duly executed all of the Parties.
- 10.06 This Agreement and its Attachment, the Drought Plan, contains the entire agreement of the Parties. All prior and contemporaneous negotiations, discussions, memorandums of understanding and other writings are merged and incorporated herein, it being the intention of the Parties that this Agreement is a final and full expression of their agreement. No representations were made or relied upon by any Party other than those expressly set forth herein.
- 10.07 This Agreement is governed by the laws of the State of Nebraska.
- 10.08 This Agreement becomes effective upon execution by all Parties.
- 10.09 This Agreement may be executed in any number of counterparts, each of which shall be an original, but all such counterparts shall constitute one and the same instrument.

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 14, 2024

**Subject:** CONDEMNATION AUTHORITY:  
(1) Moore Family LTD Partnership [Parcel No. 0105580006]  
(2) Moore Family Partnership Dian JC [Parcel No. 0105580002]

**To:** Judiciary and Legislative Committee

**Cc:** All Board Members; etc.

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

For almost six months, the Law Department has been attempting to acquire easements along 216th Street near West Maple Road to provide water for the future Magnolia Trails subdivision. Three of the four property owners along the route have executed easements in favor of the District. The District has been unsuccessful in acquiring the final two easements from the fourth property owner. The property owner is essentially the same family, but each parcel is held in two separate entities, the Moore Family Limited Partnership and the Moore Family Partnership Dian JC.

The easements are .9554 acre and .0549 acre respectively and are necessary to support this project. The property owner is aware of the need, but the parties have not been able to agree on valuation. The District just recently provided an appraisal for the owner's review and while negotiations are ongoing, the timing of this acquisition is becoming critical.

The project will impact the City of Waterloo as a wholesale customer and in order to minimize that impact, construction is planned for this winter when Waterloo's needs are lowest. To avoid delays in the project, the District is seeking condemnation authority to proceed in the event negotiations fail.

A resolution authorizing condemnation has been prepared for consideration and this matter will appear on the agenda at the Judiciary and Legislative Committee meeting for discussion on December 4, 2024, and on the agenda of the December 4, 2024 Board meeting.

DocuSigned by:  
  
51B148706735440  
Mark Mendenhall  
Senior Vice President/General Counsel

Approved:

DocuSigned by:  
  
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Mark Doyle  
President

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 27, 2024

**Subject: PROPOSED WATER RATE INCREASE - 2025**

**To:** Committee on Accounts, Expenditures, Finance and Rates  
cc: All Board Members; Mark Doyle, Steve Ausdemore, Kendall Minor, Sue Lobsiger, Mark Mendenhall, and all Vice Presidents

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

**RECOMMENDATION – WATER RATES**

Management is recommending an increase to the overall Commodity component of water rates for 2025 of 7.55% for Rate schedules W-1 Residential and W-2 Commercial and Industrial, W-3 Large Volume Industrial and W-4 Commercial & Industrial-Sprinkling.

Additionally, management is recommending a \$0.25 monthly increase to the Water Infrastructure Replacement (WIR) charge for Rate schedule W-1 Residential, from \$4.75 per month to \$5.00 per month, with a like percentage increase for all remaining rate classes.

The effective date of these recommended rate increases will be January 2, 2025.

Management is also recommending a change to Rate schedule WWS Wholesale. This change will increase the rate for water usage over 5,000 CCF from \$1.3198 to \$1.6878 per CCF.

The new rate of \$1.6878 per CCF is 10% higher than the per CCF rate of \$1.5344 charged for the first 5,000 CCF of water usage. This inclining rate structure is commonly used in the water industry to encourage water conservation and to assist with effectively managing resources. The change to this rate schedule is also expected to generate additional revenue which will more closely align with the cost of providing water service to Wholesale customers.

To ensure Wholesale customers have sufficient time for notifications and budgeting purposes, the proposed new Rate schedule WWS will be effective July 2, 2025.

The recommended rate increases will generate approximately \$8.3 million in incremental revenue as compared with 2024 budgeted revenues. The additional revenue in 2025 will address: 1) the rising cost of operations, 2) ongoing investment in the water infrastructure program, including water main replacement and other risk mitigation efforts including main condition assessment and leak detection, and 3) debt service costs associated with a planned 2025 bond issuance to fund water treatment plant improvements, construction of a new reservoir and pump station, and other system improvements.

### WATER RATE COMPARISON AVERAGE RESIDENTIAL CUSTOMER

For the average use residential customer using a 5/8” water meter, the annualized increase will be \$21.83 or 5.0% higher than what was assumed for the 2024 budget. This is based on inside city rates and 2025 budgeted annual use of 104.7 CCF (78,300 gallons). The typical residential annual water bills will change as follows:

### BUDGET To BUDGET COMPARISON

Projected 2025 Annual Residential Water Bill	\$ 458.35 (104.7 CCF)
2024 Annual Water Bill	<u>\$ 436.52 (102.5 CCF)</u>
Annual Change to Average Water Bill	\$ 21.83 +5.0%

Our water rates continue to trend mid-range when compared with others nationally and regionally. We are also one of the few utilities who operate three water treatment plants, which greatly enhances our reliability during all weather conditions.

### IMPACT FEES


Management is recommending a 14.5% increase to Impact Fees. As new water demands are connected to the system, additional capacity such as oversizing mains and/or adding pump stations is necessary to assure adequate flow and pressure. The Impact Fee is intended to address the impact to the system when new customers are added, to avoid placing additional burden on existing customers.

The effective date of the recommended increase to Impact Fees will be June 1, 2025, to correspond to the effective date of a revised Billing Price Book.

### SUMMARY

As discussed above, the recommended water rate increases will generate approximately \$8.3 million of incremental revenue in 2025.

The impact of this increase will be reflected in the budget presentation at the December 4, 2024, Board meeting, at which time a public hearing is also scheduled.

DocuSigned by:  
  
24FAE9F62AB4471...  
**Mark F. Myers**  
 Senior Vice President, Chief Financial  
 Officer  
 (402) 504-7174

DocuSigned by:  
  
C154FA06F330426..  
**APPROVED:**  
**Mark E. Doyle**  
 President

Attachments

## **RESOLUTION**

WHEREAS, the Board of Directors of the Metropolitan Utilities District of Omaha finds that the District's water rates are no longer adequate to provide the revenues necessary to support the operation of the District's water distribution system; and

WHEREAS, the Board has reviewed the District's water rates, the effect of an increase to water rate schedules, and proposed revisions to Rate schedule WWS and impact fees as described in the attached memorandum dated November 27, 2024, signed by Mark F. Myers, Senior Vice President, Chief Financial Officer and

WHEREAS, the Board submitted this matter to a public hearing on December 4, 2024, for public comment; and

WHEREAS, the Board finds that the recommendations of the District's staff, as presented to the Board in that memorandum, should be adopted.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that a water rate increase and proposed revisions to the water rate schedules as described in the attached memorandum dated November 27, 2024, and signed by Mark F. Myers, Senior Vice President, Chief Financial Officer be and is hereby adopted and made effective as to billings for water service for usage occurring on or after January 2, 2025.

BE IT FURTHER RESOLVED that the rate schedules for water service rendered by the District to customers under franchise be adjusted in accordance with the schedules hereby adopted as permitted by such franchises.

BE IT FURTHER RESOLVED that the current water rate schedules for all water service be and are hereby rescinded concurrent with the effective date of the rate schedules adopted herein.

Adopted:

**METROPOLITAN**  
UTILITIES DISTRICT

**Schedule W-1**  
**RESIDENTIAL WATER SERVICE**  
**Effective January 2, ~~2024~~2025**

**(Supersedes Schedule W-1 Effective January 2, ~~2023~~2024)**

**AVAILABILITY**

This rate schedule is available to and applies to customers purchasing water for residential purposes, including lawn irrigation, provided that:

1. Customer resides within District boundaries or customer resides outside of District boundaries but also outside of cities and villages served under franchise.
2. Not more than three dwelling units or not more than eight sleeping rooms are connected to one meter, unless all units are occupied by one family.
3. This Rate Schedule is not available for water used in connection with common areas associated with homeowner associations or sanitary improvement districts.

**METERING**

The unit of measure for water billing is CCF. 1 CCF = 100 cubic feet = 748 gallons.

**RATE - MONTHLY BILLING**

<b>Service Charge:</b>	<b><u>Meter Size</u></b>	<b><u>Monthly Charge</u></b>
	5/8"	\$13.02
	3/4"	\$19.54
	1"	\$32.55
	1 1/2"	\$65.11
	2"	\$104.18
	3"	\$208.34

<b>Commodity Charge (Per 100 Cubic Feet)</b>	<b><u>November-May</u></b>	<b><u>June-October*</u></b>
First 900 cubic feet	<del>\$1.9788</del> <u>\$2.1282</u>	<del>\$1.9788</del> <u>\$2.1282</u>
Next 2,100 cubic feet	<del>\$1.9788</del> <u>\$2.1282</u>	<del>\$2.7703</del> <u>\$2.9795</u>
Over 3,000 cubic feet	<del>\$1.9788</del> <u>\$2.1282</u>	<del>\$3.5618</del> <u>\$3.8307</u>

\*For billing purposes, summer rates will apply to accounts with a charge date of June through October.

**Minimum Monthly Bill:**

The minimum monthly charge shall be the monthly service charge as indicated above.

**STATUTORY PAYMENT TO CITIES AND VILLAGES**

Neb. Rev. Stat. § 14-2138 (2019) requires Metropolitan Utilities District to pay the city of a metropolitan class two (2) percent of the retail sales of water sold by the District within such city. Neb. Rev. Stat. § 14-2139 (2019) requires Metropolitan Utilities District to pay every city or village of any class, other than metropolitan, in which the district sells water, two (2) percent of retail sales of water within such city or village. Two (2) percent has not been included in the above rate. Therefore, the rate for all customers residing inside the corporate limits of a city of a metropolitan class or other city or village in which the district sells water is two (2) percent greater than the rate indicated above.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within 15 days of date of bill, unpaid water charges are subject to a late payment charge of four (4) percent.

**TURN-ON CHARGE**

A turn-on charge will be required upon application for water service.

**INTERRUPTION OF SERVICE**

Water service under this schedule is subject to restriction or prohibition in the event of an emergency, planned or unplanned work on the water system, or in response to water shortages. The District shall determine and execute the appropriate level of response in accordance with its Water Rules and Regulations.

**METROPOLITAN**  
**UTILITIES DISTRICT**

**Schedule W-2**  
**COMMERCIAL & INDUSTRIAL WATER SERVICE**  
Effective January 2, ~~2024~~2025

(Supersedes Schedule W-2 Effective January 2, ~~2023~~2024)

**AVAILABILITY**

This rate schedule is available to customers purchasing water for commercial and industrial purposes provided customer resides within the District boundaries or outside District boundaries, but also outside cities and villages served under franchise.

When residential water use is combined with commercial or industrial water use on a single meter, all water used will be classified as commercial or industrial.

**METERING**

The unit of measure for water billing is CCF. 1 CCF = 100 cubic feet = 748 gallons.

**RATE - MONTHLY BILLING**

<b>Service Charge:</b>	<b><u>Meter Size</u></b>	<b><u>Monthly Charge</u></b>
	5/8"	\$13.02
	3/4"	\$19.54
	1"	\$32.55
	1 1/2"	\$65.11
	2"	\$104.18
	3"	\$208.34
	4"	\$240.00
	6"	\$475.00
	8"	\$700.00
	10"	\$940.00
	12"	\$1,405.00

<b>Commodity Charge (Per 100 Cubic Feet)</b>	<b><u>November-May</u></b>	<b><u>June-October*</u></b>
All Water Used	<del>\$1.7407</del> <u>\$1.8722</u>	<del>\$2.3304</del> <u>\$2.5063</u>

\*For billing purposes, summer rates will apply to accounts with a charge date of June through October.

**Minimum Monthly Bill:**

The minimum monthly charge shall be the monthly service charge as indicated above.

**STATUTORY PAYMENT TO CITIES AND VILLAGES**

Neb. Rev. Stat. § 14-2138 (2019) requires Metropolitan Utilities District to pay the city of a metropolitan class two (2) percent of the retail sales of water sold by the District within such city. Neb. Rev. Stat. § 14-2139 (2019) requires Metropolitan Utilities District to pay every city or village of any class, other than metropolitan, in which the district sells water, two (2) percent of retail sales of water within such city or village. Two (2) percent has not been included in the above rates. Therefore, the rate for all customers residing inside the corporate limits of a city of a metropolitan class or other city or village in which the district sells water is two (2) percent greater than the rate indicated above.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within 15 days of date of bill, unpaid water charges are subject to a late payment charge of four (4) percent.

**TURN-ON CHARGE**

A turn-on charge will be required upon application for water service.

**WATER QUALITY REPORTS**

One water quality report per month shall be available to customers under Water Rate Schedule W-2 at no charge IF the report is delivered by E-mail.

**INTERRUPTION OF SERVICE**

Water service under this schedule is subject to restriction or prohibition in the event of an emergency, planned or unplanned work on the water system, or in response to water shortages. The District shall determine and execute the appropriate level of response in accordance with its Water Rules and Regulations.

**METROPOLITAN**  
**UTILITIES DISTRICT**

**Schedule W-3**  
**LARGE VOLUME INDUSTRIAL WATER SERVICE**  
**Effective January 2, ~~2024~~2025**

**(Supersedes Schedule W-3 Effective January 2, ~~2023~~2024)**

**AVAILABILITY**

This rate is available to industrial customers whose primary water requirement is for use in the process in which the customer is primarily engaged; whose normal water consumption is 5,000 hundred cubic feet or more per month; and who agree to remain on this rate for a period of not less than one year.

An industrial customer is generally defined as a customer who is engaged primarily in a process which creates or changes any raw or unfinished materials into another form or product but may include other processes where District determines that load characteristics are similar. Irrigation is specifically excluded.

**METERING**

The unit of measure for water billing is CCF. 1 CCF = 100 cubic feet = 748 gallons.

**RATE - MONTHLY BILLING**

**Service Charge:**

**Meter Size**

**Monthly Charge**

5/8"	\$13.02
3/4"	\$19.54
1"	\$32.55
1 1/2"	\$65.11
2"	\$104.18
3"	\$208.34
4"	\$240.00
6"	\$475.00
8"	\$700.00
10"	\$940.00
12"	\$1,405.00

**Commodity Charge**

First 5,000 CCF (100 cubic feet) or less

~~\$9,821.00~~\$10,562.00

Over 5,000 CCF (per 100 cubic feet)

~~\$1.6853~~\$1.8123

**Minimum Monthly Bill:**

The minimum monthly charge shall be ~~\$9,821.00~~\$10,562.00 plus the monthly service charge as indicated above.

**STATUTORY PAYMENT TO CITIES AND VILLAGES**

Neb. Rev. Stat. § 14-2138 (2019) requires Metropolitan Utilities District to pay the city of a metropolitan class two (2) percent of the retail sales of water sold by the District within such city. Neb. Rev. Stat. § 14-2139 (2019) requires Metropolitan Utilities District to pay every city or village of any class, other than metropolitan, in which the district sells water, two (2) percent of retail sales of water within such city or village. Two (2) percent has not been included in the above rate. Therefore, the rate for all customers residing inside the corporate limits of a city of a metropolitan class or other city or village in which the district sells water is two (2) percent greater than the rate indicated above.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within 15 days of date of bill, unpaid water charges are subject to a late payment charge of four (4) percent.

**TURN-ON CHARGE**

A turn-on charge will be required upon application for water service.

**INTERRUPTION OF SERVICE**

Water service under this schedule is subject to restriction or prohibition in the event of an emergency, planned or unplanned work on the water system, or in response to water shortages. The District shall determine and execute the appropriate level of response in accordance with its Water Rules and Regulations.

**METROPOLITAN**  
**UTILITIES DISTRICT**

**Schedule W-4**  
**COMMERCIAL & INDUSTRIAL WATER SERVICE**  
**SPRINKLING - LAKE RECHARGE - COOLING**  
**Effective January 2, ~~2024~~2025**

**(Supersedes Schedule W-4 Effective January 2, ~~2023~~2024)**

**AVAILABILITY**

This rate schedule is available to and required of commercial and industrial customers purchasing water for the primary purposes of sprinkling/irrigation, lake/lagoon recharge, and/or cooling. This rate schedule may also apply to other water uses having high summertime peak demands that can be expected to coincide with system peak water demands.

This rate schedule shall apply to customers residing within District boundaries, and to customers residing outside District boundaries who also reside outside cities and villages served under franchise.

**METERING**

The unit of measure for water billing is CCF. 1 CCF = 100 cubic feet = 748 gallons.

**RATE - MONTHLY BILLING**

**Service Charge:**

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8"	\$13.02
3/4"	\$19.54
1"	\$32.55
1 1/2"	\$65.11
2"	\$104.18
3"	\$208.34
4"	\$240.00
6"	\$475.00
8"	\$700.00
10"	\$940.00
12"	\$1,405.00

**Commodity Charge (Per 100 Cubic Feet):**

	<u>November-May</u>	<u>June-October*</u>
First 100 CCF	<del>\$1.7235</del> <u>\$1.8536</u>	<del>\$2.3073</del> <u>\$2.4815</u>
Next 1,000 CCF	<del>\$1.7235</del> <u>\$1.8536</u>	<del>\$4.6146</del> <u>\$4.9630</u>
Over 1,100 CCF	<del>\$1.7235</del> <u>\$1.8536</u>	<del>\$3.4610</del> <u>\$3.7223</u>

\*For billing purposes, summer rates will apply to accounts with a charge date of June through October.

**Minimum Monthly Bill:**

The minimum monthly charge shall be the monthly service charge as indicated above.

**STATUTORY PAYMENT TO CITIES**

Neb. Rev. Stat. § 14-2138 (2019) requires Metropolitan Utilities District to pay the city of a metropolitan class two (2) percent of the retail sales of water sold by the District within such city. Neb. Rev. Stat. § 14-2139 (2019) requires Metropolitan Utilities District to pay every city or village of any class, other than metropolitan, in which the district sells water, two (2) percent of retail sales of water within such city or village. Two (2) percent has not been included in the above rate. Therefore, the rate for all customers residing inside the corporate limits of a city of a metropolitan class or other city or village in which the district sells water is two (2) percent greater than the rate indicated above.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within 15 days of date of bill, unpaid water charges are subject to a late payment charge of four (4) percent.

**TURN-ON CHARGE**

A turn-on charge will be required upon application for water service.

**INTERRUPTION OF SERVICE**

Water service under this schedule is subject to restriction or prohibition in the event of an emergency, planned or unplanned work on the water system, or in response to water shortages. The District shall determine and execute the appropriate level of response in accordance with its Water Rules and Regulations.

**METROPOLITAN**  
**UTILITIES DISTRICT**

**Schedule WWS**  
**WHOLESALE WATER SERVICE**  
Effective ~~January 2, 2024~~ July 2, 2025

(Supersedes Schedule WWS Effective January 2, ~~2023~~2024)

**AVAILABILITY**

Subject to approval by the Board of Directors of each contract for deliveries here under, this rate is available for and required of municipal and other governmental entities purchasing water for distribution and/or resale to ultimate consumers for residential, commercial, industrial, irrigation and other purposes.

**METERING**

The unit of measure for water billing is CCF. 1 CCF = 100 cubic feet = 748 gallons.

**SERVICE CHARGE - MONTHLY BILLING**

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8"	\$13.02
3/4"	\$19.54
1"	\$32.55
1 1/2"	\$65.11
2"	\$104.18
3"	\$208.34
4"	\$240.00
6"	\$475.00
8"	\$700.00
10"	\$940.00
12"	\$1,405.00

**Commodity Charge**

First 5,000 CCF (100 cubic feet) or less

\$7,672.00

Over 5,000 CCF (per 100 cubic feet)

~~\$1.3198~~ \$1.6878

**MINIMUM MONTHLY BILL**

The minimum monthly charge shall be \$7,672.00 plus the monthly service charge as indicated above.

**PAYMENT**

Bills rendered at the above schedules are due and payable within 15 days of date of bill unless otherwise provided for by contract.

**CONTRACT**

Customer must execute written agreement with District for a term of not less than five (5) years which is made a part of this rate schedule.

**INTERRUPTION OF SERVICE**

Water service under this schedule is subject to restriction or prohibition in the event of an emergency, planned or unplanned work on the water system, or in response to water shortages. The District shall determine and execute the appropriate level of response in accordance with its Water Rules and Regulations.

**METROPOLITAN**  
UTILITIES DISTRICT

**SCHEDULE WIR**  
**WATER INFRASTRUCTURE REPLACEMENT (WIR) RIDER**  
**EFFECTIVE JANUARY 2, ~~2024~~2025**

(Supersedes Schedule WIR Effective January 2, ~~2023~~2024)

**APPLICABILITY**

This rider shall apply to and become a part of each of the District’s retail and wholesale rate schedules. The rate will be applied per meter by customer class and rate schedule. The monthly charge will be assessed in addition to the Service Charge component of their applicable rate schedule.

**PURPOSE**

The purpose of this rider is for the District to recover costs associated with the replacement of water mains. This rate has been weighted by the average use per customer class. On an annual basis, the weighting, past actual cost, and projected future costs will be reviewed.

**RATE - MONTHLY BILLING**

The charges for the respective water service schedules (per month) are:

- Schedule W-1, Residential Water Service ~~\$4.75~~\$5.00
- Schedule W-2:
  - Commercial Water Service ~~\$26.25~~\$27.50
  - Industrial Water Service ~~\$593.50~~\$625.00
- Schedule W-3, Large Volume Industrial Water Svc ~~\$593.50~~\$625.00
- Schedule W-4, Commercial Cooling & Sprinkling Svc ~~\$26.25~~\$27.50
- Schedule WWS, Wholesale Water Service ~~\$593.50~~\$625.00

**MINIMUM MONTHLY BILL**

The minimum monthly bill will be the sum of the Service Charge and WIR Charge for each respective rate schedule.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within 15 days of date of bill, unpaid water charges are subject to a late payment charge of four (4) percent.

**METROPOLITAN**  
UTILITIES DISTRICT

**IMPACT FEES**  
**EFFECTIVE June 1, ~~2024~~2025**

(Supersedes Impact Fees Effective June 1, ~~2023~~2024)

Meter Size	Meter Type	Flow Capacity	Impact Fees
<b>Cost Per Gallon Per Minute</b>			<del>\$109.10</del> <u>124.95</u>
5/8"	Disc	10	<del>\$1,091</del> <u>1,250</u>
3/4"	Disc	15	<del>\$1,637</del> <u>1,874</u>
1"	Disc	25	<del>\$2,728</del> <u>3,124</u>
1 1/2"	Disc	50	<del>\$5,456</del> <u>6,248</u>
2"	Disc	80	<del>\$8,728</del> <u>9,996</u>
2"	Turbo	160	<del>\$17,456</del> <u>19,992</u>
3"	Compound	160	<del>\$17,456</del> <u>19,992</u>
3"	Turbo	350	<del>\$38,185</del> <u>43,733</u>
4"	Compound	250	<del>\$27,275</del> <u>31,238</u>
4"	Turbo	1,000	<del>\$109,100</del> <u>124,950</u>
6"	Compound	500	<del>\$54,550</del> <u>62,475</u>
6"	Turbo	2,000	<del>\$218,200</del> <u>249,900</u>
8"	Turbo	2,800	<del>\$305,480</del> <u>349,860</u>
10"	Turbo	3,200	<del>\$349,120</del> <u>399,840</u>

**METROPOLITAN UTILITIES DISTRICT**

*Inter-Department Communication*

November 27, 2024

**Subject: PROPOSED GAS RATE INCREASE - 2025**

**To:** Committee on Accounts, Expenditures, Finance and Rates  
cc: All Board Members; Mark Doyle, Steve Ausdemore, Kendall Minor, Sue Lobsiger, Mark Mendenhall, and all Vice Presidents

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

**RECOMMENDATION**

Management is recommending a 2.5% increase to the Base Commodity charge for all rate classes. Additionally, management is recommending a \$0.25 monthly increase to the Gas Infrastructure Replacement (GIR) charge for Rate Schedule A Residential, from \$3.75 per month to \$4.00 per month, with a like percentage increase for all remaining rate classes. The effective date of these recommended rate increases will be January 2, 2025.

The recommended rate increases will generate approximately \$2.2 million in incremental revenue as compared with 2024 budgeted revenues. The additional revenue in 2025 will address: 1) the rising cost of operations and 2) ongoing investment in the gas infrastructure replacement program.

**GAS RATE COMPARISON  
AVERAGE RESIDENTIAL CUSTOMER**

For the average use residential customer, the annualized decrease will be \$43.31 or 6.1% lower than what was assumed for the 2024 budget. This is based on inside city rates and 2024 budgeted annual use of 77.2 Dth. This decrease is driven by the lower cost of natural gas compared with 2024 budget assumptions, partially offset by the rate increases described above and slightly higher projected usage.

The typical residential annual natural gas bills will change as follows:


<b>BUDGET TO BUDGET COMPARISON</b>				
	<u>2025</u>	<u>2024</u>	<u>Change</u>	
			<u>\$</u>	<u>%</u>
Projected Annual Residential Gas Bill				
Budgeted Usage	77.2 Dth	75.9 Dth		
Pass-Through Items				
Natural Gas & Other	\$323.15	\$380.58	(\$ 57.43)	(15.1%)
To Fund MUD Operations	<u>\$341.84</u>	<u>\$327.72</u>	<u>\$ 14.12</u>	<u>4.3%</u>
Total	\$664.99	\$708.30	(\$ 43.31)	(6.1%)

Our natural gas rates continue to rank among the “top ten” lowest cost providers when compared with others nationally and regionally. We are also one of the few utilities that operates a liquefied natural gas plant to minimize those occasions when we must purchase natural gas on the “spot market” during the coldest periods of the year, thereby protecting our customers from dramatic increases in natural gas cost costs.

**SUMMARY**

As discussed above, the recommended gas rate increases will generate approximately \$2.2 million of incremental revenue in 2025.

The impact of this increase will be reflected in the budget presentation at the December 4, 2024, Board meeting, at which time a public hearing is also scheduled.

DocuSigned by:  
  
 24EAE6F62A9A471  
 Mark F. Myers  
 Senior Vice President, Chief Financial Officer  
 (402) 504-7174

APPROVED:

DocuSigned by:  
  
 C1E4EA06F330426...  
 Mark Doyle  
 President

Attachments

**RESOLUTION**

WHEREAS, the Board of Directors of the Metropolitan Utilities District of Omaha finds that the District's natural gas rates are no longer adequate to provide the revenues necessary to support the operation of the District's gas distribution system; and

WHEREAS, the Board has considered a proposal to increase natural gas rates and the effect of an increase to gas rate schedules as described in the attached memorandum dated November 27, 2024, signed by Mark F. Myers, Senior Vice President, Chief Financial Officer; and

WHEREAS, the Board submitted this matter to a public hearing on December 4, 2024, for public comment; and

WHEREAS, the Board finds that the recommendations of the District's staff, as presented to the Board in that memorandum, should be adopted.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that a natural gas rate increase and proposed revisions to the natural gas rate schedules as described in the attached memorandum dated November 27, 2024, and signed by Mark F. Myers, Senior Vice President, Chief Financial Officer be and is hereby adopted and made effective as to billings for natural gas service for usage occurring on or after January 2, 2025.

BE IT FURTHER RESOLVED that the rate schedules for gas service provided by the District to customers under franchise be adjusted in accordance with the schedules hereby adopted as permitted by such franchises.

BE IT FURTHER RESOLVED that the current natural gas rate schedules for all natural gas service be and are hereby rescinded concurrent with the effective date of the rate schedules adopted herein.

Adopted:

**METROPOLITAN**  
**UTILITIES DISTRICT**

**SCHEDULE A**  
**RESIDENTIAL GAS SERVICE**

EFFECTIVE JANUARY 2, ~~2024~~

2025

(Supersedes Schedule A effective January 2, ~~2023~~2024)

**AVAILABILITY**

This rate schedule is available to customers purchasing firm gas for residential purposes including space heating, provided:

- That not more than three dwelling units equipped with individual appliances be connected to a single meter unless the area served is utilized by one occupant.
- That the combined input ratings of all heating equipment in multiple family dwellings shall not exceed 500 cubic feet (500,000 BTUs) per hour.

**METERING AND BILLING UNITS**

Gas meters register in units of cubic feet, either CCF (100 cubic feet) or MCF (1,000 cubic feet). In most cases, the index readings from the meter can be directly applied in the billing process. In some instances, direct readings from the meter index require correction for pressure.

Residential gas meters are read in units of 100 cubic feet (CCF) and billed in Therms. The volume of gas measured in cubic feet is adjusted for heat value and pressure factor to derive the amount of energy used, measured in Therms.

Example: 15 CCF X 1.030 (heat value) X 1.0998 pressure factor = 16.992 therms.

Note: Gas contains varying amounts of energy. The heat value converts the volume of gas (CCF) to an energy volume which is adjusted for gas pressure. The result is the volume of gas billed in therms.

**RATE - MONTHLY BILLING**

The monthly bill shall consist of the following charges:

- Service Charge (monthly) \$13.72
- Gas Infrastructure Replacement Charge (monthly) ~~\$ 3.75~~ \$ 4.00
- Base Commodity Charge (all gas used per therm) ~~\$.1348~~ \$.1382
- Gas Cost (all gas used)
  - a. Weighted Avg Cost of Gas (WACOG) (see Rate Schedule GCA)
  - b. Gas Cost Adjustment (GCA) (see Rate Schedule GCA)

The minimum monthly bill shall be the sum of the monthly Service Charge and monthly Gas Infrastructure Replacement Charge.

**GAS COST**

The Base Commodity Charge will be combined with the Weighted Average Cost of Gas (WACOG) and Gas Cost Adjustment (GCA) for a combined Commodity Billing Rate in accordance with Schedule GCA, Gas Cost Adjustment Provisions.

Rates included herein are subject to adjustment for monthly changes in the cost of natural gas to the District and peak shaving costs as provided for in gas rate Schedule GCA, Gas Cost Adjustment Provisions. For current billing rate and/or billing rate history contact the District's Marketing or Rate Divisions.

**STATUTORY PAYMENT TO CITIES**

Under Sections 14-2138 and 2139, R.R.S.1997, the District is required to pay to each city or village two (2) percent of retail sales of gas. Two (2) percent has not been included in the above rates. Therefore, the rates for all customers residing inside corporate limits is 2 percent greater than the rate indicated above. This 2% statutory requirement does not apply to gas infrastructure replacement charges.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within fifteen (15) days of date of bill, unpaid gas charges are subject to a late payment charge of four (4) percent.

**TURN-ON CHARGE**

A turn-on charge will be required upon application for gas service.

**EMERGENCY PRIORITY**

Gas service under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by District or as directed by other governmental authority having jurisdiction.

**METROPOLITAN**  
**UTILITIES DISTRICT**

**SCHEDULE B**  
**COMMERCIAL OR INDUSTRIAL FIRM GAS SERVICE**  
**EFFECTIVE JANUARY 2, ~~2024~~2025**

**(Supersedes Schedule B effective January 2, ~~2023~~2024)**

**AVAILABILITY**

This rate schedule is available to customers purchasing firm gas for commercial or industrial purposes, including space heating, under the following conditions:

1. When residential gas use is combined with commercial or industrial gas use on a single meter, all gas used will be classified as commercial or industrial.
2. Multiple housing customers having more than three dwelling units connected to a single meter shall be considered commercial.
3. The total daily requirement for all gas uses shall not exceed 199,000 cubic feet per day.
4. District may require a customer to furnish daily meter readings for the purpose of monitoring the customer's gas load.

**LARGE VOLUME USE**

Loads in excess of 199,000 cubic feet per day must have received special authorization from District President.

**METERING AND BILLING UNITS**

District gas meters register in units of cubic feet. For billing purposes, gas meters are read in units of cubic feet, either CCF (100 cubic feet) or Mcf (1,000 cubic feet). In most cases, the index readings from the meter can be directly applied in the billing process. In some instances, direct readings from the meter index require correction for pressure and/or temperature. Some of the District's larger commercial/industrial meters are equipped with correction devices including an additional index showing the corrected usage.

Supercompressibility Adjustment – Due to the behavior of gas molecules under high pressures, additional correction to index readings in certain situations will be applied. For example, meter readings for customers receiving gas metered at pressures equal to or greater than 40 psig or for customers receiving gas metered at pressures equal to or greater than 10 psig with annual usage of 50,000 Mcf or more shall be adjusted for supercompressibility. The supercompressibility adjustment factor shall be specifically identified on the customer's monthly bill.

\*Billing Units – The billing unit under this rate schedule is a therm [one hundred thousand British thermal units (Btu)]. The number of therms billed hereunder in any month shall be determined by multiplying the volume of gas in cubic feet by the average heating value of the gas, expressed in Btu per cubic foot as applicable for such month and dividing this product by 100,000.

Example 1: 50 CCF X 1.030 (heat value) X 1.0998 pressure factor = 56.640 therms.

Example 2: 120 MCF X 1.030 (heat value) X 1.0998 pressure factor = 135.935 therms.

**RATE - MONTHLY BILLING**

- Service Charge (per month) \$ 18.62
- Commercial Gas Infrastructure Replacement Charge (per month) ~~\$ 29.00~~ \$ 31.00
- Industrial Gas Infrastructure Replacement Charge (per month) ~~\$375.00~~ \$400.00
- Base Commodity Charge (per therm)
 

	<u>Nov thru Mar</u>	<u>Apr thru Oct</u>
– First 2,500 Therms	<del>\$.1628</del> <u>\$.1669</u>	<del>\$.0794</del> <u>\$.0814</u>
– Over 2,500 Therms	<del>\$.1467</del> <u>\$.1504</u>	<del>\$.0636</del> <u>\$.0652</u>
- Gas Cost (All gas used)
  - a. Weighted Avg Cost of Gas (WACOG) (see Rate Schedule GCA)
  - b. Gas Cost Adjustment (GCA) (see Rate Schedule GCA)
- The minimum monthly bill shall be the sum of the monthly Service Charge and monthly Gas Infrastructure Replacement Charge.

**GAS COST**

The Base Commodity Charge will be combined with the Weighted Average Cost of Gas (WACOG) and Gas Cost Adjustment (GCA) for a combined Commodity Billing Rate in accordance with Schedule GCA, Gas Cost Adjustment Provisions.

Rates included herein are subject to monthly adjustment for changes in cost of natural gas to District and peak shaving costs as provided for in gas rate Schedule GCA, Gas Cost Adjustment Provisions. For current billing rate and/or billing rate history contact the District’s Marketing or Rate Divisions.

**STATUTORY PAYMENT TO CITIES**

Under Sections 14-2138 and 2139, R.R.S.1997, the District is required to pay to each city or village two (2) percent of retail sales of gas. Two (2) percent has not been included in the above rates. Therefore, the rates for all customers residing inside corporate limits is 2 percent greater than the rate indicated above. This 2% statutory requirement does not apply to gas infrastructure replacement charges.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within fifteen (15) days of date of bill, unpaid gas charges are subject to a late payment charge of four (4) percent.

**TURN-ON CHARGE**

A turn-on charge will be required upon application for gas service.

**EMERGENCY PRIORITY**

Gas service under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by District or as directed by other governmental authority having jurisdiction.

**STRANDED COSTS**

Customers who have received firm service for a period of three years or more and who convert to interruptible service or transportation service shall be subject to the “Stranded pipeline/supply costs” monthly charge as provided for under the District’s rate “Schedule FT, Firm Gas Transportation Service”.

This provision shall also apply where there has been continuous service for three years or more at the same service address under one or more ownership changes.

# METROPOLITAN UTILITIES DISTRICT

## SCHEDULE C - LARGE VOLUME FIRM GAS SERVICE EFFECTIVE JANUARY 2, ~~2024~~2025

(Supersedes Schedule C effective January 2, ~~2023~~2024)

### AVAILABILITY

1. This rate schedule shall apply to customers contracting for natural gas requirements in excess of 199 decatherms (DTH) per day. Term of contract shall be for a period of not less than one year.
2. Gas service under this schedule is available only for the purposes and to the extent that gas is available therefore pursuant to the Rules and Regulations of the District at the time application is made therefor.
3. Availability of service under this schedule is limited to customers whose gas-burning equipment is at a location abutting upon District gas mains of adequate capacity to render such service or is sufficiently near a main where an adequate supply exists so that at the discretion of the District an extension of gas main is justified.
4. Gas supplied under this schedule will be separately metered and not used interchangeably with gas supplied under any other schedule.

### METERING AND BILLING UNITS

District gas meters register in units of cubic feet. For billing purposes, gas meters are read in units of either CCF (100 cubic feet) or Mcf (1,000 cubic feet). In most cases, the index readings from the meter can be directly applied in the billing process. In some instances, direct readings from the meter index require correction for pressure and/or temperature. Some of the District's larger commercial/industrial meters are equipped with correction devices including an additional index showing the corrected usage.

Supercompressibility Adjustment – Due to the behavior of gas molecules under high pressures, additional correction to index readings in certain situations will be applied. For example, meter readings for customers receiving gas metered at pressures equal to or greater than 40 psig or for customers receiving gas metered at pressures equal to or greater than 10 psig with annual usage of 50,000 Mcf or more shall be adjusted for *supercompressibility*. The supercompressibility adjustment factor shall be specifically identified on the customer's monthly bill.

Billing Units – The billing unit under this rate schedule is a decatherm [one million British thermal units (Btu)]. The volume of gas measured in cubic feet is adjusted for heat value and pressure factor to derive the amount of energy used, measured in decatherms.

### RATE - MONTHLY BILLING

- Gas Infrastructure Replacement Charge (per month)  
~~\$375.00~~\$400.00
- Base Commodity Charge – All gas used (per decatherm)  
~~\$0.5732~~\$0.5872
- Gas Cost – All gas used:
  - a. Weighted Avg Cost of Gas (WACOG) (see Rate Schedule GCA)
  - b. Gas Cost Adjustment (GCA) (see Rate Schedule GCA)

The Minimum Monthly Bill shall be the Demand Charge (Rate Schedule GCA)

Arrangements for daily meter readings and/or determination of daily (24-hour) gas use must be made to the satisfaction of District. If at any time a customer's daily usage exceeds the current maximum daily contract requirement a new contract requirement shall be set at the newly established maximum day usage. A maximum daily contract requirement can be reduced, if it has been in effect for a period of not less than 12 months and customer can demonstrate to District satisfaction that customer requirements have been permanently reduced by changes in production levels or by the use of more efficient equipment.

### **GAS COST**

The Base Commodity Charge will be combined with the Weighted Average Cost of Gas (WACOG) for a combined Commodity Billing Rate. WACOG shall be derived in accordance with Schedule GCA, Gas Cost Adjustment Provisions. Peak shaving capital costs shall also apply to the demand charge in accordance with the provisions of Rate Schedule GCA.

Rates included herein are subject to adjustment for monthly changes in the cost of natural gas to the District as provided for in gas rate Schedule GCA, Gas Cost Adjustment Provisions. For current billing rate and/or billing rate history contact the District's Marketing or Rate Divisions

### **STATUTORY PAYMENT TO CITIES**

Under Sections 14-2138 and 2139, R.R.S.1997, the District is required to pay to each city or village two (2) percent of retail sales of gas. Two (2) percent has not been included in the above rate. Therefore, the rate for all customers residing inside corporate limits is 2 percent greater than the rate indicated above. This 2% statutory requirement does not apply to gas infrastructure replacement charges.

**PAYMENT** The monthly bill will be rendered at the above net rate.

**TURN-ON CHARGE** A turn-on charge will be required upon application for gas service.

### **EMERGENCY PRIORITY**

Gas service under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by District or as directed by other governmental authority having jurisdiction.

### **PENALTIES**

Customers whose gas use exceeds the maximum daily contracted requirements shall be subject to a charge at least equal to any payment the District is required to make to its gas supplier as a result of such unauthorized use, but in no event will the charge be less than \$7 per DTH of unauthorized gas use in addition to monthly billing rates stated in this schedule. Penalties may be waived at District option, but in all cases, customers will be required to contract for a higher maximum daily requirement.

### **STRANDED COSTS**

Customers who have received firm service for a period of three years or more and who convert to interruptible service or transportation service shall be subject to the "Stranded pipeline/supply costs" monthly charge as provided for under the District's rate "Schedule FT, Firm Gas Transportation Service". This provision shall also apply where there has been continuous service for three years or more at the same service address under one or more ownership changes.

# METROPOLITAN UTILITIES DISTRICT

## SCHEDULE D COMPRESSED-NATURAL-GAS (CNG) VEHICLE SERVICE EFFECTIVE JANUARY 2, ~~2024~~2025

(Supersedes Schedule D effective January 2, ~~2023~~2024)

### AVAILABILITY

1. This rate schedule shall apply to customers utilizing compressed natural gas (CNG) in natural gas-powered vehicles (NGV) obtained at an M.U.D. CNG filling station.
2. This schedule shall also apply to natural gas separately metered and compressed on customer premises at customer expense. Natural gas compressed on customer premises that is not separately metered shall be billed at the prevailing rate of the primary meter.
3. Gas service under this schedule is available only for the above purpose and to the extent that gas is available therefore pursuant to the Rules and Regulations of the District at the time service is requested.

### RATE

#### 1. M.U.D. Filling Station - Compression by the District

**Base Commodity Charge** – All gas delivered:

Per Therm*	<del>\$0.8309</del> <u>\$0.8517</u>
Per GGE**	<del>\$1.0387</del> <u>\$1.0647</u>

**Commodity Charge** – All gas delivered      Weighted Avg Cost of Gas (WACOG)

#### 2. Customer Fill Station - Compression by the Customer

**Service Charge** - The service charge applies only to natural gas separately metered and compressed on customer premises. The service charge will be the applicable Schedule A, Schedule B, or submeter charge per month.

**Base Commodity Charge** – All gas delivered:

Per Therm*	<del>\$0.1706</del> <u>\$0.1749</u>
Per GGE**	<del>\$0.2132</del> <u>\$0.2186</u>

**Commodity Charge** – All gas delivered      Weighted Avg Cost of Gas (WACOG)

\*The quantity of gas delivered hereunder shall be expressed in therms. The term, "therm", as used in this rate schedule means the quantity of gas which contains one hundred thousand British thermal units (100,000 Btu). The number of therms delivered hereunder in any month shall be determined by multiplying the volume of gas in cubic feet by the average heating value of the gas, expressed in Btu per cubic foot, as applicable for such month, and dividing this product by 100,000.

\*\*For billing purposes, when necessary, the conversion factor for converting therms to gasoline gallon equivalent (GGE) shall be 0.8 gallon per one therm.

**GAS COST**

The Base Commodity Charge will be combined with the Weighted Average Cost of Gas (WACOG) for a combined Commodity Billing Rate. WACOG shall be derived in accordance with Schedule GCA, Gas Cost Adjustment Provisions. Billing rates per therm shall be calculated and rounded to four places, following generally accepted rounding rules. Billing rates per GGE shall be calculated and rounded up to two places where pumps carry rates to two places.

Rates included herein are subject to adjustment for monthly changes in the cost of natural gas to the District as provided for in gas rate Schedule GCA, Gas Cost Adjustment Provisions. For current billing rate and/or billing rate history contact the District’s Marketing or Rate Divisions.

**FLEXIBLE MARKET PRICING**

Flexible Market Pricing may apply to vehicular natural gas volumes delivered via District owned public fill stations. On a monthly basis, District management can alter the retail price at the pump. The retail price at the pump may be decreased or increased, considering excise credits, competing fuel prices, and local market pricing for CNG. No retail price for CNG sales shall be lower than the District’s commodity cost of purchased gas plus margin of \$0.75/GGE (or \$0.60 per therm), prior to the addition of all applicable taxes and statutory payments.

**TAXES**

The District is required to collect Federal Excise CNG Fuel Tax and State of Nebraska Compressed Fuel Tax. The applicable rates will be incorporated into the combined Commodity Billing Rate. In addition, all applicable Federal, State and local taxes will be charged.

**PAYMENT**

The monthly bill will be rendered at the above net rate.

**EMERGENCY PRIORITY**

Gas service under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by the District or as directed by other governmental authority having jurisdiction.

**METROPOLITAN**  
UTILITIES DISTRICT

**SCHEDULE F**  
**FIXED RATE GAS SERVICE**  
**EFFECTIVE JANUARY 2,**

~~2024~~2025

(Supersedes Schedule F effective January 2,

~~2023~~2024)

**AVAILABILITY**

This rate schedule is available to customers contracting for the purchase of fixed quantities of natural gas at a fixed price for up to a 48-month period.

1. Customer must be purchasing gas under one of the following commercial or industrial gas rate schedules.
  - Schedule B, Commercial or Industrial Firm Gas Service
  - Schedule C, Large Volume Firm Gas Service
  - Schedule No. 3, Interruptible Gas Service
  - Schedule CS – 1, Contract Gas Service
2. Customer must have total gas requirements of not less than 100 decatherms per day. (Multiple meters/sites may be combined to meet this requirement.)
3. Remote automatic meter reading facilities must be installed to District specifications for each meter combined under the contract. Installation will be at customer expense.
4. Customer must have authorized personnel available during normal working hours that can accept or reject the fixed price offered upon notice from the District. (The Gas Operations Department will solicit offers from gas marketers and other suppliers for packages of gas to meet the customers' requests. Gas Operations will advise customers of the best offer available and of the window available for acceptance.)

**RATE – MONTHLY BILLING**

The contract "unit cost of gas" (UCOG) purchased by the District for this service will displace the variable "weighted-average cost of gas" (WACOG) included in the commodity charge of District rate schedules as adjusted by the monthly GCA (gas cost adjustment). All other charges in the applicable rate schedules will apply to this service. A monthly administrative charge will also apply.

The District reserves the right to pass on any additional tax or surcharge that may be imposed on the sale or transportation of gas under this rate schedule by any governmental or regulatory body during the course of the contract year.

Administrative charges will be applied per month per contract. Monthly charges for billing purposes by rate schedule:

**Schedule B:**

- Basic administrative charge (one delivery point) \$98.00
- Additional administrative charge per each additional delivery point \$49.00
- Schedule B service charge – per meter \$18.62
- Schedule B commodity charges (excluding commodity WACOG) to be added to the contract UCOG:

Per Dth	Nov – Mar	Apr - Oct
First 250 Dth	\$ <del>1.6280</del> <u>1.6690</u>	\$ <del>0.7940</del> <u>0.8140</u>
Over 250 Dth	\$ <del>1.4670</del> <u>1.5040</u>	\$ <del>0.6360</del> <u>0.6520</u>

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**Schedule C:**

- Basic administrative charge (one delivery point) \$98.00
- Additional administrative charge per each additional delivery point \$49.00
- Schedule C Commodity Charge to be added to the contract UCOG ~~\$0.5732/Dth~~ \$0.5872/Dth

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(Note: Firm rates are subject to adjustment for changes in pipeline/marketer reservation/surcharges.)

**Schedule 3:**

- Basic administrative charge (one delivery point) \$98.00
- Additional administrative charge per each additional delivery point \$49.00
- Schedule 3 Service Charge – per meter \$1,078.00
- Non gas component of Schedule 3 commodity charge to be added to the contract UCOG:
  - First 5,000 Dth per month \$ ~~0.6982~~ 0.7152
  - Over 5,000 Dth per month \$ ~~0.5732~~ 0.5872

**Schedule CS – 1:**

- Basic administrative charge (one delivery point) \$98.00
- Additional administrative charge per each additional delivery point \$49.00
- Other charges as contracted plus UCOG contract price \$18.62

**ADDITIONAL CHARGES**

Actual volumes purchased will be balanced to contract quantities. Additional charges may apply:

- If actual volumes used are less than contract volumes for the billing month and
- the contract UCOG is greater than the system WACOG for the month, an additional charge equal to the contract UCOG minus the system WACOG per decatherm will apply to the variance of actual volumes from contract volumes.
- the contract UCOG is less than the system WACOG for the month no additional charges or credits will be assigned to the customer.
- If a variance is caused by District curtailment, no additional charges will apply.
  
- If actual volumes used are greater than contract volumes for the billing month, actual volumes in excess of contract volumes will be billed at the customer's applicable underlying rate schedule, i.e., rate schedule B, C, No. 3, or CS-1.

**STATUTORY PAYMENT TO CITIES**

Under Sections 14-2138 and 2139, R.R.S.1997, the District is required to pay to each city or village two (2) percent of retail sales of gas. Two (2) percent has not been included in the above rate. Therefore, the rate for all customers residing inside corporate limits is 2 percent greater than the rate indicated above. The UCOG contract price will also be adjusted to include two (2) percent for city or village when applicable.

**OTHER TERMS AND CONDITIONS**

All terms and conditions of the customers' applicable underlying rate schedules that are not modified by the above shall apply to gas service rendered under this rate schedule.

**METROPOLITAN**  
**UTILITIES DISTRICT**  
**SCHEDULE NO. 3**  
**INTERRUPTIBLE GAS SERVICE**  
**EFFECTIVE JANUARY 2,**  
**~~2024~~2025**

**(Supersedes Schedule No. 3 effective January 2,**  
**~~2023~~2024)**

**AVAILABILITY**

This rate schedule is available to customers purchasing gas from the District who agree to use for a period of not less than one year, and who have satisfied the District of their ability and willingness to discontinue the use of said gas, during periods of curtailment or interruption, by substituting the use of standby facilities, or plant shutdown.

1. Gas service under this schedule is available only for the purposes and to the extent that gas is available therefor pursuant to the Rules and Regulations of the District at the time application is made.
2. Availability of service under this schedule is limited to customers whose gas-burning equipment is at a location abutting upon District gas mains of adequate capacity to render such service or is sufficiently near a main where an adequate supply exists so that at the discretion of the District an extension of gas main is justified.
3. The gas supplied under this schedule will be separately metered and not used inter-changeably with gas supplied under any other schedule and is subject to all terms and conditions of the District's Standard Form written contract to be executed by the customer prior to commencement of any main extension for delivery of gas hereunder.

**METERING AND BILLING UNITS**

District gas meters register in units of cubic feet. For billing purposes, gas meters are read in units of either 100 cubic feet (CCF) or 1,000 cubic feet (Mcf). In most cases, the index readings from the meter can be directly applied in the billing process. In some instances, direct readings from the meter index require correction for pressure and/or temperature. Some of the district's larger commercial/industrial meters are equipped with correction devices including an additional index showing the corrected usage.

Supercompressibility Adjustment – Due to the behavior of gas molecules under high pressure, additional correction to index readings in certain situations will be applied. For example, meter readings for customers receiving gas metered at pressures equal to or greater than 40 psig or for customers receiving gas metered at pressures equal to or greater than 10 psig with annual usage of 50,000 Mcf or more shall be adjusted for supercompressibility. The supercompressibility adjustment factor shall be specifically identified on the customer's monthly bill.

Billing Units – The billing unit under this rate schedule is a decatherm [one million British thermal units (Btu)]. The number of decatherms billed hereunder in any month shall be determined by multiplying the volume of gas in cubic feet by the average heating value of the gas, expressed in Btu per cubic foot as applicable for such month and dividing this product by one million.

Daily Meter Readings – Arrangements for the installation of telemetering equipment and phone line for providing daily meter readings using the Metretek System must be made to the satisfaction of the District.

**RATE - MONTHLY BILLING**

- Service Charge \$1,078.00
- First 5,000 decatherms ~~\$.6982~~ \$.7152 per Decatherm
- Over 5,000 decatherms ~~\$.5732~~ \$.5872 per Decatherm

**GAS COST**

The Base Commodity Charge will be combined with the Weighted Average Cost of Gas (WACOG) for a combined Commodity Billing Rate. WACOG shall be derived in accordance with Schedule GCA, Gas Cost Adjustment Provisions.

Rates included herein are subject to adjustment for monthly changes in the cost of natural gas to the District as provided for in gas rate Schedule GCA, Gas Cost Adjustment Provisions. For current billing rate and/or billing rate history contact the District’s Marketing or Rate Divisions.

**MINIMUM MONTHLY BILL**

\$1,078.00 Net - Except that minimum bills will be waived for billing months of November through March providing the meter registers zero consumption for the billing period.

**STATUTORY PAYMENT TO CITIES**

Under Sections 14-2138 and 2139, R.R.S.1997, the District is required to pay to each city or village two (2) percent of retail sales of gas. Two (2) percent has not been included in the above rate. Therefore, the rate for all customers residing inside corporate limits is 2 percent greater than the rate indicated above.

**PAYMENT**

The monthly bill will be rendered at the above net rate.

**MONTHLY NOMINATION**

1. Each large volume (requirements of 200,000 cubic feet or more per day) customer must notify the District 3 workdays prior to the first of the month of its intent to burn an alternate fuel in lieu of natural gas for the month. If no such notification is made, customer is committed to using natural gas when available for customer's monthly energy requirements.

### **MONTHLY NOMINATION (continued)**

2. To the extent that a large volume customer uses an alternate fuel to displace natural gas without the proper notification to District as outlined in paragraph 1, a nomination penalty shall apply.
3. The nomination penalty shall be the highest nomination charge that District must pay to its natural gas suppliers for the month plus \$.05 per decatherm and shall be applied to the difference between customer's average monthly gas use for the previous twelve months and the actual gas used during the month in which penalty applies.

### **TURN-ON CHARGE**

A turn-on charge will be required upon application for gas service.

### **PRIORITY**

Gas supplied under this schedule will have priority assigned in accordance with effective gas tariffs under which District purchases and/or transports gas, but normally gas shall be curtailed under this schedule before curtailment occurs on any other District rate schedule.

### **EMERGENCY PRIORITY**

Gas service under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by District or as directed by other governmental authority having jurisdiction.

### **PENALTIES**

Customers who fail to curtail the use of gas hereunder when requested shall be subject to a charge at least equal to any payment the District is required to make to its gas supplier as a result of such unauthorized use, but in no event will the charge be less than \$7 per DTH of unauthorized use in addition to monthly billing rates stated in this schedule.

**METROPOLITAN**  
**UTILITIES DISTRICT**

**SCHEDULE GIR**  
**GAS INFRASTRUCTURE REPLACEMENT (GIR) RIDER**  
**EFFECTIVE JANUARY 2, ~~2024~~2025**

**(Supersedes Schedule GIR effective January 2, ~~2023~~2024)**

**APPLICABILITY**

This rider shall apply to and become a part of each of the District’s sales and transportation rate schedules. The rate will be applied per meter\* by customer class and rate schedule. The monthly charge will be assessed in addition to the Service Charge component of their applicable rate schedule.

**PURPOSE**

The purpose of this rider is for the District to recover costs associated with the replacement of gas mains. This rate has been weighted by the average use per customer class. On an annual basis, the weighting, past actual cost, and projected future costs will be reviewed.

**RATE - MONTHLY BILLING**

The charges for the respective gas service schedules are:

- Schedule A, Residential Gas Service ~~\$3.75~~\$4.00
- Schedule B - Commercial Gas Service ~~\$29.00~~\$31.00
- Schedule B - Industrial Gas Service ~~\$375.00~~\$400.00
- Schedule C, Large Volume Industrial Gas Svc ~~\$375.00~~\$400.00
- Schedule D, Compressed Natural Gas Svc

Compression by the customer; separately metered:

- Residential Service ~~\$3.75~~\$4.00
- Commercial Service ~~\$29.00~~\$31.00
- Schedule 3, Interruptible Gas Service ~~\$375.00~~\$400.00
- Schedules IT & FT, Transportation Service ~~\$375.00~~\$400.00

**MINIMUM MONTHLY BILL**

The minimum monthly bill will be the sum of the Service Charge and GIR Charge for each respective rate schedule.

\*Charge is applied to each active meter at the time of billing. Excludes submeter bills.

**PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within 15 days of date of bill, unpaid water charges are subject to a late payment charge of four (4) percent.

**METROPOLITAN**  
UTILITIES DISTRICT

**SCHEDULE FT**  
**FIRM GAS TRANSPORTATION SERVICE**  
**EFFECTIVE JANUARY 2, ~~2024~~2025**

**(Supersedes Schedule FT effective January 2, ~~2023~~2024)**

**AVAILABILITY**

Transportation service under this rate schedule is available to customers purchasing gas from third-party suppliers and delivering said gas to District's system at town border stations (TBS) for transportation and delivery to customer premises, providing:

1. Customer's premises are at a location abutting upon District gas mains of adequate capacity to render such service.
2. Customer can make all necessary arrangements, at customer's expense, to cause delivery of customer's gas to District town border stations as needed.
3. The Receipt Point must be at a town border station to be designated by District. The Delivery Point must be a District designated meter on customer premises.
4. Customer shall enter into written contract for firm transportation services which shall include but not be limited to all terms and conditions, of this rate schedule. Term of contract shall be for not less than one year.

**RATE - MONTHLY BILLING**

The monthly charge for transportation of natural gas under this rate schedule shall include the following:

1. Customer Charge
  - First Meter \$100.00
  - Additional Meters \$50.00
2. Demand Charges:
  - System Costs \$5.50 per DTH of maximum daily
  - Stranded Pipeline/Supply costs\* \$3.78 per DTH of maximum daily contract requirements

*\*This charge shall apply for a period of five years from date that a firm service sales customer converts to firm transportation. The District may release capacity to the customer at a rate equal to this charge for up to 60% of the Customers Peak Day usage.*

3. Commodity Charge ~~\$0.5732~~ \$0.5872 per DTH delivered
4. Minimum Monthly Bill - Customer charge plus total applicable demand charges.

**APPLICATION FEE AND OTHER CHARGES**

In addition to the monthly charges set forth above, Customer shall pay:

1. Application Fee - \$250.00 with each Request for Transportation Service, as provided in the Other Terms and Conditions of this rate schedule
2. Telemeter and Phone Line -- all costs related to telemetering and any other facilities constructed or installed to provide Transportation Service may be charged to the Customer
3. Directly Assignable Costs - any pipeline demand charges previously related to the Customer's requirements that the District must continue to pay even after the Customer begins receiving Transportation Service and any fees paid to others by the District related to such service providing such charges are not included in the above monthly demand charges.

#### **PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within fifteen (15) days of date of bill, unpaid gas charges are subject to a late payment charge of four (4) percent. An additional late payment charge of .5 percent per month will be charged on the portion of any account in arrears two or more months.

#### **EMERGENCY PRIORITY**

Gas transportation under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by District or as directed by other governmental authority having jurisdiction.

#### **PENALTIES**

Customers are required to enter into an End User Agreement with Northern Natural Gas (NNG.) Customer shall make daily nominations to NNG and will settle all imbalances with NNG.

MUD will provide Customer two measurement emails daily to assist in tracking daily usage. The first email will occur approximately at 5:30 AM and the second email will occur at approximately 10:40 and will have the daily total in Mcf or Ccf depending on meter size. If the automatic emails system does not send the email then the Customer will be required to base usage off historical numbers or projected use. The District will not be responsible for any NNG charges due to this automatic system failing to send these emails. The District will pass any charges incurred from Northern directly to the Customer and provide support of such charges.

#### **EMERGENCY SALES**

Emergency Sales Service will be available only if, in the sole discretion of the District, it can be provided without jeopardizing service to other sales and transportation customers of the District. In emergency situations, on a reasonable-efforts basis, the District will purchase and resell to the customer as much gas as the customer nominates, and the District can obtain from its suppliers.

The rate for emergency-sales-service gas shall be agreed upon at time of nomination and shall include all incremental costs associated with obtaining the replacement gas supplies including the cost of operating District peakshaving facilities, if necessary, plus the District's normal firm service sales rate margin over commodity cost of gas. In no case will the rate be less than the District's current highest firm-service gas-sales rate plus one dollar (\$1.00) per MMBtu.

## DEFINITIONS

The following terms may be used in this rate schedule and/or in contracts, applications for service and in other documents and communications (oral or written) necessary to the providing of service under this rate schedule:

- **Balance.** The term "balance" or "balancing" shall mean Customer's obligation to make deliveries equal Receipts.
- **Billing Day.** The term "billing day" shall mean the period of time commencing at 9:00 a.m. pipeline time and ending at 9:00 a.m. pipeline time the following day.
- **Billing Month.** The term "billing month" shall mean the period from 9:00 a.m. pipeline time of the first day of the calendar months to 9:00 a.m. pipeline time of the first day of the succeeding calendar month, unless a different period of time is specified in the Contract.
- **British Thermal Unit (Btu).** The term "British thermal unit" ("Btu") shall mean the amount of heat required to raise the temperature of one (1) pound of water from fifty-nine degrees Fahrenheit to sixty degrees Fahrenheit at a constant pressure of 14.73 psia.
- **CST.** The term "CST" shall mean central standard time or central daylight time, whichever is applicable.
- **Capacity.** The term "capacity" shall mean the maximum gas load which any part of the District's distribution system is capable of carrying on a sustained basis under operating conditions relevant to the determination.
- **Commodity Charge.** The term "commodity charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is based upon the total quantity of transportation gas delivered to Customer at Delivery Point.
- **Contract.** The term "contract" shall mean a written agreement, substantially in the form attached to this rate schedule as Exhibit A, providing for Transportation Service, which is executed by District and Customer, and any exhibits, attachments, and/or amendments thereto.
- **Critical Day.** The term "critical day" shall mean any day on which, in the sole judgment of District, curtailment of transportation gas or interruption of Transportation Service may be required due to capacity constraint, supply shortage, or as a result of any consideration reasonably determined by District. District shall make every effort to give Customer notice of Critical Day by 8:00 a.m. prior to the beginning of the Gas Day, but it may give such notice at any time.
- **Cubic Foot.** The term "cubic foot" shall mean the volume of gas which occupies one cubic foot when such gas is at a temperature of sixty degrees Fahrenheit (60°F), and at a pressure of fourteen and seventy-three hundredths' pounds per square inch absolute (14.73 psia) and corrected for deviation from ideal gas behavior.

- **Curtailement.** The term "curtailement" shall mean a reduction of the quantities of gas which District would otherwise deliver to Customer, whether due to capacity constraint, supply shortage, force majeure, or any other cause reasonably determined by District.
- **Curtailement Quantity.** The term "curtailement quantity" shall mean the lesser of the Daily Nominated Quantity, the daily Receipts, or the daily quantity of transportation gas allowed by District to be consumed by Customer during the curtailement period.
- **Customer.** The term "customer" shall mean any person, association, firm, public or private corporation, or any agency of the federal, state, or local government or legal entity responsible by law for payment for Transportation Service.
- **Customer Charge.** The term "customer charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is a fixed amount without regard to the Daily Contract Requirement or quantity of gas delivered.
- **Daily Contract Requirement.** The term "daily contract requirement" shall mean the maximum daily quantity of transportation gas District agrees to transport to Customer at Delivery Point under this rate schedule, as specified in the Contract. Minimum Daily Contract Requirement for Schedule FT shall be 200 Dth/day.
- **Daily Nominated Quantity.** The term "daily nominated quantity" shall mean the daily volume of transportation gas nominated by Customer to District for transportation from Receipt Point to Delivery Point.
- **Day.** The term "day" shall mean a period of time beginning at 12:00 Midnight pipeline time on the starting day and ending at 12:00 Midnight pipeline time on the following day.
- **Decatherm.** The term "decatherm" or "DTH" shall mean ten therms (1,000,000 Btu).
- **Deliveries.** The term "deliveries" shall mean the quantity of transportation gas delivered by District to Customer on a daily basis at Delivery Point.
- **Delivery Point.** The term "delivery point" or "point of delivery" shall mean the location where District's gas distribution facilities interconnect with Customer's facilities and where Customer and District have agreed that transportation gas received at Receipt Point will be delivered by District to Customer.
- **Demand Charge.** The term "demand charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is based upon Customer's FT Daily Contract Requirement as set forth in the Contract.
- **District.** The term "District" shall mean Metropolitan Utilities District.
- **Gas.** The term "gas" shall mean natural gas that is received by District from a transporting pipeline at Receipt Point and delivered by District to Customer at Delivery Point. In addition, the term shall

include liquefied natural gas and/or propane introduced by District into its gas distribution system and delivered to Customer as the equivalent of sales or transportation gas that Customer is otherwise entitled to have delivered by District.

- **Gas Day.** The Term "gas day" shall mean the period of time commencing at 9:00 a.m. pipeline time on the starting day and ending at 9:00 a.m. on the following day.
- **FT.** The term "FT" shall mean Firm Gas Transportation.
- **IT.** The term "IT" shall mean Interruptible Gas Transportation.
- **Imbalance.** The term "imbalance" shall mean the difference between the quantity of transportation gas received by District from the transporting pipeline at Receipt Point for Customer's account and the quantity of transportation gas delivered by District to Customer at Delivery Point. Imbalances will be handled by Northern Natural Gas.
- **Interruption.** The term "interruption" shall mean the total cessation of Transportation Service provided under this rate schedule, whether due to capacity constraint, supply shortage, force majeure, or any other cause reasonably determined by District.
- **Mcf.** The term "Mcf" shall mean one thousand (1,000) cubic feet of natural gas.
- **MMBtu.** The term "MMBtu" shall mean one million (1,000,000) Btu.
- **Natural Gas.** The term "natural gas" shall mean any mixture of hydrocarbons or of hydrocarbons and non-combustible gases, in a gaseous state, consisting principally of methane.
- **Negative Daily Imbalance.** The term "negative daily imbalance" shall mean the difference between daily Receipts and the greater quantity of daily Deliveries.
- **Negative Monthly Imbalance.** The term "negative monthly imbalance" shall mean the difference, at any time during a Billing Month, between cumulative daily Receipts and the greater quantity of cumulative daily Deliveries.
- **Northern Natural Gas Company.** Northern Natural Gas Company or "Northern" is the owner and operator of the interstate natural gas pipeline which transports gas from various producing basins and pipeline interconnects to District's gas distribution system.
- **Nomination.** The term "nomination" shall mean the quantity of gas that District is requested to transport on a daily basis from Receipt Point to Delivery Point.
- **Pipeline Time.** The term "pipeline time" will coincide with either Central Standard Time or Central Daylight Time, whichever is in effect at that particular time of the year.
- **Positive Daily Imbalance.** The term "positive daily imbalance" shall mean the difference between daily Receipts and the lesser quantity of daily Deliveries.

- **Positive Monthly Imbalance.** The term "positive monthly imbalance" shall mean the difference, at any time during a Billing Month, between cumulative daily Receipts and the lesser quantity of cumulative daily Deliveries.
- **Receipts.** The term "receipts" shall mean the quantity of transportation gas the District receives on a daily basis from Customer at Receipt Point.
- **Receipt Point.** The term "receipt point" shall mean the point at which Customer delivers gas to District.
- **Service.** The term "service" or "transportation service" shall mean the availability of the transportation of gas by District to Customer whether or not gas is actually transported.
- **Therm.** The term "therm" shall mean 100,000 Btu.
- **Town Border Station (TBS).** The term "town border station" shall mean the physical location where District's distribution system interconnects with Northern's interstate pipeline. The TBS generally consists of facilities to regulate gas pressure and measure volumes of gas.
- **Transportation.** The term "transportation" shall mean transportation of gas.
- **Year.** The term "year" shall mean a period of 365 consecutive days; provided, however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.

#### OTHER TERMS AND CONDITIONS

- Filing Transportation will not commence until the Customer files with the District completed End User Agreement on Northern Natural Gas and Application for Firm Service Gas Transportation.
- Gas Quality Gas purchased by Customer from a third party for Transportation by the District shall be commercially clean and merchantable. Such gas shall be comparable in quality to and interchangeable with gas purchased from the District's pipeline supplier. The District reserves the right to refuse to accept gas that does not meet the District's quality specifications.

The District reserves the right to commingle Customer's gas with other gas suppliers including propane and liquefied natural gas.

- Thermal Balancing The quantity of transportation gas received by the District from the transporting pipeline and the quantity of transportation gas delivered to the Customer under the applicable Schedule shall be thermally balanced. The transportation pipeline's statement as to volumes, heating value, and thermal balancing shall be taken as conclusive.
- Liability
  - General. Gas shall be and shall remain the property of the customer while being transported and delivered by the District. The District shall not be liable to the Customer for any loss arising from

or out of gas Transportation Service while in the District's system or for any other cause, except for gross or willful negligence of the District's own employees.

- Insurance. The Customer shall be responsible for determining the extent of and maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the District.

- Measurement

- The quantity of gas transported on a daily basis shall be determined by District gas meter located at Delivery Point. The quantity of gas measured shall be expressed in MMBtu's. The number of MMBtu's transported by District from Receipt Point to Delivery Point in any day shall be determined by multiplying the volume of gas in cubic feet by the average heating value of the gas, expressed in Btu's per cubic foot, as applicable for such day and dividing this product by one million. If, for any reason, metering equipment is out of service or out of repair so that the quantity of gas delivered is not correctly indicated by the reading thereof, the gas delivered during such period shall be estimated by the parties on the basis of the best data available using the first of the following methods which is feasible:

By using the registration of any check measuring equipment installed and accurately registering;  
or

By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculations; or

By estimating the quantity of delivery by deliveries during a preceding period under similar conditions when the meter was registering accurately.

- Automatic meter reading equipment (AMR) shall be required at Delivery Point prior to the commencement of any transportation services provided for in this Rate Schedule. Customer shall be invoiced the estimated cost associated with the procurement and installation of said automatic meter reading equipment. Upon remittance, District shall purchase and install automatic meter reading equipment at the Delivery Point. Customer shall furnish an acceptable location for installation of automatic meter reading equipment, as well as provide for the necessary electrical and telephone connections. Customer shall be responsible for any and all one-time and recurring charges associated with electrical or telephone service required for the installation, and any electrical or telephone service required shall list Customer as the customer. Upon completion of the automatic meter reading installation, District shall determine total installation cost and invoice or credit customer, whichever is applicable, the difference between the total and estimated cost.
- If directed by the District, the Customer shall read the District's gas meter each day at the time specified by the District and report such reading to the District.

- Request for Service

- Requests for service under this rate Schedule must be made by filing with the District the information required on the form entitled "Request for Firm Gas Transportation Service" as attached to this rate schedule as Application for Firm Service Gas Transportation.
  - A Request for Service will not be approved until all the information required by the Request for Transportation Service has been delivered to the District and the Application Fee of \$250.00 has been paid. The District reserves the right to request additional information from any applicant, but requesting such information will not normally delay service if the applicant has otherwise provided all of the information and paid the fee as required.
  - After a Request for Transportation Service is approved, the applicant shall have one year from notification of approval to execute and send to the District a Contract for Transportation Service. If such Contract is not executed by the Customer and received by the District within such period, the Request for Transportation Service shall be deemed null and void. Transport of gas shall begin no sooner than two (2) months after execution of a Contract for Transportation Service.
- **Nominations** Customer, or its agent, shall make daily nominations to Northern Natural Gas are required by the pipeline. MUD will be point operator for delivery to our system and will confirm all nominations.
  - **Capacity Constraints** Service under this Schedule is subject to the physical, operational, and contractual constraints of the District's gas system, pertinent to the Delivery Points and Receipt Points.
  - **Customer's Balancing Obligation** Customer shall use an end User Agreement with Northern Natural Gas then all Balancing shall be between Customer and Northern. The District will pass any charges incurred from Northern directly to the Customer and provide support of such charges.
  - **Failure to Comply** If the Customer fails to comply with or perform any of the obligations on its part to be complied with or performed under this Rate Schedule, the District shall have the right to give Customer written notice of the District's intention to terminate the Transportation on account of such failure, then the District shall have the right to terminate such Transportation at the expiration of five days after the giving of said notice, unless within five days the Customer shall make good such failure. Termination of such Transportation for any such cause shall be a cumulative remedy as to the District and shall not release the Customer from its obligation to make payment of any amount or amounts due or to become due from the Customer to the District under this rate Schedule. In order to resume Transportation after termination of service hereunder, it shall be necessary for Customer to file a new request.

**METROPOLITAN**  
**UTILITIES DISTRICT**

**SCHEDULE IT**  
**INTERRUPTIBLE GAS TRANSPORTATION SERVICE**  
**EFFECTIVE JANUARY 2, ~~2024~~2025**

**(Supersedes Schedule IT effective January 2, ~~2023~~2024)**

**AVAILABILITY**

Transportation service under this rate schedule is available to customers purchasing gas under interruptible gas rate schedule No. 3 and other customers who have satisfied the District of their ability and willingness to discontinue the use of natural gas during periods of curtailment or interruption by substituting standby facilities or suffering Plant shutdown providing:

1. Customer's premises are at a location abutting upon District gas mains of adequate capacity to render such service.
2. Customer can make all necessary arrangements, at customer's expense, to cause delivery of customer's gas to District town border stations when needed.
3. The Receipt Point must be at a town border station to be designated by District. The Delivery Point must be a District designated meter on customer premises.
4. Customer shall enter into written contract for transportation services which shall include, but not be limited to provisions on delivery, measurement, notification, billing procedures, balancing procedures, balancing penalties, and liability. Term of contract is to be at District option but not more than one year.

**RATE - MONTHLY BILLING**

1. Customer Charge
  - First Meter \$100.00
  - Additional Meters \$50.00
2. Service Charge \$1,078.00 per Month
3. Commodity Charge ~~\$0.5732~~\$0.5872 per Dth Delivered
4. Minimum Monthly Bill – Customer charge plus total applicable service charges.

### **APPLICATION FEE AND OTHER CHARGES**

In addition to the monthly charges set forth above, Customer shall pay:

1. Application Fee - \$250.00 with each Request for Transportation Service, as provided in the Other Terms and Conditions of this rate schedule.
2. Telemeter and Phone Line -- all costs related to telemetering and any other facilities constructed or installed to provide Transportation Service may be charged to the Customer.
3. Directly Assignable Costs - any pipeline service charges previously related to the Customer's requirements that the District must continue to pay even after the Customer begins receiving Transportation Service and any fees paid to others by the District related to such service providing such charges are not included in the above monthly service charges.

### **PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within fifteen (15) days of date of bill, a gross bill of 4% higher than the net bill will be due and payable.

### **PRIORITY**

When curtailment is necessary due to capacity restrictions on District's distribution system gas transported under this rate schedule will have the same priority as gas purchased or which would normally be purchased by customer under the applicable interruptible rate schedule.

When curtailment of service to interruptible-sales customers is necessary due to restrictions on District gas supply, transportation of customer owned gas will continue under this rate schedule providing customer's gas is delivered to District TBS.

### **EMERGENCY PRIORITY**

Gas transportation under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by District or as directed by other governmental authority having jurisdiction.

### **PENALTIES**

Customers are required to enter into an End User Agreement with Northern Natural Gas (NNG.) Customer shall make daily nominations to NNG and will settle all imbalances with NNG.

MUD will provide Customer two measurement emails daily to assist in tracking daily usage. The first email will occur approximately at 5:30 AM and the second email will occur at approximately 10:40 and will have the daily total in Mcf or Ccf depending on meter size. If the automatic emails system does not send the email, then the Customer will be required to base usage off historical numbers or projected use. The District will not be responsible for any NNG charges due to this automatic system failing to send these emails.

On any day on which a Critical Day has been declared by the District, Customers who fail to curtail the use of gas hereunder when requested shall be subject to a charge at least equal to any payment the District is required to make to its gas supplier as a result of such unauthorized use, but in no event will the charge be less than \$7 per DTH of unauthorized gas use in addition to monthly billing rates stated in this schedule.

If the District incurs increased gas costs due to a Customer's Imbalance, those costs will be passed on to the Customer.

### **EMERGENCY SALES**

Emergency Sales Service will be available only if, in the sole discretion of the District, it can be provided without jeopardizing service to other sales and transportation customers of the District. In emergency situations, on a reasonable-efforts basis, the District will purchase and resell to the customer as much gas as the customer nominates, and the District can obtain from its suppliers.

The rate for emergency-sales-service gas shall be agreed upon at time of nomination and shall include all incremental costs associated with obtaining the replacement gas supplies including the cost of operating District peakshaving facilities, if necessary, plus the District's normal interruptible service sales rate margin over commodity cost of gas. In no case will the rate be less than the District's current interruptible service gas-sales rate.

### **DEFINITIONS**

The following terms may be used in this rate schedule and/or in contracts, applications for service and in other documents and communications (oral or written) necessary to the providing of service under this rate schedule:

- **Balance.** The term "balance" or "balancing" shall mean Customer's obligation to make deliveries equal Receipts.
- **Billing Day.** The term "billing day" shall mean the period of time commencing at 9:00 a.m. pipeline time and ending at 9:00 a.m. pipeline time the following day.
- **Billing Month.** The term "billing month" shall mean the period from 9:00 a.m. pipeline time of the first day of the calendar months to 9:00 a.m. pipeline time of the first day of the succeeding calendar month, unless a different period of time is specified in the Contract.
- **British Thermal Unit (Btu).** The term "British thermal unit" ("Btu") shall mean the amount of heat required to raise the temperature of one (1) pound of water from fifty-nine degrees Fahrenheit to sixty degrees Fahrenheit at a constant pressure of 14.73 psia.
- **CST.** The term "CST" shall mean Central Standard Time or Central Daylight Time, whichever is applicable.
- **Capacity.** The term "capacity" shall mean the maximum gas load which any part of the District's distribution system is capable of carrying on a sustained basis under operating conditions relevant to the determination.

- **Commodity Charge.** The term "commodity charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is based upon the total quantity of transportation gas delivered to Customer at Delivery Point.
- **Contract.** The term "contract" shall mean a written agreement, substantially in the form attached to this rate schedule as Exhibit A, providing for Transportation Service, which is executed by District and Customer, and any exhibits, attachments, and/or amendments thereto.
- **Critical Day.** The term "critical day" shall mean any day on which, in the sole judgment of District, curtailment of transportation gas or interruption of Transportation Service may be required due to capacity constraint, supply shortage, or as a result of any consideration reasonably determined by District. District shall make every effort to give Customer notice of Critical Day by 8:00 a.m. prior to the beginning of the Gas Day, but it may give such notice at any time.
- **Cubic Foot.** The term "cubic foot" shall mean the volume of gas which occupies one cubic foot when such gas is at a temperature of sixty degrees Fahrenheit (60°F), and at a pressure of fourteen and seventy-three hundredths' pounds per square inch absolute (14.73 psia) and corrected for deviation from ideal gas behavior.
- **Curtailment.** The term "curtailment" shall mean a reduction of the quantities of gas which District would otherwise deliver to Customer, whether due to capacity constraint, supply shortage, force majeure, or any other cause reasonably determined by District.
- **Curtailment Quantity.** The term "curtailment quantity" shall mean the lesser of the Daily Nominated Quantity, the daily Receipts, or the daily quantity of transportation gas allowed by District to be consumed by Customer during the curtailment period.
- **Customer.** The term "customer" shall mean any person, association, firm, public or private corporation, or any agency of the federal, state, or local government or legal entity responsible by law for payment for Transportation Service.
- **Customer Charge.** The term "customer charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is a fixed amount without regard to the Daily Contract Requirement or quantity of gas delivered.
- **Daily Contract Requirement.** The term "daily contract requirement" shall mean the maximum daily quantity of transportation gas District agrees to transport to Customer at Delivery Point under this rate schedule, as specified in the Contract.
- **Daily Nominated Quantity.** The term "daily nominated quantity" shall mean the daily volume of transportation gas nominated by Customer to District for transportation from Receipt Point to Delivery Point.
- **Day.** The term "day" shall mean a period of time beginning at 12:00 Midnight pipeline time on the starting day and ending at 12:00 Midnight pipeline time on the following day.

- **Decatherm.** The term "decatherm" or "DTH" shall mean ten therms (1,000,000 Btu).
- **Deliveries.** The term "deliveries" shall mean the quantity of transportation gas delivered by District to Customer on a daily basis at Delivery Point.
- **Delivery Point.** The term "delivery point" or "point of delivery" shall mean the location where District's gas distribution facilities interconnect with Customer's facilities and where Customer and District have agreed that transportation gas received at Receipt Point will be delivered by District to Customer.
- **District.** The term "District" shall mean Metropolitan Utilities District.
- **Gas.** The term "gas" shall mean natural gas that is received by District from a transporting pipeline at Receipt Point and delivered by District to Customer at Delivery Point. In addition, the term shall include liquefied natural gas and/or propane introduced by District into its gas distribution system and delivered to Customer as the equivalent of sales or transportation gas that Customer is otherwise entitled to have delivered by District.
- **Gas Day.** The Term "gas day" shall mean the period of time commencing at 9:00 a.m. pipeline time on the starting day and ending at 9:00 a.m. on the following day.
- **FT.** The term "FT" shall mean Firm Gas Transportation.
- **IT.** The term "IT" shall mean Interruptible Gas Transportation.
- **Imbalance.** The term "imbalance" shall mean the difference between the quantity of transportation gas received by District from the transporting pipeline at Receipt Point for Customer's account and the quantity of transportation gas delivered by District to Customer at Delivery Point.
- **Interruption.** The term "interruption" shall mean the total cessation of Transportation Service provided under this rate schedule, whether due to capacity constraint, supply shortage, force majeure, or any other cause reasonably determined by District.
- **Mcf.** The term "Mcf" shall mean one thousand (1,000) cubic feet of natural gas.
- **MMBtu.** The term "MMBtu" shall mean one million (1,000,000) Btu.
- **Natural Gas.** The term "natural gas" shall mean any mixture of hydrocarbons or of hydrocarbons and non-combustible gases, in a gaseous state, consisting principally of methane.
- **Negative Daily Imbalance.** The term "negative daily imbalance" shall mean the difference between daily Receipts and the greater quantity of daily Deliveries.

- **Negative Monthly Imbalance.** The term "negative monthly imbalance" shall mean the difference, at any time during a Billing Month, between cumulative daily Receipts and the greater quantity of cumulative daily Deliveries.
- **Northern Natural Gas Company.** Northern Natural Gas Company or "Northern" is the owner and operator of the interstate natural gas pipeline which transports gas from various producing basins and pipeline interconnects to District's gas distribution system.
- **Nomination.** The term "nomination" shall mean the quantity of gas that District is requested to transport on a daily basis from Receipt Point to Delivery Point.
- **Pipeline Time.** The term "pipeline time" will coincide with either Central Standard Time or Central Daylight Time, whichever is in effect at that particular time of the year.
- **Positive Daily Imbalance.** The term "positive daily imbalance" shall mean the difference between daily Receipts and the lesser quantity of daily Deliveries.
- **Positive Monthly Imbalance.** The term "positive monthly imbalance" shall mean the difference, at any time during a Billing Month, between cumulative daily Receipts and the lesser quantity of cumulative daily Deliveries.
- **Receipts.** The term "receipts" shall mean the quantity of transportation gas the District receives on a daily basis from Customer at Receipt Point.
- **Receipt Point.** The term "receipt point" shall mean the point at which Customer delivers gas to District.
- **Service.** The term "service" or "transportation service" shall mean the availability of the transportation of gas by District to Customer whether or not gas is actually transported.
- **Service Charge.** The term "service charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service.
- **Therm.** The term "therm" shall mean 100,000 Btu.
- **Town Border Station (TBS).** The term "town border station" shall mean the physical location where District's distribution system interconnects with Northern's interstate pipeline. The TBS generally consists of facilities to regulate gas pressure and measure volumes of gas.
- **Transportation.** The term "transportation" shall mean transportation of gas.
- **Year.** The term "year" shall mean a period of 365 consecutive days; provided, however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.

## OTHER TERMS AND CONDITIONS

- **Filing.** Transportation will not commence until the Customer files with the District completed End User Agreement on Northern Natural Gas and Application for Interruptible Service Gas Transportation.
- **Gas Quality.** The District reserves the right to commingle Customer's gas with other gas suppliers including propane and liquefied natural gas.
- **Liability**
  - **General.** Gas shall be and shall remain the property of the customer while being transported and delivered by the District. The District shall not be liable to the Customer for any loss arising from or out of gas Transportation Service while in the District's system or for any other cause, except for gross or willful negligence of the District's own employees.
  - **Insurance.** The Customer shall be responsible for determining the extent of and maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the District.
- **Measurement**
  - The quantity of gas transported on a daily basis shall be determined by District gas meter located at Delivery Point. The quantity of gas measured shall be expressed in MMBtu's. The number of MMBtu's transported by District from Receipt Point to Delivery Point in any day shall be determined by multiplying the volume of gas in cubic feet by the average heating value of the gas, expressed in Btu's per cubic foot, as applicable for such day and dividing this product by one million. If, for any reason, metering equipment is out of service or out of repair so that the quantity of gas delivered is not correctly indicated by the reading thereof, the gas delivered during such period shall be estimated by the parties on the basis of the best data available using the first of the following methods which is feasible:

By using the registration of any check measuring equipment installed and accurately registering; or

By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculations; or

By estimating the quantity of delivery by deliveries during a preceding period under similar conditions when the meter was registering accurately.
  - Automatic meter reading equipment (AMR) shall be required at Delivery Point prior to the commencement of any transportation services provided for in this Rate Schedule. Customer shall be invoiced the estimated cost associated with the procurement and installation of said automatic meter reading equipment. Upon remittance, District shall purchase and install automatic meter reading equipment at the Delivery Point. Customer

shall furnish an acceptable location for installation of automatic meter reading equipment, as well as provide for the necessary electrical and telephone connections. Customer shall be responsible for any and all one-time and recurring charges associated with electrical, or telephone service required for the installation, and any electrical or telephone service required shall list Customer as the customer. Upon completion of the automatic meter reading installation, District shall determine total installation cost and invoice or credit customer, whichever is applicable, the difference between the total and estimated cost.

- If directed by the District, the Customer shall read the District's gas meter each day at the time specified by the District and report such reading to the District.

- **Request for Service**

- Requests for service under this rate Schedule must be made by filing with the District the information required on the form entitled "Request for Interruptible Gas Transportation" as attached to this rate schedule as Application for Interruptible Service Gas Transportation.
- A Request for Service will not be approved until all the information required by the Request for Transportation Service has been delivered to the District and the Application Fee of \$250.00 has been paid. The District reserves the right to request additional information from any applicant but requesting such information will not normally delay service if the applicant has otherwise provided all of the information and paid the fee as required.
- After a Request for Transportation Service is approved, the applicant shall have one year from notification of approval to execute and send to the District a Contract for Transportation Service. If such Contract is not executed by the Customer and received by the District within such period, the Request for Transportation Service shall be deemed null and void.

- **Nominations.** Customer, or its agent, shall make daily nominations to Northern Natural Gas are required by the pipeline. MUD will be point operator for delivery to our system and will confirm all nominations.
- **Capacity Constraints.** Service under this Schedule is subject to the physical, operational, and contractual constraints of the District's gas system, pertinent to the Delivery Points and Receipt Points.
- **Customer's Balancing Obligation.** Customer shall use an end User Agreement with Northern Natural Gas then all Balancing shall be between Customer and Northern. The District will pass any charges incurred from Northern directly to the Customer and provide support of such charges.
- **Failure to Comply.** If the Customer fails to comply with or perform any of the obligations on its part to be complied with or performed under this Rate Schedule, the District shall have the

right to give Customer written notice of the District's intention to terminate the Transportation on account of such failure, then the District shall have the right to terminate such Transportation at the expiration of five days after the giving of said notice, unless within five days the Customer shall make good such failure. Termination of such Transportation for any such cause shall be a cumulative remedy as to the District and shall not release the Customer from its obligation to make payment of any amount or amounts due or to become due from the Customer to the District under this rate Schedule. In order to resume Transportation after termination of service hereunder, it shall be necessary for Customer to file a new request.

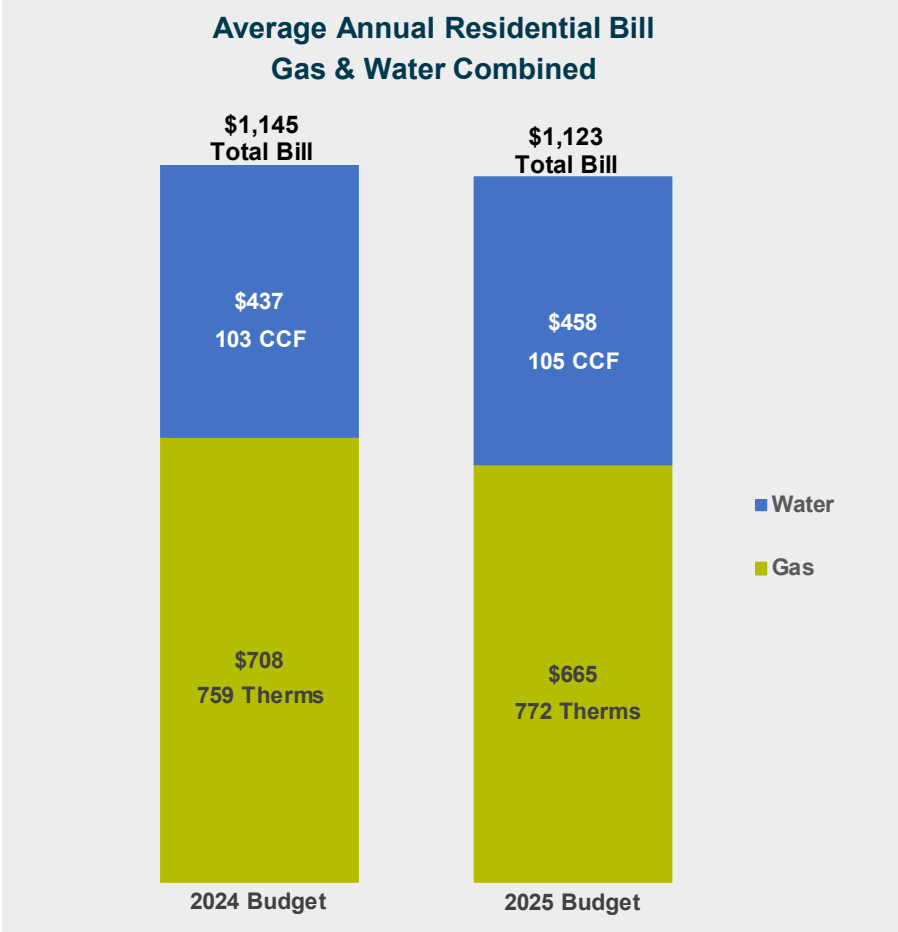
# 2025 BUDGET

December 2024

# Water & Gas Annual Bill Comparison

## 2025 Budget vs. 2024 Budget

- Budget contains a net decrease of 1.9% to the **average residential customer's** combined gas and water bill
- 5.0% increase in annual water bill
  - Up \$21.83 per year, or \$1.82 per month
- 6.1% decrease in annual gas bill
  - Driven by lower cost of natural gas compared to 2024 budget
  - Down \$43.31 per year, or \$3.61 per month
- Combined annual bill down \$21.48, or \$1.79 per month



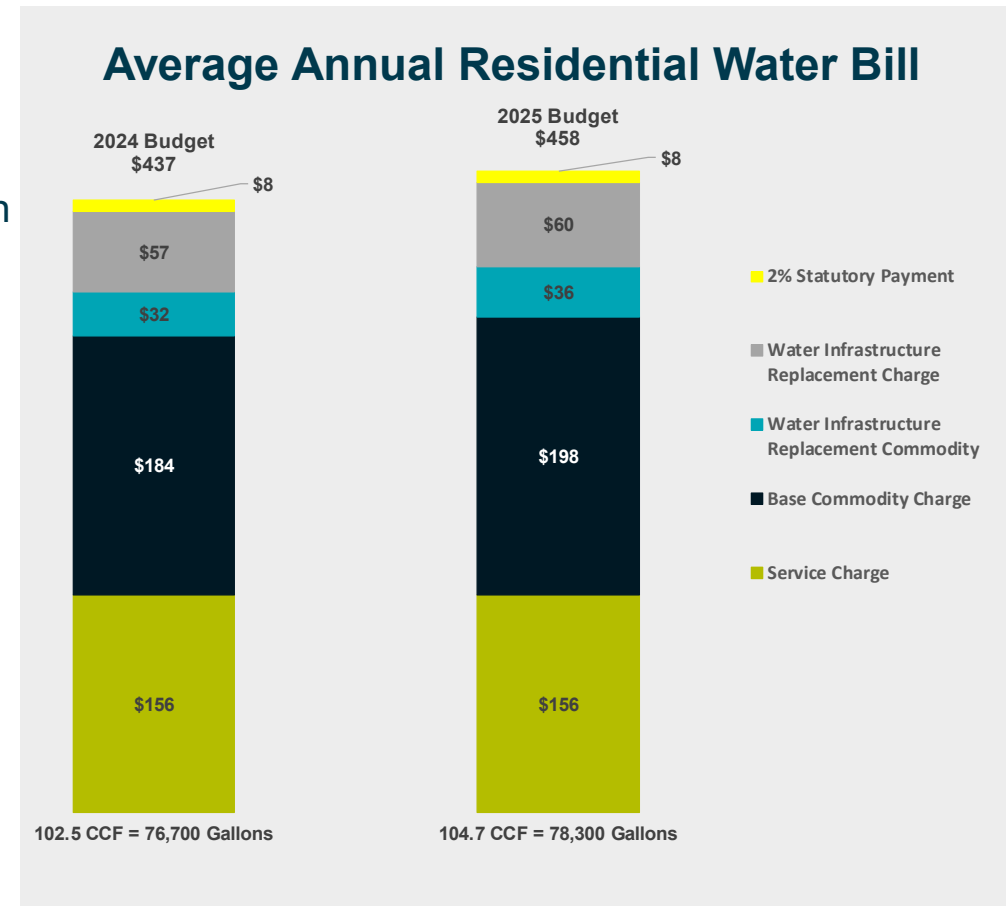
	2024 Budget	2025 Budget	Change	% Change
Water	\$ 436.52	\$ 458.35	\$ 21.83	5.0%
Gas	\$ 708.30	\$ 664.99	\$ (43.31)	(6.1%)
<b>Total</b>	<b>\$ 1,144.82</b>	<b>\$ 1,123.34</b>	<b>\$ (21.48)</b>	<b>(1.9%)</b>

# Water Operations

- Budget contains a 5% increase to the average residential customer’s bill
- Rate increase comprised of:
  - 7.55% increase to the Commodity component of rates (*except Wholesale*)
  - Water Infrastructure Replacement fixed charge raised by \$0.25 per month for Residential customers (*from \$4.75 per month to \$5.00 per month*)
    - A like percentage change will be applied to all customer classes
- New rates to be effective January 2, 2025
- Impact Fees schedule to be updated effective June 1, 2025
- Wholesale rate schedule to be updated effective July 2, 2025

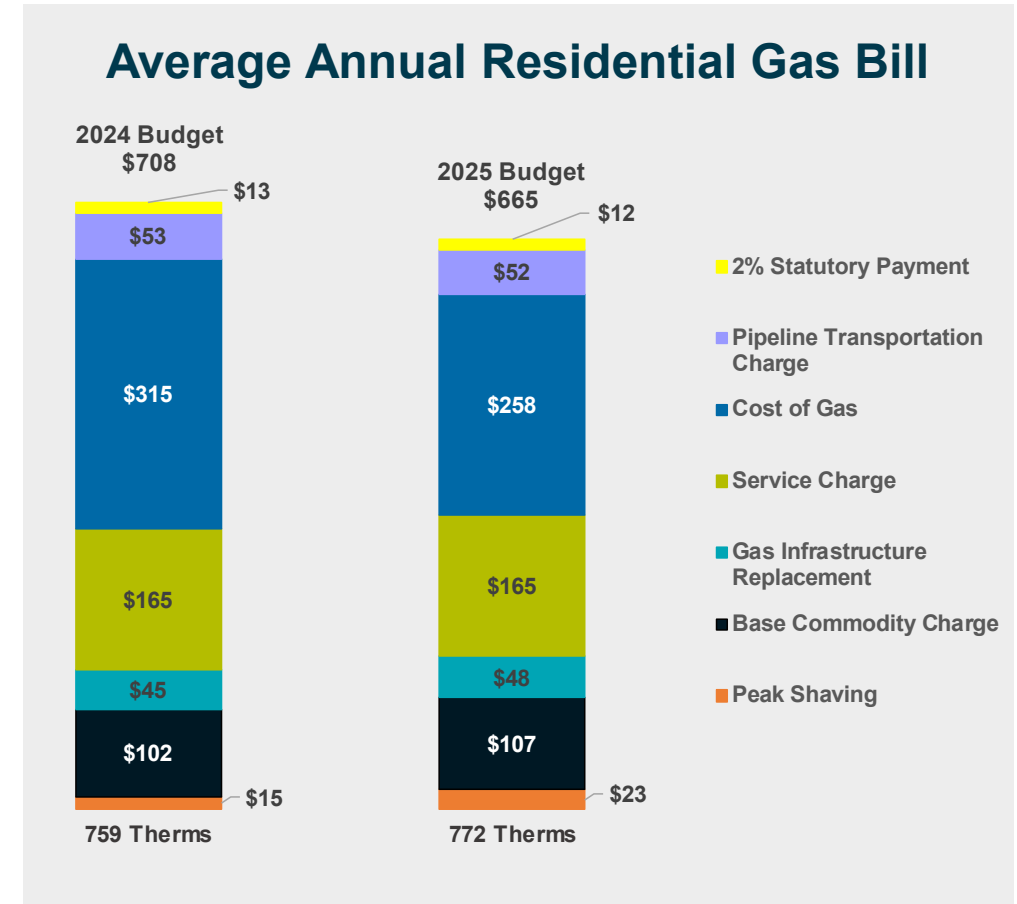
2025 Budget (\$ millions)	
Revenue	\$ 183.9
Expense	(145.6)
Investment Earnings	4.8
Net Income	<u>\$ 43.1</u>

Capital Expenditures (\$ millions)	
Mains & Other Distribution	\$ 78.4
Water Treatment Plants	27.0
Pumping & Purification	9.3
Construction Machines	5.2
Other Plant & Equipment	2.3
Total	<u>\$ 122.2</u>



# Gas Operations

- Budget contains a 6.1% decrease to the average residential customer's bill
- Driven by lower cost of natural gas compared to 2024 budget
- Partially offset by:
  - Increase in projected customer usage (772 Therms vs. 759 Therms)
  - 2.5% increase to the Margin component of rates
  - Gas Infrastructure Replacement fixed charge raised by \$0.25 per month for Residential customers (from \$3.75 per month to \$4.00 per month)
    - A like percentage change will be applied to all customer classes
- New rates to be effective January 2, 2025



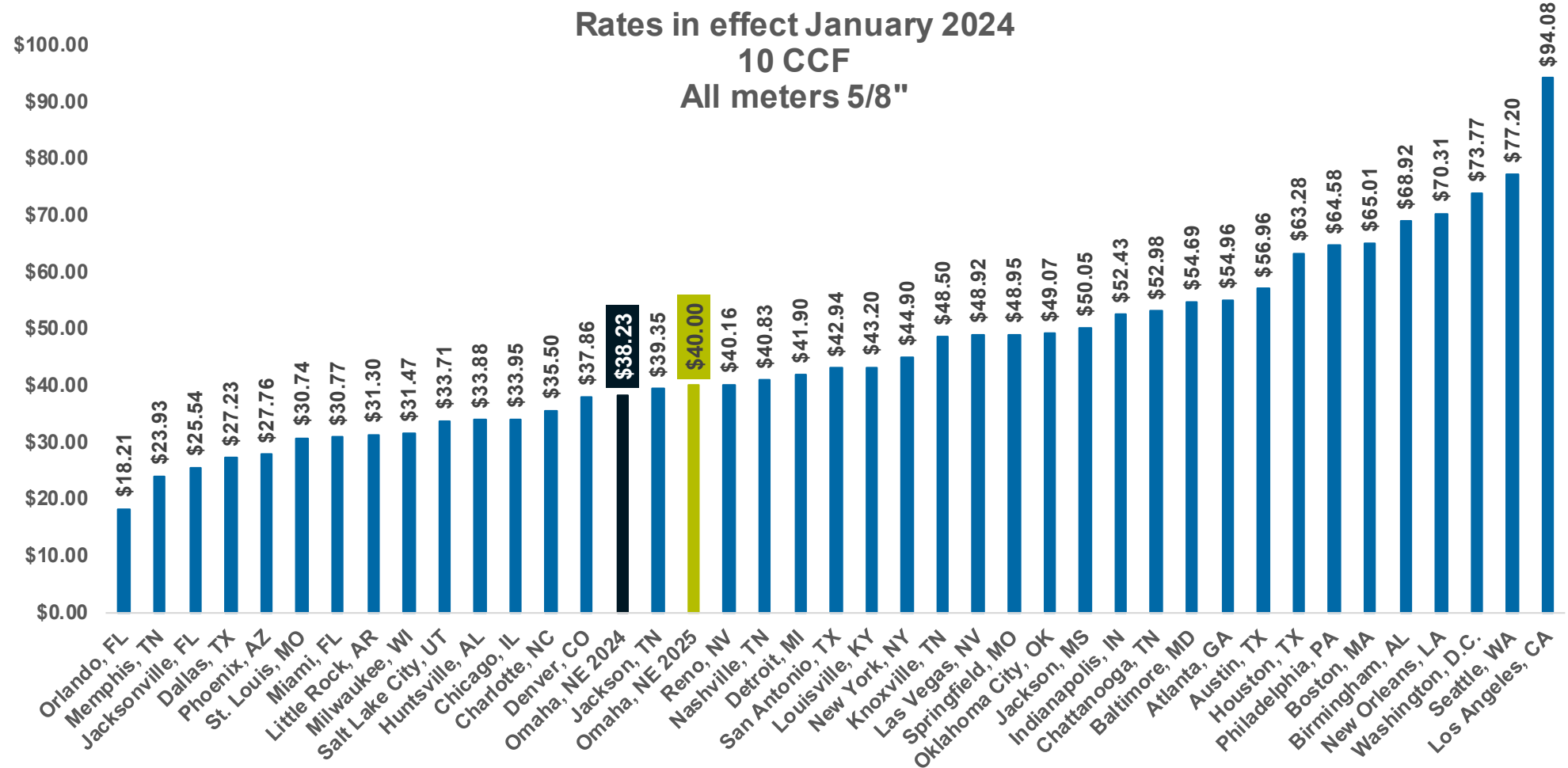
2025 Budget (\$ millions)	
Revenue	\$254.7
Less Cost of Gas Sold	<u>(124.7)</u>
Net Revenue	130.0
Expense	(99.3)
Investment Earnings	<u>7.3</u>
Net Income	<u>\$ 38.0</u>

Capital Expenditures (\$ millions)	
Mains & Other Distribution	\$ 43.9
CC2 Construction	32.3
CC1 Renovations	6.8
LNG Plant/Peak Shaving	2.4
Information Technology	11.7
Motor Vehicles	12.4
Other Plant & Equipment	<u>5.6</u>
<b>Total</b>	<u>\$ 115.1</u>

# Appendix

# Water Operations

# National Comparison – Residential Water Bills



# Wholesale Water Rates

## Current Rates

First 5,000 CCF \$7,672

Over 5,000 CCF \$1.3198/CCF

## Proposed Rates

First 5,000 CCF \$7,672

Over 5,000 CCF **\$1.6878/CCF**

\$7,672 for the First 5,000 CCF = \$1.5344/CCF

- The proposed change increases the rate for volumes > 5,000 CCF to a rate that is 10% higher than the per CCF rate of the First 5,000 CCF
- Increases revenue to support cost of serving Wholesale customers
- Inclining rate structure encourages water conservation and helps manage demand on the system
- Effective July 2, 2025

# Impact Fees

- Purpose of impact fees is to pay for a major portion of growth-related costs without placing additional burden on existing customers
  - “Growth pays for growth”
- Fee based on added demand to the water system as measured by the size of the water meter
  - Example: Builder/Developer pays impact fee when meter is purchased for new home construction
- Proposing enhancements to impact fee calculation based recent study
  - Incorporates future costs to expand the system, net of bond financing, including:
    - Transmission and distribution mains
    - New booster pumping stations
    - New storage facilities
- Effective June 1, 2025 with publication of Billing Price Book

# Impact Fees

- Increase will generate an additional \$0.5 million annually to fund system growth
- 3/4" meter is standard for a new residential home; Approximately 2,000 new homes added annually

Meter Size	MUD Flow Capacity <sup>(1)</sup>	Equivalent Meter Ratio	Present Impact Fees <sup>(2)</sup>	Proposed Impact Fees
<b>Calculated Cost Per Gallon Per Minute</b>			<b>\$109.10</b>	<b>\$124.95</b>
5/8"	10	1.0	\$1,091	\$1,250
3/4"	15	1.5	1,637	\$1,874
1"	25	2.5	2,728	\$3,124
1.5"	50	5.0	5,455	\$6,248
2" Disc	80	8.0	8,728	\$9,996
2" Turbo	160	16.0	17,456	\$19,992
3" Compound	160	16.0	17,456	\$19,992
3" Turbo	350	35.0	38,185	\$43,733
4" Compound	250	25.0	27,275	\$31,238
4" Turbo	1,000	100.0	109,100	\$124,950
6" Comp	500	50.0	54,550	\$62,475
6" Turbo	2,000	200.0	218,200	\$249,900
8" Turbo	2,800	280.0	305,480	\$349,860
10" Turbo	3,200	320.0	349,120	\$399,840

**NOTES:**

(1) Flow capacity based on MUD implementation.

(2) Present Impact Fee charge as of June 1, 2024.

# Water Operations

## Revenue & Expense Statement

(\$ in Millions)

	2024	2025	Increase / (Decrease)	
	Budget	Budget	\$	%
<b>Revenue:</b>				
Water Sales	\$ 143.9	\$ 155.1	\$ 11.2	7.8%
Infrastructure Charge	18.5	19.6	1.1	6.0%
Grants	6.2	4.8	(1.4)	NM
Other Operating	4.4	4.4	-	0.0%
<b>Total Revenue</b>	<b>\$ 173.0</b>	<b>\$ 183.9</b>	<b>\$ 10.9</b>	<b>6.3%</b>
<b>Expense:</b>				
Operating & Maintenance	115.5	115.9	0.4	0.3%
Depreciation	17.0	16.9	(0.1)	(0.6%)
Bond Issuance Costs	-	1.5	1.5	NM
Interest Expense, Net	8.0	8.9	0.9	11.2%
Other	(0.5)	2.4	2.9	NM
<b>Total Expense</b>	<b>140.0</b>	<b>145.6</b>	<b>5.6</b>	<b>4.0%</b>
Interest/Investment Earnings	5.2	4.8	(0.4)	(7.6%)
<b>Net Income</b>	<b>\$ 38.2</b>	<b>\$ 43.1</b>	<b>\$ 4.9</b>	<b>12.8%</b>

NM = not meaningful

# Water Operations

## Cash Flow Statement

(\$ in Millions)

	<b>2024 Budget</b>	<b>2025 Budget</b>
<b>Cash Provided:</b>		
Net Income	\$ 38.2	\$ 43.1
Add Back Non-Cash Items:		
Depreciation and Amortization	19.0	19.6
Bond Proceeds	-	148.7
Contributions by Developers/Customers	48.0	38.3
DWSRF Loan Proceeds (Lead Service Line Replacement)	0.7	1.6
<b>Total Cash Provided</b>	<b>\$ 105.9</b>	<b>\$ 251.3</b>
<b>Cash Expended:</b>		
Plant Additions and Replacements	126.4	122.2
Debt Service, 3 <sup>rd</sup> Party (NDEQ & Revenue Bonds)	17.7	19.7
<b>Total Cash Expended</b>	<b>144.1</b>	<b>141.9</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>\$ (38.2)</b>	<b>\$ 109.4</b>
Adjustments to Remove Non-Operating Items:		
Expenditures funded by bonds	29.0	31.9
Investment Earnings on Water Bond Project Funds	(0.9)	(1.6)
Remove Bond Proceeds	-	(147.2)
<b>Net Increase/(Decrease) in Cash from Operations</b>	<b>\$ (10.1)</b>	<b>\$ (7.5)</b>
Unrestricted Cash - Beginning of Period	110.6	110.4
<b>Unrestricted Cash - End of Period</b>	<b>\$ 100.5</b>	<b>\$ 102.9</b>
Days Cash On Hand	317	325

# Water Operations

## 2025 Plant Additions & Replacements

(\$ in Millions)

Infrastructure Replacement Mains	\$ 30.7	
Mains, Other	46.3	
Subtotal Mains	\$ 77.0	\$ 77.0
Buildings, Land and Equipment - Florence		3.1
Buildings, Land and Equipment - Platte South		18.1
Buildings, Land and Equipment - Platte West		5.8
Buildings, Land and Equipment - Other		0.3
Pumping/Purification		9.3
Construction Machines		5.2
Other Distribution		1.4
Other Plant & Equipment		2.0
<b>Total Plant Additions &amp; Replacements</b>		<b>\$ 122.2</b>
Less Reimbursable		(32.6)
<b>Net Cost to District</b>		<b>\$ 89.6</b>

# Water Operations – Infrastructure Program

- Targeting 17 miles of water main replacement in 2025 & 2026, increasing to 18 miles in 2027 - 2029
  - Average cost of \$2.3 million per mile of main replacement; Cumulative cost of \$198.3 million for the five-year period
- Five-year projection includes approximately \$1.0 million per year for condition assessment and \$500,000 per year to purchase leak loggers
- In 2025, spending on the infrastructure program is projected to exceed WIR funding by \$4.5 million.
- Funding this program on a current year basis will require infrastructure-related rate increases for the foreseeable future

Year	Miles Replaced	Cost of Replacement (\$Millions)	Cost per Mile Replacement (\$Millions)
2025	17	\$ 37.2	\$ 2.2
2026	17	\$ 39.2	\$ 2.3
2027	18	\$ 39.4	\$ 2.2
2028	18	\$ 40.6	\$ 2.3
2029	18	\$ 41.9	\$ 2.3
<b>Total</b>	<b>88</b>	<b>\$ 198.3</b>	<b>\$ 2.3</b>

# Water Operations – Lead Service Line Replacement

## 2025 Budget Assumptions

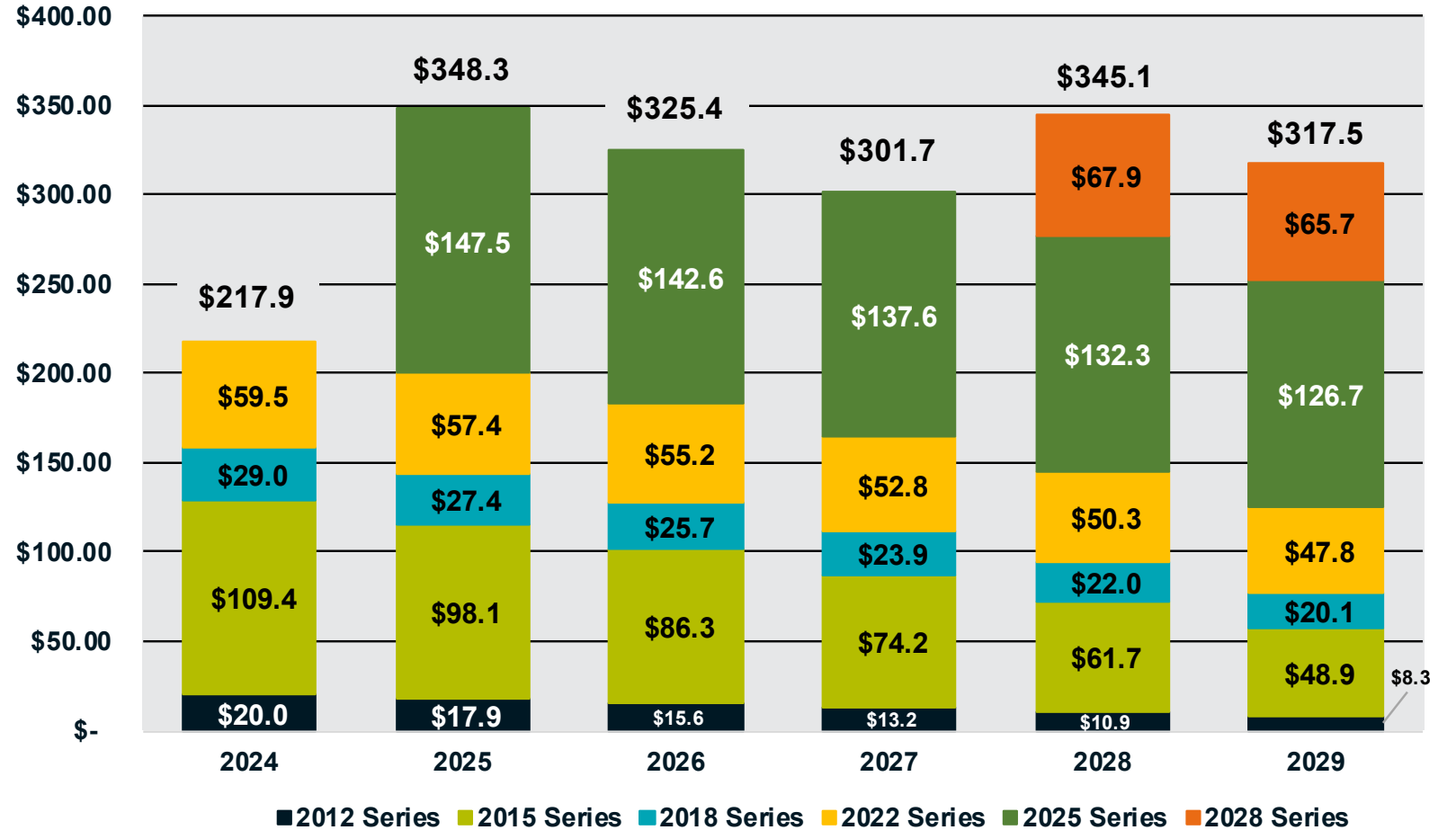
	2025	2026	2027	2028	2029	Total
Lead Service Lines Replaced ( <i>Count</i> )	651	1,032	1,490	1,490	1,490	6,153
Lead Service Line Replacement Costs ( <i>\$ Millions</i> )	\$6.3	\$10.0	\$14.5	\$14.6	\$15.0	\$60.4

- Total estimated cost of program is \$157 million to replace approximately 16,000 services over 10 years through 2034
- Budget reflects spending of \$6.3 million in 2025; replacing approximately 651 lead water service lines
- Primary funding sources include:
  - State Lead Service Cash Fund
  - Federal Grant administered by the U.S. Environmental Protection Agency
  - Drinking Water State Revolving Fund Loan
- Projected spending of \$60.4 million over the next five years

# Water Operations

## Bonded Debt Outstanding as of December 31

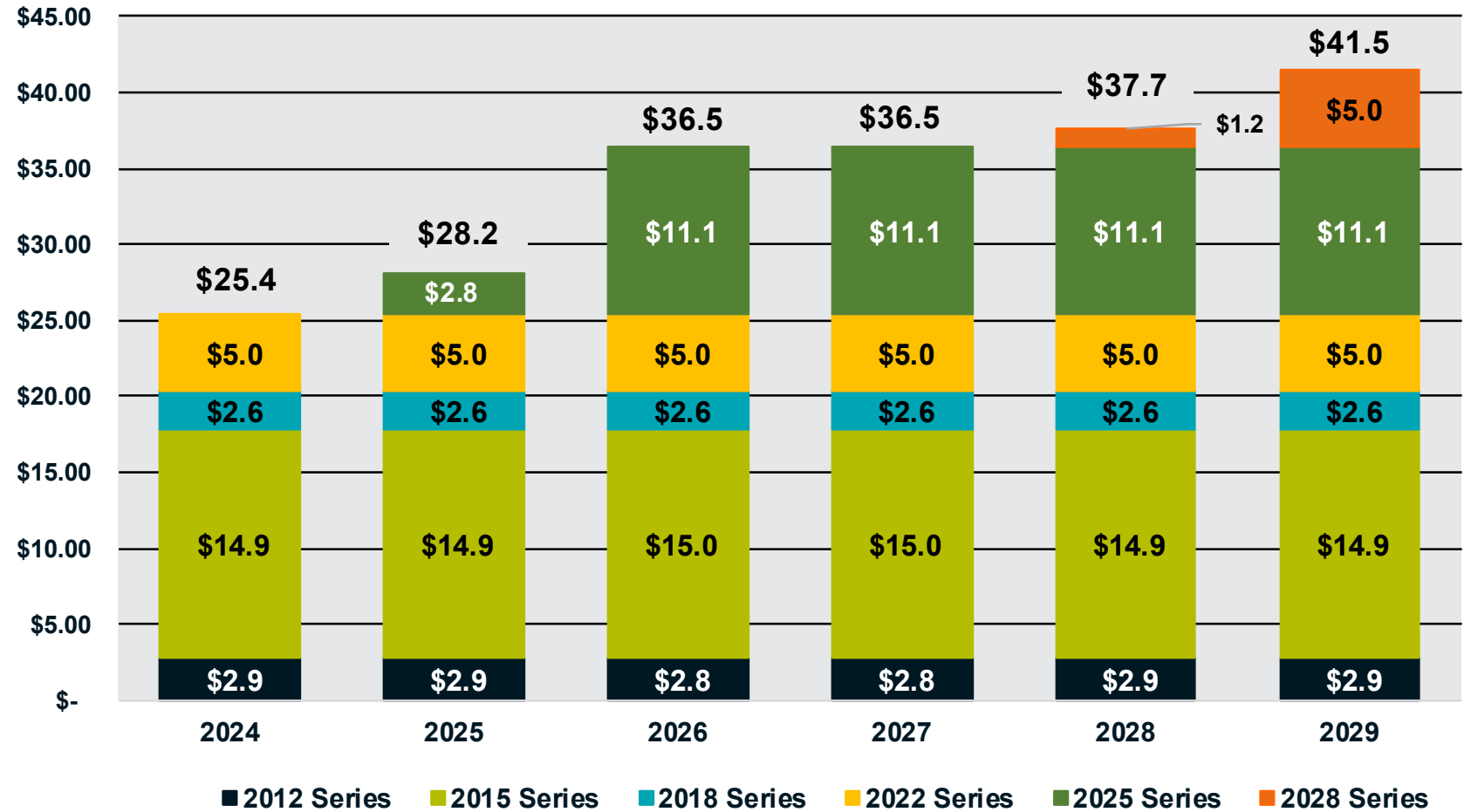
(\$ in Millions)



# Water Operations

## Bonded Debt Service Requirements

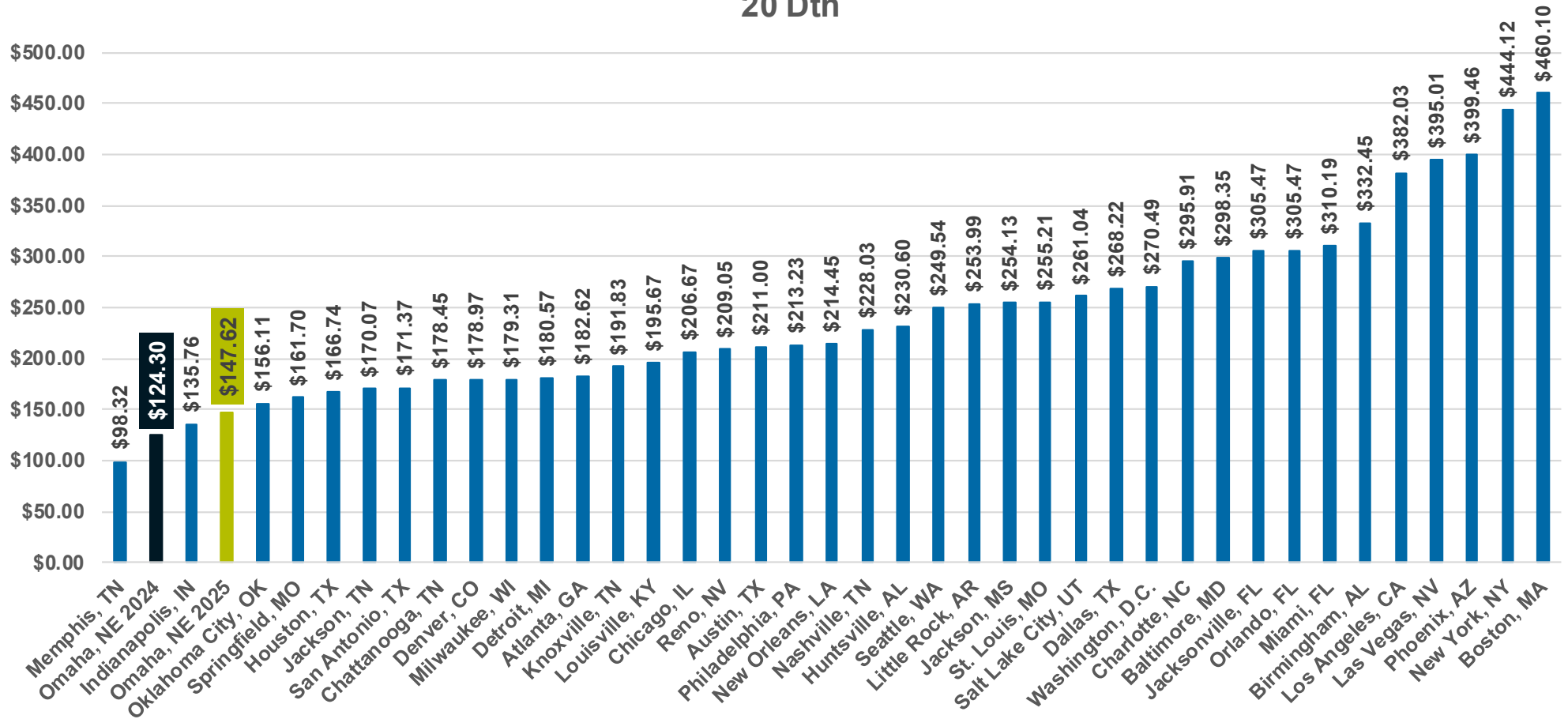
(\$ in Millions)



# Gas Operations

# National Comparison – Residential Gas Bills

Rates in effect January 2024  
20 Dth



Source: 2024 Memphis Light Gas & Water Annual Survey  
\*Includes 2025 projection only for Omaha, NE\*  
(2025 reflects 2024 cost of gas and 2025 proposed rate changes)

# Gas Bill for Average Residential Customer

- The total bill for the average residential customer is projected to decrease by \$43.31 per year, or 6.1% as compared with the 2024 budget, as follows:

- Increased "Pass Through Costs" - collected and remitted to others

Cost of natural gas	+ \$ (56.05)
2% Statutory Payment Charge (remitted to Cities)	\$ (0.94)
Transportation Demand Charges	\$ (0.44)
<b>Subtotal - Remitted to Others</b>	<b>\$ (57.43)</b>

- Increased cost to fund MUD operations

Peak Shave Costs - LNG Capital Spending	+ \$ 6.74
Base Commodity Charge	\$ 4.38
Service Charge - no change	\$ -
Gas Infrastructure Replacement "Rider"	\$ 3.00
<b>Subtotal - MUD Operations</b>	<b>\$ 14.12</b>

<b>Total</b>	<b>\$ (43.31)</b>
--------------	-------------------

# Gas Operations

## Revenue & Expense Statement

(\$ in Millions)

	2024	2025	Increase / (Decrease)	
	Budget	Budget	\$	%
<b>Revenue:</b>				
Gas Sales	\$ 239.5	\$ 225.1	\$ (14.4)	(6.0%)
Infrastructure Charge	17.1	18.3	1.2	7.0%
Grants	5.0	6.4	1.4	NM
Other Operating	5.6	4.9	(0.7)	(11.8%)
<b>Total Revenue</b>	<b>\$ 267.2</b>	<b>\$ 254.7</b>	<b>\$ (12.5)</b>	<b>(4.7%)</b>
Less Cost of Gas Sold	145.0	124.7	(20.3)	(14.0%)
<b>Net Revenue</b>	<b>\$ 122.2</b>	<b>\$ 130.0</b>	<b>\$ 7.8</b>	<b>6.4%</b>
<b>Expenses:</b>				
Operating & Maintenance	61.3	64.7	3.4	5.6%
Depreciation	19.8	22.7	2.9	14.7%
Interest Expense	7.9	7.5	(0.4)	(5.1%)
Other, Net	4.6	4.4	(0.2)	(4.2%)
<b>Total Expenses</b>	<b>93.6</b>	<b>\$ 99.3</b>	<b>5.7</b>	<b>6.1%</b>
Interest/Investment Earnings	10.3	7.3	(3.0)	(29.2%)
<b>Net Income</b>	<b>\$ 38.9</b>	<b>\$ 38.0</b>	<b>\$ (0.9)</b>	<b>(2.2%)</b>

NM = not meaningful

# Gas Operations

## Cash Flow Statement

(\$ in Millions)

	<b>2024 Budget</b>	<b>2025 Budget</b>
<b>Cash Provided:</b>		
Net Income	\$ 38.9	\$ 38.0
Add Back Non-Cash Items:		
Depreciation and Amortization	26.2	35.5
Contributions by Developers/Customers	2.0	2.2
<b>Total Cash Provided</b>	<b>\$ 67.1</b>	<b>\$ 75.7</b>
<b>Cash Expended:</b>		
Plant Additions and Replacements	98.6	115.1
Debt Service, 3 <sup>rd</sup> Party (CNG Loan & Revenue Bond)	9.3	9.8
All Other	1.8	1.0
<b>Total Cash Expended</b>	<b>109.7</b>	<b>\$ 125.9</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>\$ (42.6)</b>	<b>\$ (50.2)</b>
Adjustments to Remove Non-Operating Items:		
GIR Expenditures – Funded by 2022 Bond	20.8	0.8
LNG Expenditures – Funded by 2022 Bond	-	1.0
CC1/CC2 Expenditures – Funded by 2023 Bond	21.1	39.2
LNG Expenditures – Funded by 2023 Bond	7.4	-
Investment (Earnings)/Loss on Gas Project Funds	(3.0)	(1.6)
<b>Net Increase/(Decrease) in Cash from Operations</b>	<b>\$ 3.7</b>	<b>\$ (10.8)</b>
Unrestricted Cash - Beginning of Period	178.1	195.0
<b>Unrestricted Cash - End of Period</b>	<b>\$ 181.8</b>	<b>\$ 184.2</b>
Days Cash On Hand	324	372

# Gas Operations

## 2025 Plant Additions & Replacements

(\$ in Millions)

Infrastructure Replacement - Mains & Service	\$	23.3	
Mains, Other		10.7	
Services, Meters & Regulator Equipment		9.9	
Subtotal Mains & Services	\$	43.9	\$ 43.9
Buildings, Land and Equipment - LNG			2.4
Buildings, Land and Equipment - CC1 Renovations			6.8
Buildings, Land and Equipment - CC2 Construction			32.3
Buildings, Land and Equipment - Other			0.9
Information Technology			11.7
Motor Vehicles			12.4
Other			4.7
<b>Total Plant Additions &amp; Replacements</b>	<b>\$</b>		<b>115.1</b>

# Gas Operations – Infrastructure Program

- Budget reflects ongoing Gas Infrastructure Replacement work with total spending of \$137.8 million over the five-year projection
- Spending by funding source:

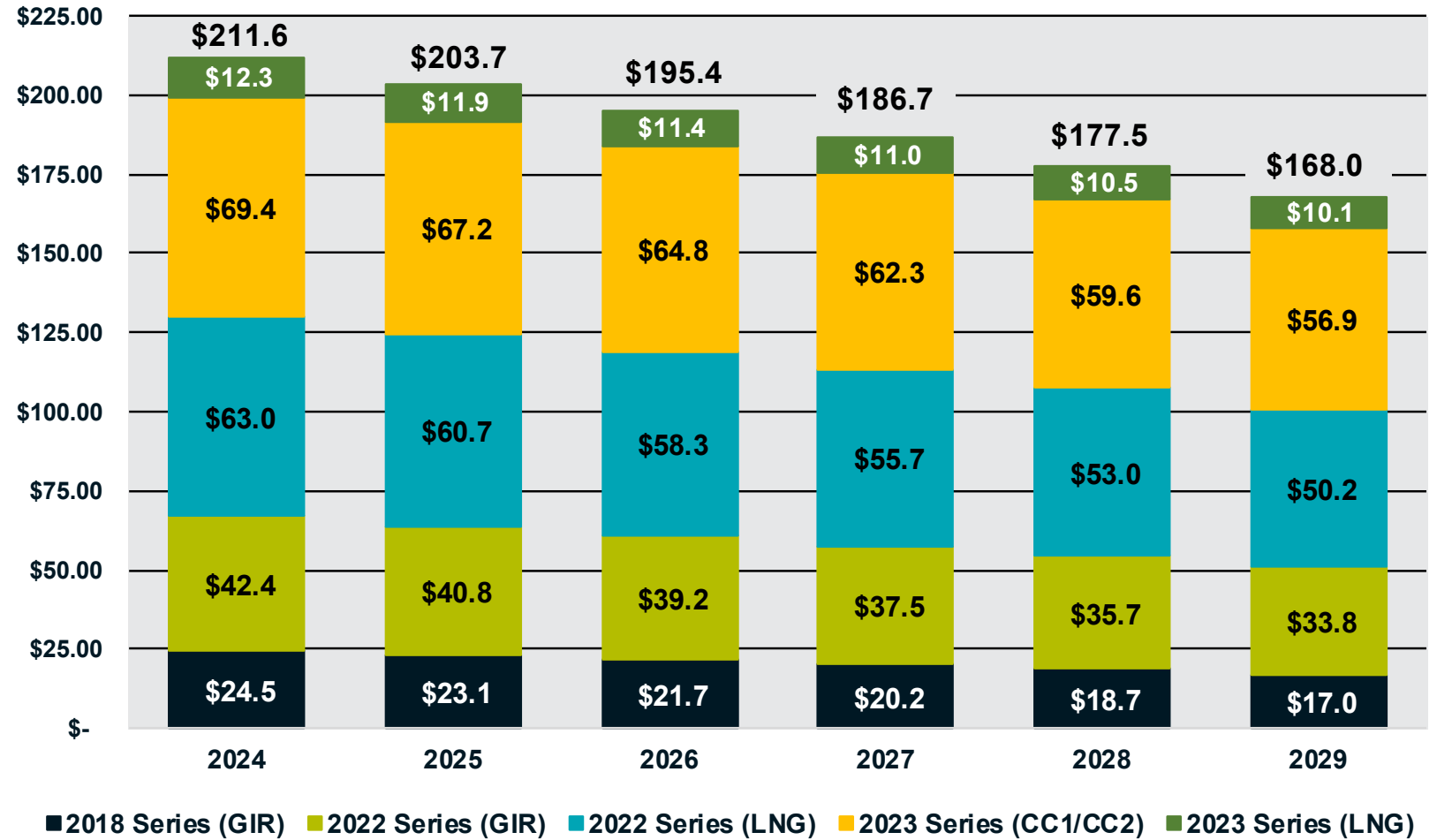
Funding Source	2025	2026	2027	2028	2029	Total
2022 Gas Revenue Bond Proceeds	\$ 0.8	\$ -	\$ -	\$ -	\$ -	\$ 0.8
PHMSA Grant #1 (\$10.0 million)	4.8	2.5	1.4	-	-	8.8
PHMSA Grant #2 (\$25.2 million)	1.5	8.4	6.5	6.1	2.7	25.2
GIR Fees/Operating Cash	18.5	16.1	20.0	22.4	26.0	103.0
<b>Total</b>	<b>\$ 25.7</b>	<b>\$ 27.0</b>	<b>\$ 27.9</b>	<b>\$ 28.5</b>	<b>\$ 28.7</b>	<b>\$ 137.8</b>

- 2022 bond proceeds will be fully utilized in 2025
- Projects to be funded with the \$10 million PHMSA are underway; \$1.2 million to be used in 2024 and \$8.8 million in 2025 - 2027
- PHMSA Grant #2 for \$25.2 million is projected to fund projects through 2029
- Remaining costs to be funded with GIR fees and operating cash going forward unless additional grants received
- Infrastructure replacement will continue beyond replacement of cast iron gas mains
  - The next phase of this program will include moving meters from inside to outside

# Gas Operations

## Bonded Debt Outstanding as of December 31

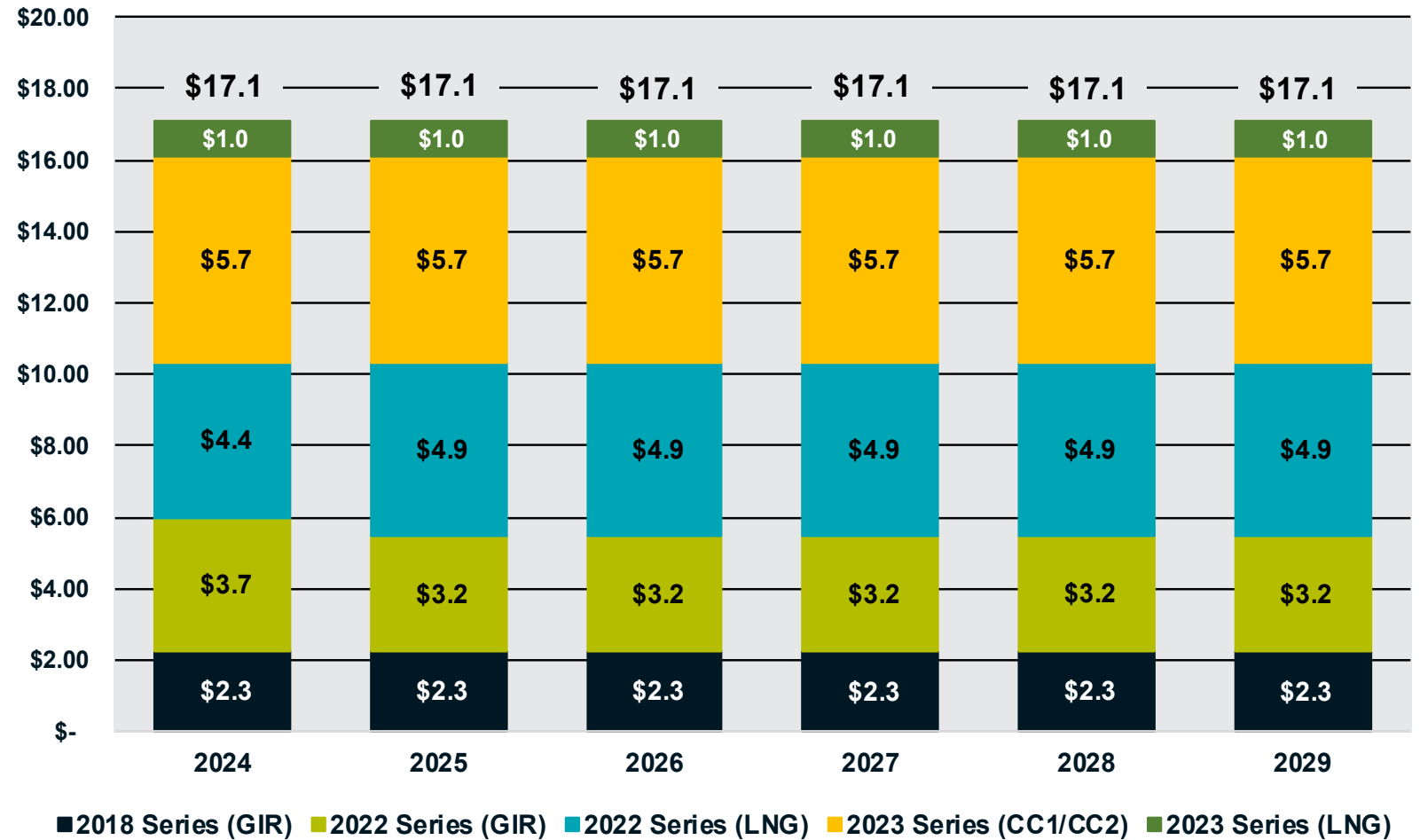
(\$ in Millions)



# Gas Operations

## Bonded Debt Service Requirements

(\$ in Millions)



# Gas & Water Operations

Shared Expenditures

# Gas & Water Operations – Shared Expenditures

## 2025 Budget Assumptions

- **Budget reflects general pay increases as follows:**
  - 3.25% for OAC employees effective April 1, 2025 - per Labor Agreement
  - 3.25% for SPA employees effective March 1, 2025
- **Includes full funding of promises to employees:**
  - Pension Funding - \$13.8 million
  - OPEB Funding - \$12.3 million (*retiree medical including “pay as you go” claims funding and contributions to trust*)
  - Contributions expected to exceed actuarially required levels to accelerate pay down of unfunded liability
  - Contributions to Pension and OPEB are reflective of a long-term investment return assumption of 6.75%

# METROPOLITAN

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# UTILITIES DISTRICT

## **RESOLUTION**

WHEREAS, the Management Budget Committee has submitted to the President the "Budget for 2025"; and

WHEREAS, the Budget has been considered and reviewed by the Senior Staff, the Vice Presidents of the respective Departments and Divisions affected thereby, the District's Management Budget Committee, and by the Board of Directors at a public hearing held on December 4, 2024, notice of which was duly published; and

WHEREAS, the Bylaws of the Board of Directors provide that an annual budget shall be adopted by the Board of Directors and that no substantial departure that exceeds the total approved budget shall be made without first obtaining the approval of the Board of Directors; and

WHEREAS, the Board of Directors determines that the Budget for 2025 should be adopted.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that the Budget for 2025, a copy of which is made a part of this resolution, is hereby adopted.

BE IT FURTHER RESOLVED that there are hereby appropriated from the Water and Gas funds, respectively, the estimated sums, or so much thereof as may be necessary, as determined in the Budget for the purposes described therein, and not heretofore appropriated, as funds are available therefore; provided that, notwithstanding this general appropriation, no expenditure shall be made or committed to be made until prior approval of the Board for such specific expenditure has been granted; and provided further, that such limitations shall not apply to the usual and necessary expenditures for operations, nor in emergency situations where prior Board approval is not reasonably possible, nor to purchases made within limitations pursuant to special authority granted to the President by the Board of Directors.

Adopted: