

METROPOLITAN UTILITIES DISTRICT
Public Hearing & Committee Meetings

8:15 a.m.

May 4, 2022

AGENDA

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

Public Hearing

1. Proposed Updates to the Billing Price Book
[Stephanie Lemonds – Manager, Financial Planning & Analysis] - **Tab 5**
2. Invitation for Public to Comment

Construction and Operations – Friend, Frost, Cavanaugh

1. Capital Expenditures [Gina Langel - SVP, Chief Operations Officer] – **Tab 6**
2. Acceptance of Contracts and Payment of Final Estimates
[Stephanie Henn – Director, Plant Engineering] – **Tab 7**
3. Change Order for Joint Water Main Contract with the City of Omaha – R1833
[Stephanie Henn – Director, Plant Engineering] – **Tab 8**
4. Pipe Bursting Pilot Project – Murphy Pipeline
[Stephanie Henn – Director, Plant Engineering] – **Tab 9**
5. Bids on Materials and Contracts
[Jon Zellars – VP, Procurement & Enterprise Services] – **Tab 10**

Services & Extensions – Friend, Begley, Howard

1. Main Extensions [Jeff Schovanec – Director, Engineering Design] – **Tab 11**

Personnel – Begley, Frost, Friend

1. Wage and/or Salary Increases and Ratifications
[Bonnie Savine – VP, Human Resources] - **Tab 12**
2. 2021 Bargaining Unit Wage Re-Opener [Bonnie Savine – VP, Human Resources] - **Tab 13**

Judicial and Legislative – Cook, Cavanaugh, Howard

1. Fourth Legislative Report for 2022 [Rick Kubat, Governmental Affairs Attorney] – **Tab 14**
2. Amendments to Gas and Water Rules [Mark Mendenhall - SVP, General Counsel] – **Tab 15**

Insurance and Pension – Howard, McGowan, Cook

1. Proposed Fee Increase for Vanguard Institutional Advisory Services
[Joseph Schaffart – SVP, Chief Financial Officer] – **Tab 16**

Committee of the Whole

1. State of the District [Mark Doyle, President]

Adjourn Public Hearing and Committee Meetings

(Turn over for regular Board Meeting agenda)

METROPOLITAN UTILITIES DISTRICT
Regular Monthly Board Meeting

9:00 a.m.

May 4, 2022

AGENDA

1. Roll Call
2. Open Meetings Act Notice
3. Pledge of Allegiance
4. Approval of Minutes – Committee Meetings & Regular Board Meeting for April 6, 2022
5. Proposed Updates to the Billing Price Book (RESOLUTION)
ACCOUNTS, EXPENDITURES, FINANCE & RATES
6. Capital Expenditures
CONSTRUCTION & OPERATIONS
7. Acceptance of Contracts and Payment of Final Estimates
8. Change Order for Joint Water Main Contract with the City of Omaha – R1833
9. Pipe Bursting Pilot Project – Murphy Pipeline
10. Bids on Materials and Contracts
11. Main Extensions
SERVICES & EXTENSIONS
12. Wage and/or Salary Increases and Ratifications
PERSONNEL
13. 2021 Bargaining Unit Wage Re-Opener
14. Fourth Legislative Report for 2022
JUDICIAL & LEGISLATIVE
15. Amendments to Gas and Water Rules
16. Proposed Fee Increase for Vanguard Institutional Advisory Services
INSURANCE & PENSION
17. Other Matters of District Business for Discussion
BOARD
18. CLOSED SESSION – Litigation, Personnel and Real Estate

Adjourn Regular Monthly Board Meeting

(Turn over for Committee Meetings agenda)

METROPOLITAN UTILITIES DISTRICT
Minutes of Committee Meetings
April 6, 2022

Chairperson Jack Frost 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 meetings was published in the print version of *The Omaha World-Herald* on Sunday, March 27, 2022, and in the online version from March 27, 2022, through April 2, 2022. Notice was also provided on the MUD website at www.mudomaha.com and other social media platforms. Agendas and pertinent Board materials to be presented at the April 6, 2022, Board Meeting were emailed to Board Members on March 31, 2022.

Chairperson Frost 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. He also announced that members of the public who may be attending the proceedings may do so from an adjacent conference room and those who wish to address the Board will be escorted to the Board Room by the conference room moderator.

Safety Briefing

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

Roll Call

On a roll call vote, the following Directors acknowledged their presence: Mike McGowan, Gwen Howard, Tim Cavanaugh, Jim Begley, Tanya Cook, Dave Friend, Jack Frost. All attendees participated in-person.

Open Meetings Act Notice

Chairperson Frost announced that a copy of the Open Meetings Act was located on the wall in the back of the Board Room and a copy was also available in the conference room designated for any members of the public who may attend.

Construction and Operations – Friend, Frost, Cavanaugh

Senior Vice-President and Chief Operations Officer Gina Langel presented the proposed capital expenditures as outlined in her letter to the Committee dated March 30, 2022.

Director of Plant Engineering Stephanie Henn reviewed the Acceptance of Contracts and Payment of Final Estimates as outlined in her letter to the Committee dated March 30, 2022.

Director of Procurement Sherri Meisinger reviewed the bids on materials and contracts as outlined in her letter to the Committee dated March 25, 2022.

Director of Facilities Management John Velehradsky presented the proposed 'design-build' and 'construction management at risk' contract delivery system options for District construction projects as outlined in the letter to the Committee dated March 25, 2022, from Vice-President of Procurement and Enterprise Services Jon Zellars.

The District has typically utilized a 'design-bid-build' contract delivery system for construction projects which involves the project owner contracting design services under one contract, then subsequently bidding the construction services under a separate contract. However, the Political Subdivisions Construction Alternatives Act (Neb. Rev. Stat. § 13-2901 et seq) was amended during the 2022 Legislative Session to include MUD, thereby authorizing the use of the two additional contract processes cited above: the 'design-build' delivery system which enables an owner, through a single contract, to hire a designer and contract team working as a single entity to complete a construction project; and the 'construction manager at risk' delivery system which enables the owner to contract with a designer and a construction manager during the design phase to develop the design team. The statute requires adoption of a Resolution by a two-thirds vote of the Board of Directors each time either option is sought for any future District construction project. The District intends to utilize the 'construction manager at risk' option for the renovation of the Construction Center on 63rd and Oak Streets and the construction of a second Construction Center located along Highway 133 and State Street. Both of the newly authorized contract delivery system options have been successfully used by industry peers to control costs and accelerate construction schedules for facilities projects.

Services & Extensions – Friend, Begley, Howard

Vice-President of Engineering & Construction Cory O'Brien reviewed the proposed main extensions as outlined in his letter dated March 28, 2022.

Personnel - Begley, Frost, Friend

Ms. Savine reviewed the wage and salary increases and ratifications as outlined in her letter dated March 24, 2022.

Judicial and Legislative – Cook, Cavanaugh, Howard

Governmental Relations Attorney Rick Kubat presented the Third Legislative Report. dated March 28, 2022. Mr. Kubat provided an update on legislative bills of interest to the District. The Legislative Session is scheduled to adjourn on April 20, 2022.

Insurance and Pension – Howard, McGowan, Cook

Senior Vice-President & Chief Financial Officer Joseph Schaffart introduced the Actuarial Valuation Report for the Retirement Plan as outlined in his letter to the Committee dated March 29, 2022. He was joined later by Pat Beckham, Principal and Consulting Actuary for Cavanaugh Macdonald, via WebEx to review a summary PowerPoint presentation entitled Retirement Plan for Employees of M.U.D. Mr. Schaffart also referenced the GASB Statements No. 67 and 68 Report for the Retirement Plan prepared by Cavanaugh Macdonald.

Mr. Schaffart noted that the District has historically contributed an amount exceeding the required contribution each year since 2009. The purpose underlining the District's boosted contribution is to apply it towards the unfunded liability while also hedging against any financial impact of actual results differing from assumptions. The actuarially determined District contribution to the Pension Plan for 2022 was \$8.6 million, which was less than 2021's actuarially determined contribution of \$9.5 million. This reduction is attributable primarily to two factors: (1) in 2021, pension investment earnings increased 13.7% vs. the assumed 6.75% return; and (2) the employee contribution of "covered payroll" was increased in 2022 to 8.5%, which lowered the District contribution by approximately \$350,000. (The employee contribution will reach its final increment of 9% of wages in 2023 as per the approved Labor Agreement for the period April 1, 2018 – March 31, 2023).

For 2022, the District Budget assumed an employer contribution of \$12.0 million. Mr. Schaffart noted that the budget decision was based on a 'best estimate' of various factors, some of which are unknown or unpredictable until year end on December 31, 2021. Based on current information, Management recommends a lower contribution of \$10.5 million which is still 22% above required contribution levels. The \$1.5 million difference between the budgeted and recommended pension contribution is proposed to fund other critical needs such as water infrastructure risk mitigation (i.e., replacement / assessment) and facility needs including the renovation of the Construction Center and design work for building the second Construction Center.

The amount budgeted for the District's "Other Post-Employment Benefits" (OPEB) contribution for 2022 is \$10.8 million (slightly more than the required amount of \$10.6 million). The District's total contribution is a combination of a "pay as you go" (for paying retiree medical claims) plus the contribution to the OPEB Trust. Questions from Board Members led to a discussion as to whether an alternative to the current strategy was warranted, i.e., directing funding to OPEB to a greater degree instead of water infrastructure replacement needs. Mr. Schaffart stated that a plan is in place relative to OPEB to fund it at least at the level recommended by the District's actuary consultants, and that the District is making significant progress in that direction. Mr. Schaffart pointed out that consistent rate increases will be required to maintain the pace of water infrastructure replacement and the balancing act involves keeping those increases

manageable and reasonable for ratepayers. President Mark Doyle stated that Management had the very same discussion internally and arrived at the current recommendation as the more appropriate dedication of resources. He used the recent example of the 72nd Street main break which ultimately will cost upwards of \$500,000 to highlight the unsustainability of such events. Investment in monitoring and assessment technologies can provide greater returns for ratepayers by mitigating the expense and disruption of unanticipated main breaks. Mr. Doyle emphasized that the determination as to where the funds should be applied was the Board's decision and that the discussion of the surrounding issues was very beneficial.

Discussion was held as to whether Board action was required to approve the revised pension contribution level. Senior Vice-President and General Counsel Mark Mendenhall stated that the Reports and associated materials would be placed on file and that a motion for approval, as opposed to a Resolution, was sufficient for purposes of adopting the recommended contribution level.

Mr. Schaffart noted that a key "take away" from the Valuation report was the funded ratio – currently 97.0% vs. 94.0% last year – which is indicative of a financially healthy pension plan. Mr. Schaffart commended the Board for its ongoing support in funding this very important employee benefit.

Ms. Beckham followed with the PowerPoint presentation explaining further the actuarial basis for the recommended contribution level. She reported that the actuarial valuations are performed annually to evaluate the current funded status and based on the data accumulated, the actuarial contribution for the current year is determined. The experience study conducted by Cavanaugh Macdonald in 2021 as required by statute resulted in adjustments to the set of actuarial assumptions, mainly the investment return and mortality assumptions. The results were favorable and proved to be better than the assumptions had anticipated. Ms. Beckham pointed out that MUD's funding policy has resulted in a very strong funded ratio of 97% and she commended Management and the Board for the discipline required to fund the pension plan in a consistent manner and at or above the full actuarial contribution rate.

Audit – McGowan, Howard, Begley

Senior Vice-President & Chief Financial Officer Joseph Schaffart introduced the 2021 Audited Financial Statement prepared by RSM, the District's external auditors, noting that the District received an unmodified or "clean" audit opinion, meaning that the financial statements present fairly, in all material respects, the financial position of both the Gas and Water divisions as of December 31, 2021. Kevin Smith, RSM Assurance Partner, participated via WebEx to further elaborate on the external audit findings and report. He noted that the results of the audit were reviewed with the Board's Audit Committee on March 21, 2022.

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

A 2021 Financial Recap was presented 'for information only' by Vice-President of Accounting Mark Myers. Mr. Myers shared financial highlights for 2021 including metrics used to measure of the District's financial condition and thanked Accounting Department staff members for each of their valuable contributions to the effort.

The PowerPoint presentation showed a high-level summary of revenue, expenses and net income for the gas and water divisions. Mr. Myers reported that the District performed very well overall despite the protracted COVID-19 pandemic throughout 2021, whereby revenue and net income exceeded budget and prior year for both the gas and water departments.

Chairperson Frost asked whether any Board Members had any further comments to share. There were none. Chairperson Frost asked whether any members of the public were present and wished to address the Board. There were none.

At 9:46 a.m., Chairperson Frost announced that the Committee Meetings had concluded and that the Board would reconvene for the regular monthly Board Meeting in ten minutes at 9:56 a.m.



Mark E. Doyle
Secretary and President

MED/mjm

METROPOLITAN UTILITIES DISTRICT
Minutes of the Regular Monthly Board Meeting
April 6, 2022

Chairperson Jack Frost called to order the regular Board Meeting of the Metropolitan Utilities District Board of Directors at 9:56 a.m. at its headquarters building located at 7350 World Communications Drive.

Advance notice of the meetings was published in the print version of *The Omaha World-Herald* on Sunday, March 27, 2022, and in the online version from March 27, 2022, through April 2, 2022. Notice was also provided on the MUD website at www.mudomaha.com and other social media platforms. Agendas and pertinent Board materials to be presented at the April 6, 2022, Board Meeting were emailed to Board Members on March 31, 2022.

Chairperson Frost 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. He also announced that members of the public who may be attending the proceedings may do so from an adjacent conference room and those who wish to address the Board will be escorted to the Board Room by the conference room moderator.

AGENDA NO.1

ROLL CALL

On a roll call vote, the following Directors acknowledged their presence: Mike McGowan, Gwen Howard, Tim Cavanaugh, Jim Begley, Tanya Cook, Dave Friend, Jack Frost. All attendees participated in-person.

AGENDA NO. 2

OPEN MEETINGS ACT NOTICE

Chairperson Frost announced that a copy of the Open Meetings Act was located on the wall in the back of the Board Room and was also available in the conference room designated for any members of the public who may attend.

He announced that the MUD Board of Directors must comply with a statutory requirement under the Open Meetings Act which limits the number of virtual Board Meetings to 'half' the total number of Board Meetings during the course of the calendar year. The announcement is intended to serve as a reminder for Directors to be mindful of the statutory limitation. Four (4) possible virtual meetings remain for the current year. Once the statutory limitation for the maximum allowable virtual meetings for the year has been met, a Director may still opt to attend a Board Meeting virtually but with the following limitations imposed: the Director's presence will not be recorded in the meeting minutes;

(s)he will not be able to participate in meeting discussions; (s)he will not be able to vote on any meeting agenda items.

AGENDA NO. 3

PLEDGE OF ALLEGIANCE

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

AGENDA NO. 4

APPROVAL OF MINUTES FOR COMMITTEE MEETINGS AND REGULAR MONTHLY BOARD MEETING FOR MARCH 2, 2022

Director Cavanaugh moved to approve the minutes for the Committee Meetings and regular monthly Board Meeting for March 2, 2022, which was seconded by Director Begley and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 5

APPROVAL OF MINUTES FOR EMERGENCY BOARD MEETING FOR MARCH 7, 2022

Director Howard moved to approve the minutes for the Emergency Board Meeting for March 7, 2022, which was seconded by Director Cook and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 6

CAPITAL EXPENDITURES

Director Friend moved to approve the capital expenditures as presented by Senior Vice-President, Chief Operations Officer Gina Langel and as outlined in her letter dated March 30, 2022. The motion was seconded by Director Howard and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 7

ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

Director Friend moved to approve the acceptance of contracts and payment of final estimates as presented at the Committee Meetings by Director of Plant Engineering Stephanie Henn and as outlined in her letter to the Committee dated March 30, 2022. The motion was seconded by Director Howard and carried on a roll call vote.

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

AGENDA NO. 8
BIDS ON MATERIALS AND CONTRACTS

Director Friend moved to approve the bids on materials and contracts as presented by Director of Procurement Sherri Meisinger and as outlined in her letter to the Committee dated March 25, 2022. The motion was seconded by Director Begley and carried on a roll call vote.

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

AGENDA NO. 9
ADOPT DESIGN-BUILD AND CONSTRUCTION MANAGEMENT AT RISK CONTRACT DELIVERY SYSTEM OPTIONS FOR DISTRICT CONSTRUCTION PROJECTS (RESOLUTION)

Director Friend moved to approve the Resolution authorizing the District to implement construction management at risk contracts for renovation of the District's Construction Center and for the construction of a new Construction Center located along Highway 133 and State Street as outlined in the letter to the Committee dated March 25, 2022, from Vice-President of Procurement and Enterprise Services Jon Zellars and as presented in the Committee Meetings by Director of Facilities Management John Velehradsky. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

AGENDA NO. 10
MAIN EXTENSIONS

Director Friend moved to approve the main extensions as presented by Vice-President of Engineering and Construction Cory O'Brien at the Committee Meetings and as outlined in his letter to the Committee dated March 28, 2022. The motion was seconded by Director McGowan and carried on a roll call vote.

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

AGENDA NO. 11

WAGE AND/OR SALARY INCREASES AND RATIFICATIONS

Director Begley moved to approve the wage and/or salary increases and ratifications as outlined in Ms. Savine's letter to the Committee dated March 24, 2022. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 12

THIRD LEGISLATIVE REPORT FOR 2022

Director Cook moved to approve the recommendations as outlined in the Third Legislative Report for 2022 dated March 28, 2022, and as presented by Mr. Kubat in the Committee Meetings. The motion was seconded by Director Howard and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 13

ACTUARIAL VALUATION REPORT ON THE RETIREMENT PLAN

Director Howard requested that the Actuarial Report and the GASB 67 & 68 Report be placed on file and she moved to approve the \$10.5 million contribution to the pension plan consistent with Management's recommendations as presented by Mr. Schaffart in the Committee Meetings. The motion was seconded by Director Cavanaugh and carried on a roll call vote.

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

Voting No: None

AGENDA NO. 14

2021 AUDITED FINANCIAL STATEMENT

Director McGowan requested that the 2021 Audited Financial Statement be placed on file.

AGENDA NO. 15

OTHER MATTERS OF DISTRICT BUSINESS FOR DISCUSSION

Director of Business Development Jason Stanek provided an update on MUD's discussions with the City of Plattsburgh regarding the a possible water service connection. He reported that informal discussions had been ongoing over the past decade but ramped up when the 2019 flooding severely impacted Plattsburgh's water treatment facility. Plattsburgh Mayor Paul Lambert presented MUD with a formal request in August of 2021, to develop a wholesale water service connection. The parties are

presently engaged in preparing a Memorandum of Understanding (MOU) which will be submitted within the next month to the Plattsmouth City Council for approval. The parties along with an engineering consultant have begun high level discussions around the proposed water service connection point and routing.

AGENDA NO. 16
CLOSED SESSION

A Closed Session was not necessary and did not take place.

Chairperson Frost asked if anyone had any further comments. There were none. Director Friend moved to adjourn the regular monthly Board Meeting, which was seconded by Director Cavanaugh and carried on a roll call vote.

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

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



Mark E. Doyle
Secretary and President

MED/mjm

BILLING PRICE BOOK UPDATE

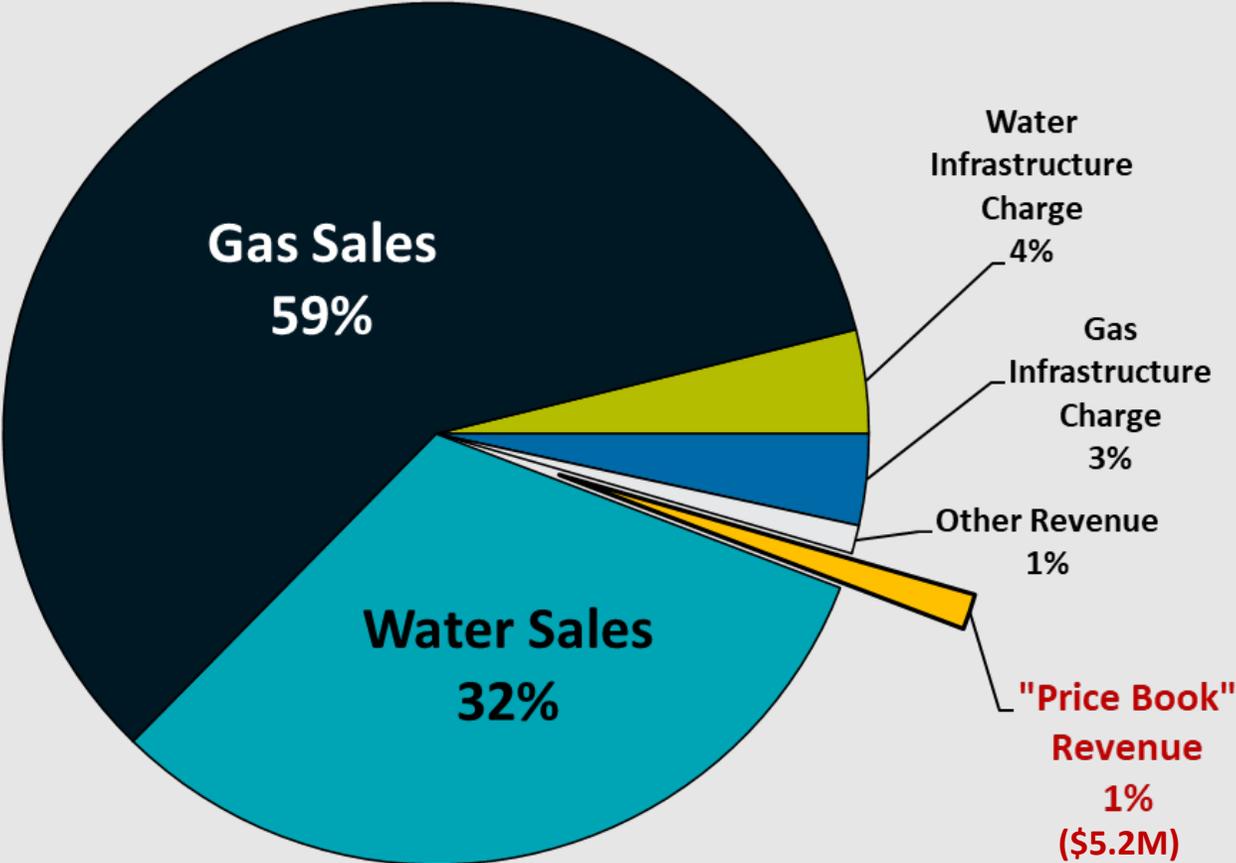
MAY 4, 2022

BILLING PRICE BOOK - BACKGROUND

- Establishes prices for services and materials provided to customers and contractors
- Typically updated annually with revised pricing effective on June 1st
- Generally structured to recover the District's costs with certain exceptions, such as:
 - “Penalty” fees (i.e. Unauthorized Turn-on Fee)
 - Turn-on Charge for Collection Accounts
- No new billing items proposed in 2022

COMPONENTS OF REVENUE

- Total Gas and Water revenue in 2021 was \$390.7 million
- "Price Book" revenue was \$5.2 million or 1.3% of total revenue



FREQUENTLY BILLED SERVICES

Service	Current Price	Proposed Price	Change	
			\$	%
1) Field Services Labor				
Rate for 30 minutes (including travel)	\$ 121.00	\$ 121.00	\$ -	n/a
Hourly rate after 1/2 hour	\$ 176.00	\$ 176.00	\$ -	n/a
2) Turn on Gas and/or Water Service				
a) New accounts, transfers - Scheduled	\$ 95.00	\$ 98.00	\$ 3.00	3.2%
b) New accounts, transfers - Unscheduled-Priority	\$ 120.00	\$ 124.00	\$ 4.00	3.3%
c) Collection accounts - Priority	\$ 75.00	\$ 75.00	\$ -	n/a
3) Water Meter Installation				
3/4" with ERT	\$ 333.00	\$ 344.00	\$ 11.00	3.3%
4) Water Main Tap and Inspection				
1" Corporation	\$ 439.00	\$ 439.00	\$ -	n/a

PRICES INCREASING > 15%

RISING COST OF MATERIALS IS DRIVING PRICE INCREASES

Service	Current Price	Proposed Price	Change	
			\$	%
1) Water Meter Pricing - Plumber installs meter 4" Compound with remote	\$ 2,563.00	\$ 3,069.00	\$ 506.00	19.74%
2) Tap and Inspection - Corporation (not including labor) 1"	\$ 82.00	\$ 99.00	\$ 17.00	20.73%
3) Taps on PVC Mains				
4x3/4"	\$ 447.00	\$ 531.00	\$ 84.00	18.79%
6x3/4"	\$ 458.00	\$ 527.00	\$ 69.00	15.07%
8x3/4"	\$ 476.00	\$ 556.00	\$ 80.00	16.81%

PRICES INCREASING > 15% - cont'd

RIISING COST OF MATERIALS IS DRIVING PRICE INCREASES

Service	Current Price	Proposed Price	Change	
			\$	%
4) Large Water Taps (by size)				
6 x 4	\$ 2,237.00	\$ 2,703.00	\$ 466.00	20.83%
6 x 6	\$ 4,378.00	\$ 5,035.00	\$ 657.00	15.01%
8 x 4	\$ 2,356.00	\$ 2,902.00	\$ 546.00	23.17%
8 x 6	\$ 2,812.00	\$ 3,381.00	\$ 569.00	20.23%
8 x 8	\$ 4,799.00	\$ 5,901.00	\$ 1,102.00	22.96%
10 x 6	\$ 2,555.00	\$ 3,130.00	\$ 575.00	22.50%
10 x 8	\$ 3,644.00	\$ 4,435.00	\$ 791.00	21.71%
12 x 4	\$ 2,448.00	\$ 3,054.00	\$ 606.00	24.75%
12 x 6	\$ 2,787.00	\$ 3,460.00	\$ 673.00	24.15%
12 x 8	\$ 3,358.00	\$ 4,212.00	\$ 854.00	25.43%
12 x 12	\$ 6,635.00	\$ 8,476.00	\$ 1,841.00	27.75%
16 x 4	\$ 2,854.00	\$ 3,359.00	\$ 505.00	17.69%
16 x 6	\$ 3,084.00	\$ 3,597.00	\$ 513.00	16.63%
16 x 8	\$ 3,656.00	\$ 4,352.00	\$ 696.00	19.04%
16 x 12	\$ 4,925.00	\$ 6,432.00	\$ 1,507.00	30.60%

PRICES INCREASING > \$200

(ITEMS NOT PREVIOUSLY ADDRESSED)

MATERIAL COSTS ALSO DRIVING THESE PRICE INCREASES

Service	Current Price	Proposed Price	Change	
			\$	%
1) Large Water Taps (by size)				
4 x 4	\$ 3,520.00	\$ 4,031.00	\$ 511.00	14.52%
10 X 4	\$ 2,621.00	\$ 2,905.00	\$ 284.00	10.84%
<u>New Billing Items</u>		None		

METROPOLITAN

UTILITIES DISTRICT

METROPOLITAN UTILITIES DISTRICT

Inter-Departmental Communication

April 26, 2022

Subject: REVISION OF PRICES FOR SERVICE WORK AND MATERIALS-BILLING PRICE BOOK

To: Committee on Accounts, Expenditures, Finance and Rates
cc: All Board Members; Doyle, Langel, Lobsiger, Mendenhall, Ausdemore, Schaffart and all Vice Presidents

From: Stephanie Lemonds, Manager, Financial Planning and Analysis

A detailed review of the costs to perform various types of service work has recently been completed, the outcome of which is detailed on the attached schedules. These schedules, once approved, are assembled and become our Billing Price Book. To facilitate review, the detailed schedules are accompanied by two summary schedules, as follows:

- Schedule #1 - Frequently Billed Services;
- Schedule #2 - Most Significant Proposed Price Increases and New Billing Items

To provide some perspective, the revenue resulting from items contained in the Billing Price Book generated approximately 1.3% of the District's consolidated revenue in 2021. Despite this, we approach this process with considerable diligence to ensure we employ the best methodologies to derive the cost associated with these services, as it has been our practice to employ a "cost recovery" philosophy when deriving prices. Additionally, there are a few items that are not cost based, but rather serve as penalty fees to dissuade undesirable behavior (e.g. penalty fee for turning on service that has been disconnected).

These proposed prices will be reviewed at a Public Hearing as part of the May 4, 2022 Committee Meeting and will be on the agenda of the May 4, 2022 Board Meeting. It is recommended that the proposed updated prices for service work and materials be approved with an effective date of June 1, 2022. The proposed effective date should allow sufficient time to provide notice to local building contractors.

Stephanie A. Lemonds

Stephanie A. Lemonds
Manager, Financial Planning and Analysis

Approved:

Mark F. Myers

Mark F. Myers
Vice President, Accounting

Joseph J. Schaffart

Joseph J. Schaffart
Senior Vice President, Chief Financial Officer

Mark E. Doyle

Mark E. Doyle
President

Attachments

Metropolitan Utilities District
Billing Price Book
Summary of Frequently Billed Services-Proposed Changes
Public Hearing - May 4, 2022

Schedule #1

Service	Current Price	Proposed Price	Change	
			\$	%
1) Field Services Labor				
Rate for 30 minutes (including travel)	\$ 121.00	\$ 121.00	\$ -	n/a
Hourly rate after 1/2 hour	\$ 176.00	\$ 176.00	\$ -	n/a
2) Turn on Gas and/or Water Service				
a) New accounts, transfers - Scheduled	\$ 95.00	\$ 98.00	\$ 3.00	3.2%
b) New accounts, transfers - Unscheduled-Priority	\$ 120.00	\$ 124.00	\$ 4.00	3.3%
c) Collection accounts - Priority	\$ 75.00	\$ 75.00	\$ -	n/a
3) Water Meter Installation				
3/4" with ERT	\$ 333.00	\$ 344.00	\$ 11.00	3.3%
4) Water Main Tap and Inspection				
1" Corporation	\$ 439.00	\$ 439.00	\$ -	n/a

Metropolitan Utilities District
Billing Price Book
Summary of Most Significant Proposed Price Increases
Public Hearing - May 4, 2022

Schedule #2

% Increase > 15%

Service	Current Price	Proposed Price	Change	
			\$	%
1) Water Meter Pricing - Plumber installs meter 4" Compound with remote	\$ 2,563.00	\$ 3,069.00	\$ 506.00	19.74%
2) Tap and Inspection - Corporation (not including labor) 1"	\$ 82.00	\$ 99.00	\$ 17.00	20.73%
3) Taps on PVC Mains				
4x3/4"	\$ 447.00	\$ 531.00	\$ 84.00	18.79%
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8x3/4"	\$ 476.00	\$ 556.00	\$ 80.00	16.81%
4) Large Water Taps (by size)				
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6 x 6	\$ 4,378.00	\$ 5,035.00	\$ 657.00	15.01%
8 x 4	\$ 2,356.00	\$ 2,902.00	\$ 546.00	23.17%
8 x 6	\$ 2,812.00	\$ 3,381.00	\$ 569.00	20.23%
8 x 8	\$ 4,799.00	\$ 5,901.00	\$ 1,102.00	22.96%
10 x 6	\$ 2,555.00	\$ 3,130.00	\$ 575.00	22.50%
10 x 8	\$ 3,644.00	\$ 4,435.00	\$ 791.00	21.71%
12 x 4	\$ 2,448.00	\$ 3,054.00	\$ 606.00	24.75%
12 x 6	\$ 2,787.00	\$ 3,460.00	\$ 673.00	24.15%
12 x 8	\$ 3,358.00	\$ 4,212.00	\$ 854.00	25.43%
12 x 12	\$ 6,635.00	\$ 8,476.00	\$ 1,841.00	27.75%
16 x 4	\$ 2,854.00	\$ 3,359.00	\$ 505.00	17.69%
16 x 6	\$ 3,084.00	\$ 3,597.00	\$ 513.00	16.63%
16 x 8	\$ 3,656.00	\$ 4,352.00	\$ 696.00	19.04%
16 x 12	\$ 4,925.00	\$ 6,432.00	\$ 1,507.00	30.60%

Absolute Dollar Increases >\$200 Not Addressed Above

Service	Current Price	Proposed Price	Change	
			\$	%
1) Large Water Taps (by size)				
4 x 4	\$ 3,520.00	\$ 4,031.00	\$ 511.00	14.52%
10 X 4	\$ 2,621.00	\$ 2,905.00	\$ 284.00	10.84%
<u>New Billing Items</u>	None			

Metropolitan Utilities District
PROPOSED REVISIONS OF DISTRICT BILLING PRICES

It is recommended that the following hourly rates and fixed prices be adjusted as proposed effective June 1, 2022.

<u>Current Billing Price Book Page</u>		<u>Present Price</u>	<u>Proposed Price</u>
1	Field Services Labor:		
	<u>Rate for 30 minutes - on premises</u>		
	One employee - straight time	\$ 121.00	\$ 121.00
	One employee - overtime	143.00	143.00
	Two employees - straight time	235.00	235.00
	Two employees - overtime	280.00	280.00
	<u>Hourly rate - after 1/2 hour on premises</u>		
	One employee - straight time	176.00	176.00
	One employee - overtime	209.00	209.00
	Two employees - straight time	344.00	344.00
	Two employees - overtime	410.00	410.00
1	Repeat CGI charge - second trip if CGI and subsequent trips if CGI	65.00	65.00
3	Measurement labor performed in the field:		
	<u>Minimum charge - up to 1/2 hour on premises</u>		
	One employee - straight time	106.00	116.00
	One employee - overtime	124.00	134.00
	Two employees - straight time	198.00	208.00
	Two employees - overtime	231.00	243.00
3	Measurement labor performed in the field		
	<u>Hourly rate - after 1/2 hour on premises</u>		
	One employee - straight time	156.00	169.00
	One employee - overtime	181.00	196.00
	Two employees - straight time	289.00	305.00
	Two employees - overtime	337.00	356.00
3	Measurement labor performed in the shop		
	Straight time rate per hour	126.00	134.00

**Current
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Price**

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Price**

5	Water Distribution labor rates for operating hydrants which includes furnishing hose		
	<u>Minimum charge - up to 1/2 hour on premises</u>		
	One employee - straight time	\$ 79.00	\$ 82.00
	One employee - overtime	96.00	100.00
	Two employees - straight time	153.00	158.00
	Two employees - overtime	187.00	193.00
	<u>Hourly rate - after 1/2 hour on premises</u>		
	One employee - straight time	116.00	121.00
	One employee - overtime	141.00	146.00
	Two employees - straight time	224.00	231.00
	Two employees - overtime	273.00	282.00
8	Replace flexible connector - per trip (plus material)	61.00	61.00
8	Pilot lighting (furnace, water heater, etc.) (To include gas leak calls where there is none)	121.00	121.00
8	Repair and/ or Service Range or Dryer Connect / Disconnect Range or Dryer (Does not include fuel line installations)	T &M 61.00	T &M 61.00
9	<u>Inspection fee - requiring two men - per unit charge - commercial and industrial</u> * Each additional unit - same address - same application	150.00 75.00	150.00 75.00
9	<u>Inspection fee - gas fired appliances - residential, commercial and industrial, requiring one man</u> First unit each application * Each additional unit - same address - same application	98.00 48.00	98.00 48.00
9	<u>Failure to pass inspection for the third and each subsequent inspection</u> First unit - each application * Each additional unit - same address - same application * Defined as 3 or more units. Discount for multiple inspections would apply to buildings with one accessible address. Multiple bays, duplexes, condos, and townhomes would not receive this discount.	98.00 48.00	98.00 48.00
9	Air test gas fuel lines for commercial customers	122.00	124.00

**Current
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**Present
Price**

**Proposed
Price**

11	<u>Turn-on gas and/or water service</u>		
	Regular turn-on, MUD reads meter	\$ 95.00	\$ 98.00
	Regular turn-on, priority service, MUD reads meter	120.00	124.00
	Move in; service is on	15.00	15.00
	Leave on for default	15.00	15.00
11	Turn-on gas and/or water service after turn-off for non-payment of bills or violation of District rules	75.00	75.00
11	Damage to special locking device (gas/water)	57.00	57.00
11	Apartment ownership changes - per turn-on	95.00	98.00
	Apartment ownership changes - max per apartment address	209.00	209.00
12	Finders Fee - Payable to Person Reporting		
	Unauthorized use of water and/or gas	35.00	35.00
	Unauthorized use of hydrant	35.00	35.00
	Party striking water hydrant	35.00	35.00
	Vandalism which causes unmetered use	35.00	35.00
12	<u>Service diversion charge</u>		
	Residential - Water or Gas Service Bypass	468.00	486.00
	Commercial - Water or Gas Service Bypass	468.00	486.00
	Unauthorized use of hydrant - Bypass	468.00	486.00
	(Includes improper use of backflow meter assembly)		
	Unauthorized Turn on Fee	31.00	31.00
12	Trip Charge for Residential & Commercial Shut-off	52.00	52.00
	- Fee for sending a Collector out to shut off gas or water service on a residential or commercial account		
12	Monthly Manual Read Fee	25.00	25.00
	- For customer's electing not to have ERT on their meters.		
12	Submeter - monthly charge to read		
	Monthly Charge to Read - Water	10.00	10.00
	Monthly Charge to Read - Gas	9.00	9.00
12	Insufficient fund check charge	40.00	40.00
12	Default Notification/Revert Letters		\$2 additional fee to leave on agreement price (Addition to the "default" prices above)
12	Preparing Customer Documents		
	Costs may be charged pursuant to the provisions of the Public Records Statute.		

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Water Meter Pricing

Prices with Couplings and Nipple

All New Construction Must Be 3/4" Meters Or Larger

1. MUD installs Meter (No sales tax)

	<u>Meter Size</u>	<u>Meter</u>		
13	5/8"	Meter with ERT	\$ 294.00	\$ 315.00
	3/4"	Meter with ERT	333.00	344.00
	1"	Meter with ERT	353.00	381.00
	ERTs in meter vaults - add \$70.00 to the above prices			

13	2. Plumber installs meter (add sales tax)			
	(Includes Flange)			
	1-1/2"	Disc w/ ERT	505.00	544.00
	2"	Disc w/ ERT	672.00	721.00
	2"	Turbo w/ Remote	992.00	993.00
	3"	Turbo w/ Remote	936.00	937.00
	3"	Compound w/ Remote	1,958.00	1,959.00
	4"	Turbo w/ Strainer and Remote	1,735.00	1,736.00
	4"	Compound w/ Remote	2,563.00	3,069.00
	6"	Turbo w/ Strainer and Remote	3,081.00	3,082.00
	ERTs in meter vaults - add \$70.00 to the above prices (plus sales tax)			

13	3. Install water remote - over 3" meters	T &M	T &M
	(when ERT installation is not compatible on compound/ large meters)		

14	Riser and Box Covers		
	5/8" X 9" riser	133.00	149.00
	24" Cover and ring for new service with outside meter box	272.00	267.00
	Vandal proof box for post-mounted remote index for water meter in pit	10.00	10.00

14	<u>Cash Allowances</u>		
			<u>Trade-in allowance</u>
	5/8" Disc	5.00	5.00
	3/4" Disc	5.50	5.50
	1" Disc	7.00	7.00

The above allowances are for meters originally purchased by the District and for meters purchased by water systems now operated by the District. Meters 1-1/2" and larger must be appraised by the Measurement Division to determine cash or trade-in allowance.

The full sales price for water meters will be collected at the time of sale unless prior appraisal for the trade-in has been received from the Measurement Division.

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14	<u>Testing Water Meters at Customer's Request</u> Meter determined to be 2% fast or less Meter more than 2% fast Water meter 1-1/2" or larger	\$ 110.00 No charge T &M	\$ 113.00 No charge T &M
15	<u>Hydrant Backflow Assembly</u> 1. Hydrant Use Agreement, Rental Fees & Deposits a) License requirement - all firms or persons requesting use of District fire hydrants must sign a hydrant equipment license agreement and adhere to the District's operating instructions for use of hydrants. b) All firms or persons using District fire hydrants must rent a hydrant backflow assembly from the District or purchase and install a meter in accordance with the District's Vehicle-Mounted Water Meter Agreement. c) All water used through meters installed in accordance with the District's Vehicle-Mounted Water Meter Agreement will be billed at regular Schedule W-2 water rates plus sales tax which is in addition to rental fees.		
15	2. Rental Fees - Hydrant Assembly Processing & testing charge Daily fee plus sales tax (March 1 - November 30) Daily fee plus sales tax (December 1 - February 28) Deposit* * Not required if applicant is a current customer residing in MUD service area with active business account with a good credit experience.	150.00 15.00 25.00 750.00	150.00 15.00 25.00 750.00
17	<u>Water Main Connection Charges</u> Connection charge rate for mains installed prior to 1989 Contact Builder & Contractor Services for rate Connection charge rate for mains installed in 1989 through 1993 (price per foot) Residential lots or parcel Commercial lots or parcel - 6" Main Commercial lots or parcel - 8" Main or larger Connection charge rate for mains installed after 1993 Charge is based on the actual cost of the main. Contact Accounting for rate.		
		13.45 13.45 17.74	13.45 13.45 17.74

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17	<u>Private Water Line Fees</u> Residential Lot	\$ 4,595.00	\$ 4,790.00
	No additional charges will be made against the original applicant if and when a main is extended to abut their property.		
	Commercial Lot	5,840.00	6,035.00
	The flat charge will be credited towards future connection charges and if and when a main is extended to abut their property.		
18	<u>Hydrant Flow Test</u> Fee for performing a hydrant flow test at customer's request	350.00	351.00
18	<u>Florence Water Sales</u> (sales tax inc.)	0.25 130 gallons	0.25 120 gallons
18	<u>Operating Water Curb Stop Valves for Turn-off/on Requests</u> Emergency turn-off Turn-on following emergency Customers convenience water off request at stop-box	No charge 95.00 95.00	No charge 98.00 98.00
	<u>Locating Water Stop Boxes</u>		
18	Tracing out water lines - Commercial - Minimum Charge	T&M 121.00	T&M 121.00
19	<u>Tap and Inspection</u> 3/4" corporation 1" corporation - 6" to 18" main Inspection of service - pretapped mains	421.00 439.00 73.00	421.00 439.00 79.00
	Once approved, an additional water inspection fee will apply to any service connections made by a licensed master plumber on a master water service. Normal tapping fees will apply if the connection to the private water main is made by MUD.	73.00	79.00
	Inspection of existing service approved for reuse Taps not ready when called for Extra charge for special tap (taps not called for by 2:00 p.m. the previous day) 4 x 1 taps	73.00 261.00 73.00 517.00	79.00 261.00 79.00 533.00
19	Corporation Price (not including labor) 3/4" 1" 1 1/2" 2"	67.00 82.00 197.00 418.00	74.00 99.00 212.00 407.00

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20	Taps on PVC Mains (includes saddle)		
	4x3/4"	\$ 447.00	\$ 531.00
	4X1	492.00	502.00
	6x3/4"	458.00	527.00
	6X1	544.00	567.00
	8x3/4"	476.00	556.00
	8X1	583.00	580.00
	10x3/4"	596.00	595.00
	10X1	528.00	538.00
	12X1	503.00	513.00
20	Taps on HDPE Mains		
	6x3/4"	T&M	T&M
	6X1	T&M	T&M
	8x3/4"	T&M	T&M
	8X1	T&M	T&M
	12X1	T&M	T&M
	<u>Large Water Taps</u>		
	Taps on All Mains (excluding PVC)		
21	1-1/2" and 2" Water Taps (by size)		
	6 x 1-1/2	682.00	723.00
	6 x 2	895.00	925.00
	8 x 1-1/2	716.00	751.00
	8 x 2	941.00	970.00
	10 x 1-1/2	710.00	704.00
	10 x 2	956.00	936.00
	12 x 1-1/2	774.00	825.00
	12 x 2	1,056.00	1,019.00
	14 x 1-1/2	762.00	767.00
	14 x 2	1,365.00	1,338.00
	16 x 1-1/2	1,334.00	1,345.00
	16 x 2	1,661.00	1,567.00
21	Taps on PVC Mains		
	6X1 1/2	T&M	T&M
	6X2	T&M	T&M
	8X1 1/2	T&M	T&M
	8X2	T&M	T&M
	10X1 1/2	T&M	T&M
	10X2	T&M	T&M
	12X1 1/2	T&M	T&M
	12X2	T&M	T&M

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22	Large Water Taps *		
	4 x 4	\$ 3,520.00	\$ 4,031.00 **
	6 x 4	2,237.00	2,703.00
	6 x 6	4,378.00	5,035.00 **
	8 x 4	2,356.00	2,902.00
	8 x 6	2,812.00	3,381.00
	8 x 8	4,799.00	5,901.00 **
	10 x 4	2,621.00	2,905.00
	10 x 6	2,555.00	3,130.00
	10 x 8	3,644.00	4,435.00
	12 x 4	2,448.00	3,054.00
	12 x 6	2,787.00	3,460.00
	12 x 8	3,358.00	4,212.00
	12 x 12	6,635.00	8,476.00 **
	16 x 4	2,854.00	3,359.00
	16 x 6	3,084.00	3,597.00
	16 x 8	3,656.00	4,352.00
	16 x 12	4,925.00	6,432.00

* material for taps includes tapping sleeve, MJX flange gate valve, machine bolts and nuts for valve, full face gasket, MJ plug and/or equivalent material.

** price includes cutting in tee - instead of using tapping sleeve.

Note: The above prices are for tapping existing water mains, or for installation with a new main. Prices for sizes not listed are to be obtained from the Engineering Division on an individual basis.

23	<u>Large Water Service Cut Offs</u>		
	The following prices apply when a contractor excavates the main and MUD only does the cut off.		
	4"	4,740.00	4,935.00
	6"	4,834.00	5,029.00
	8"	4,890.00	5,085.00
	10"	5,589.00	5,784.00
	12"	5,682.00	5,877.00
	14"	6,603.00	6,798.00
	16"	7,206.00	7,401.00
25	Backflow prevention testing	102.00	102.00
	Testing multiple backflow devices under same ownership and same general vicinity	T & M	T & M
	- Minimum charge	102.00	102.00
26	Valves and valve boxes - repair or replacement of private valves and valve boxes	T & M	T & M
26	Test water for possible lead contamination	191.00	196.00

27 - 28 IMPACT FEE

As new water demands are connected to the distribution system, additional capacity is needed to assure adequate flows and pressures from source of supply to general areas of consumption. Such capacity may be achieved through the building of reservoirs and/or pump stations in addition to looping, oversizing, enlarging, and reinforcing portions of the water distribution system. The purpose of the impact fee is to pay for a major portion of these growth related costs without placing additional undue burden on existing customers.

The impact fee is based on the added demand to the water system, as measured by the size of the water meter.

Effective June 1, 2022

METER		CONTINUOUS * FLOW RATING	CURRENT	
SIZE	TYPE		CURRENT	NEW
		Rate per gpm	\$ 92.07	\$ 93.91
5/8"	Disc	10 gpm	\$ 921.00	\$ 939.00
3/4"	Disc	15 gpm	\$ 1,381.00	\$ 1,409.00
1"	Disc	25 gpm	\$ 2,302.00	\$ 2,348.00
1 1/2"	Disc	50 gpm	\$ 4,604.00	\$ 4,696.00
2"	Disc	80 gpm	\$ 7,366.00	\$ 7,513.00
2"	Turbo	160 gpm	\$ 14,731.00	\$ 15,026.00
3"	Compound	160 gpm	\$ 14,731.00	\$ 15,026.00
3"	Turbo	350 gpm	\$ 32,225.00	\$ 32,869.00
4"	Compound	250 gpm	\$ 23,018.00	\$ 23,478.00
4"	Turbo	1000 gpm	\$ 92,070.00	\$ 93,910.00
6"	Compound	500 gpm	\$ 46,035.00	\$ 46,955.00
6"	Turbo	2000 gpm	\$ 184,140.00	\$ 187,820.00
8"	Turbo	2800 gpm	\$ 257,796.00	\$ 262,948.00
10"	Turbo	3200 gpm	\$ 294,624.00	\$ 300,512.00

* Manufacturer's rating

Impact Fees will be assessed on each water meter purchased from the District. The fees will be assessed on the size of the meter. When upgrading to any larger size meter, the applicant will pay the difference in impact fees, at the current rates, between the existing meter and the larger meter.

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29 Gas Service Installation, Service and Meter Enlargement

A. General Requirements

- | | | | |
|----|---|----------------|----------------|
| 1. | Fixed or firm prices and deposits for estimated T&M installations will be payable at the time application is made. | | |
| 2. | The first 100 feet of service from property line to the meter location will be provided at no charge to the customer providing the following requirements are met : | | |
| | <ul style="list-style-type: none"> • The meter is installed and account activated within six months of the service installation date. If this requirement is not met, the cost of the service is \$1,485.00 (to be evaluated each year). | \$ 1,485.00 | \$ 1,485.00 |
| | <ul style="list-style-type: none"> • The meter is located on the side of the house. However, the District reserves the right to place the service and meter in the most economical location. If this requirement is not met (i.e.-the applicant requests the meter to be placed in a non-standard location which will cause increased costs for the District), the cost of the service will be based on a firm price provided by the District. | Firm | Firm |
| 3. | Single dwelling unit - all above requirements are met - No charge. | | |
| 4. | Duplex - per service - all above requirements met - No Charge. | | |
| 5. | Rehab houses - new application needed - all above requirements are met - No Charge. | | |
| 6. | All units - excess footage charge: | | |
| | <ul style="list-style-type: none"> • Summer (March 16 - December 14) - \$15.30/ft (to be evaluated each year) • Winter (December 15 - March 15) - \$18.80/ft (to be evaluated each year) | 15.30
18.80 | 15.30
18.80 |
| 7. | A priority schedule fee of \$200.00 (to be evaluated each year) shall be billed only in those instances where the applicant requests priority scheduling.
Gas service shall be installed within 10 working days from receipt of application. | 200.00 | 200.00 |

30 B. Residential - Detached Building/Separate Service

Gas service installation shall be provided in accordance with Section A, General Requirements, Part 2 (listed above). M.U.D. shall determine if a separate service or branch service off the house service line shall be installed to supply gas to the detached building.

**Current
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Price**

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Price**

30	C. <u>Other Firm Service Billings</u>		
	1. All other firm service installations and enlargements - new installation		
	a) Where installation is to provide additional gas load includes underground service piping from main to the meter.		
30	2. <u>Service and/or meter relocation</u>		
	a) when no increase in load made	Firm	Firm
	b) when gas load and gas usage is increased	*	*
	c) Residential Only - Move service riser and meter to outside - same location	Firm	Firm
30	3. <u>Meter Enlargement, Meter Sets, Resets, Reconnections of Gas Load</u>		
	a) where installation results in increased gas load and gas usage	*	*
	b) where installation results in increased gas load but no increase in gas usage	Firm	Firm
	c) Reset residential gas meters if removed for District's convenience	No Charge	No Charge
	d) Reset commercial gas meter if removed for District's convenience	No Charge	No Charge
	e) Reconnect residential gas service cut off less than one year ago	No Charge	No Charge
31	f) Meter sets for old buildings converted to apartments, condominiums, offices and shops	No Charge	No Charge
	g) Reconnect due to condemnation - same owner.	\$ 743.00	\$ 743.00
	h) Installation of meter sets to divide building load among tenants when gas service has been previously inactive.	No Charge	No Charge
	i) Where meter installation is for dividing building load among tenants or for any other customer convenience	Firm	Firm
	j) Installation of additional gas meter in existing duplexes	Firm	Firm
	k) Consolidate load (eliminate meter)	Firm	Firm
	* Evaluate on individual basis based on projected load		
31	4. Priority Gas Service Cut-off - Expedited Service: 7 working days	500.00	500.00
31	5. <u>Sub-meters</u>		
	a) Residential multiple housing units (includes ERT meter)	T &M	T &M
	b) Other	T &M	T &M
31	6. Excess Flow Valve - Installation of Excess Flow Valve at customer's request	800.00	800.00
32	D. <u>Commercial-Firm New Service Installation with Main Abutting Property, Service Enlargement, Conversions and Relocations</u>		

Marketing/Engineering will evaluate on an individual basis based on project load.

**Current
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32	E. <u>Interruptible Service Installations, Enlargements or Relocations with Main Abutting Property</u>		
	1. New installations and enlargements		
	a. Underground service piping from main to the meter	*	*
	b. Metering equipment and installation	No Charge	No Charge
	c. Meter Reading equipment (i.e. Metretek) - customer to provide phone line and power	T &M	T &M
	2. Service Relocation	T &M	T &M
	3. Meter Relocation	T &M	T &M
	* Evaluate on individual basis based on projected load.		
	<u>METER PRICES - GAS</u>		
33	A. <u>Testing Gas Meters at Customer's Request</u>		
	Meter determined to be 2% fast or less	\$ 110.00	\$ 113.00
	Meter more than 2% fast	No Charge	No Charge
	Gas meter over 750 cubic feet per hour	T &M	T &M
33	B. <u>ERT Reading Devices</u>		
	Install ERT reading device on existing gas meter - scheduled or unscheduled meter change	110.00	107.00
	D. Gas Meter Replacement	414.00	421.00
	Replacement of broken or damaged gas meter		

RESOLUTION

BE IT RESOLVED by the Board of Directors of the Metropolitan Utilities District of Omaha that the revision of billing prices for service work and materials as recommended by Management in a letter dated April 26, 2022, signed by Stephanie A. Lemonds, Manager, Financial Planning and Analysis, together with the attachments thereto, be and are hereby adopted, and all rates for service work and materials shall be effective June 1, 2022.

Adopted:

METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

April 26, 2022

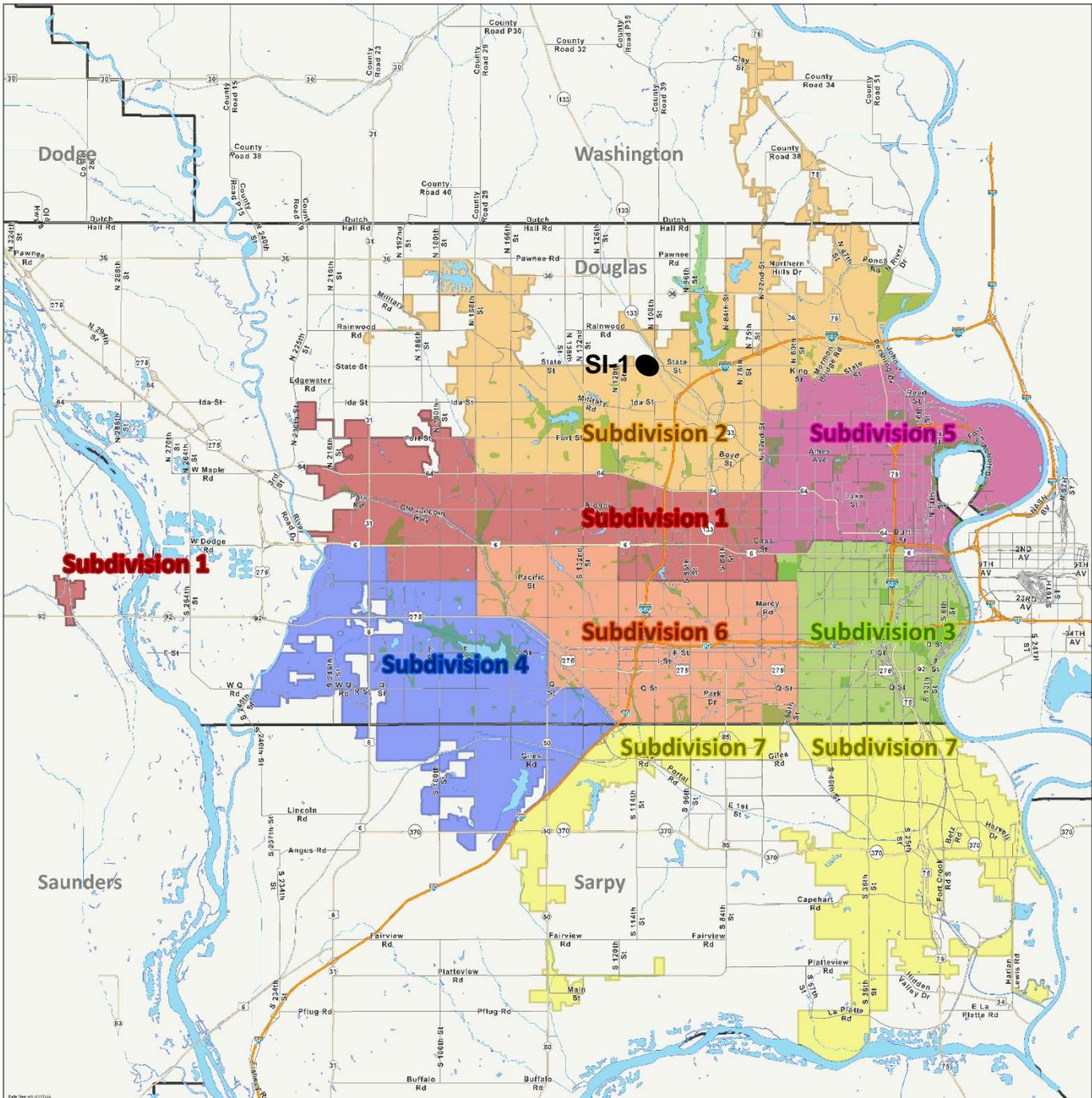
Subject: CAPITAL EXPENDITURES

To: Committee on Construction and Operations

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

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

The following items will be on the May 4, 2022, Committee Agenda for consideration and the Board Agenda for approval:



SYSTEM IMPROVEMENTS

1. R 2188 (100053001518) – \$80,000 – Adjust five vaults and three hydrants to new grade, State St., 114th St. to Hwy 133. This work is required to eliminate conflicts with proposed grading associated with road and sidewalk improvements taking place along State Street from 114th Street to Highway 133. Five vaults and three hydrants will need to be adjusted to meet proposed grade. This work is reimbursable as the hydrants and vaults are located within a District easement. This project is expected to start in May 2022. There will be no impacted services for this project. **(Subdivision 2 – Friend)**

BUILDINGS, PLANTS AND EQUIPMENT

1. 100089000916 - \$130,855 – 24 station water test bench with AMSII controls, Meter Services. Meter Services is seeking to replace the current 24-station small water meter test bench that is over twenty-five years old and operates on outdated and vulnerable technology. Meter Services and IT conducted a thorough review of the leading two vendors in the industry, through a competitive bid process, and are recommending moving forward with the purchase and installation of the Ford Water Meter Test Bench. As part of the effort, IT will change the architecture of the solution to include better maintenance and meter test data backup and recovery features. Additionally, integration with SAP is planned enabling data access to a broader user group. The water test bench is used daily to test water meters going in and out of service for accuracy, reliability, and consistency. The Ford solution provides support, training, and software upgrades as part of the purchase.

2. 100086000750 - \$60,000 – Purchase Synergi gas modeling Customer Management Module (CMM) installation, implementation and licensing. Synergi Gas is the modeling software the District uses to model projects in the natural gas distribution system. The current process requires the design engineer to estimate and/or look up customer usage to input into the system. This is a manual process that requires hours of processing. Approval of this project will provide the funding to purchase and implement the Customer Management Module (CMM) of the Synergi solution. This module imports actual customer gas usage data from the SAP billing system and enables the creation of more accurate models with less manual effort.

3. 100066002309 - \$277,000 – Removal and proper disposal of three odorant tanks and related odorant equipment at LNG Plant Town Border Station (TBS) and 175th and Center TBS. Removal and proper disposal of two odorant sweep tanks at Springfield TBS and 63rd Propane Air Plant. Northern Natural Gas recently constructed odorizing buildings and equipment on their large high pressure transmission gas main that serves the west Omaha area of our Distribution system, including the LNG Plant. This has rendered much of the District's odorization equipment redundant and unnecessary. Reducing the amount of equipment will eliminate the labor required for maintenance of unnecessary infrastructure.

4. 100084001309, 100084001310 - \$1,107,200 – Owners Representation and Program Management Services for a Construction Manager at Risk process to perform site improvements and renovation work for the existing Construction Center and to build a second Construction Center. At the April 6, 2022 Board of Directors Meeting, a resolution was approved for Facilities Management to utilize a Construction Manager at Risk ("CMAR") delivery system to perform site improvements and renovation work for Construction Center 1 ("CC1") and to build Construction Center 2 ("CC2"). The next step in this process is to procure an Owner's

Representation and Project Management services to assist Facilities Management with the general scope of work. The scope of work includes:

- Developing District CMAR policies and procedures
- Refining project schedules and budgets
- Develop a master plan study and design services for CC1
- Selecting an architectural firm to conduct design services for CC2
- Selecting a consultant and contractor to participate in the design process and construct the CC1 and CC2 projects
- Advise and assist with project management, project schedules, and cost management through all phases of the projects to include schematic design, construction, final delivery, occupancy, and warranty period.

Approval of this C&A will allow the President to enter into an agreement to perform the Owner's Representation and Program Management services. Upon completion of future RFQ/RFP processes, separate C&As will be presented to the Board for approval for architectural design and CMAR services.

Approved:



Mark E. Doyle
President



Gina Langel
Senior Vice President, Chief Operations Officer

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

April 26, 2022

Subject: ACCEPTANCE OF CONTRACTS AND PAYMENT OF FINAL ESTIMATES

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

From: Stephanie L. Henn, Director, Plant Engineering

The following items will be on the May 4, 2022, Committee Meeting for consideration and the Board Meeting Agenda for approval. Work has been satisfactorily completed on the following contracts and final payment is recommended:

Contract	Contract Approval Date	Amounts	
		Contract Bid	Actual
a. Olsson, GP2678, 100084001296, CNG Fill Station Access Modifications; CNG Fill Station North of Construction Gate, 64th and Arbor	9/8/2021	\$24,650.00	\$24,015.37

Comments: All work required by the agreement has been completed by the consultant and is acceptable and in compliance with the scope of work.

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
b. Burrell Enterprises, GP2565, 100084001281, Concrete Pavement Replacement at the Construction and Operating Center	6/2/2021	\$125,956.55	\$149,242.55

Comments: There was an overall net increase on this project of \$23,286.00, due to an increase in unit quantities of concrete removal and new concrete poured, as the depths of existing concrete were deeper than originally estimated.

Contract	Contract Approval Date	Amounts	
		Contract Bid	Actual
c. Leo A Daly, GP2679, 100084001297, Professional Architectural and Engineering Services for the Operation Center Master Plan – Study Phase	9/24/2021	\$59,094.00	\$56,280.59

Comments: All work required by the agreement has been completed by the consultant and is acceptable and in compliance with the scope of work.

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
d. Pat Thomas Construction, WP1827, 100063000001, 100065001666, Install Water Mains in Bruhn Acres, New Water Main District; N. 186 th St.; Earl Avenue, North of Military Rd.; Lots 1-11;	9/1/2021	\$195,099.80	\$192,516.07

Comments: There was an overall net decrease on this project of \$2,583.73, primarily due to needing slightly less 12-inch pipe than originally estimated. All work required by the contract has been completed by the Contractor and is acceptable and in compliance with the Contract and Specifications.

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
e. Cedar Construction, WP1792, 100055001352, Install Water Mains in Woodbrook Subdivision, N. 180 th St & Fort St.	4/7/2021	\$292,353.50	\$286,118.45

Comments: There was an overall net decrease on this project of \$6,235.05, primarily due to needing slightly less, pipe, fittings, and sample taps. The overall decrease includes Change Order No. 1 for the amount of \$3,288.45 for additional material costs for fittings, due to supply chain issues. **Approval of this final will also approve Change Order No. 1.**

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
f. Kersten Construction, WP1743-A, 100055001325, 100057000479, Install Water Mains in Legend Trails (Approach Main), 222 nd St. & W. Q Road	5/14/2020	\$291,823.00	\$292,069.04

Comments: There was an overall net increase on this project of \$246.04. There was a decrease in unit quantities for pipe and fittings on this project because of a design change. However, included in this overall increase is Change Order No. 1 for \$48,812.54, which was needed, due to additional seeding and tree removal, as requested by the developer. **Approval of this final will also approve Change Order No. 1.**

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
g. Q3 Contracting, GP2498, 100092001632, 100082000040, 100082000041, 100082000042, 100082000043, 100042000082, Contracted Cast Iron Gas Main Replacement, John A. Creighton Blvd. to N. 42 nd St. and Pratt St. to Wirt St.	1/7/2021	\$2,047,904.24	\$1,486,067.41

Comments: There was an overall net decrease on this project of \$561,836.83, primarily due to the project being able to be installed outside of, rather than under, paving. Due to this over estimation, Engineering is altering the way projects are estimated, so in future years, there will not be such a large decrease. This is the second of seven contracted gas projects from 2021, representing approximately 11% of the entire 2021 contracted gas work.

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
h. Q3 Contracting, GP2496, 100092001630, 100082000040, 100082000041, 100082000042, 100082000043, 100042000081, Contracted Cast Iron Gas Main Replacement, 38 th St. to 49 th St. and Fontenelle Blvd. to Pratt St.	1/7/2021	\$2,852,605.07	\$1,986,016.67

Comments: There was an overall net decrease on this project of \$886,734.04, primarily due to the project being able to be installed outside of, rather than under, paving. Due to this over estimation, Engineering is altering the way projects are estimated, so in future years, there will not be such a large decrease. This is the third of seven contracted gas projects from 2021, representing approximately 15% of the entire 2021 contracted gas work.

Contract	Contract Approval Date	Amounts	
		*Unit Price Bid	Actual
i. Q3 Contracting, GP2499, 100092001633, 100082000040, 100082000041, 100082000042, 100082000043, 100042000083, Contracted Cast Iron Gas Main Replacement, N 36 th St. to N 42 nd St. and Paxton Blvd. to Pratt St.	1/7/2021	\$1,463,223.66	\$1,154,436.32

Comments: There was an overall net decrease on this project of \$308,787.34, primarily due to the project being able to be installed outside of, rather than under, paving. Due to this over estimation, Engineering is altering the way projects are estimated, so in future years, there will not be such a large decrease. This is the fourth of seven contracted gas projects from 2021, representing approximately nearly 9% of the entire 2021 contracted gas work.

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



Stephanie L. Henn
Director, Plant Engineering

Approved:



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



Gina Langel
Senior Vice President
Chief Operations Officer



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT*Inter-Department Communication*

April 19, 2022

Subject: CHANGE ORDER NO. 1 – CITY OF OMAHA AND METROPOLITAN UTILITIES DISTRICT JOINT CONTRACT FOR OPW 52721; NORTH 16TH STREET TO NORTH 20TH STREET, CHARLES STREET TO PINKNEY STREET; R 1833 (100093001239, 100093001310, 100041000032, 100041000096)

To: Committee on Construction & Operations

Cc: All Board Members, Doyle, Schaffart, Mendenhall, Ausdemore. Langel, Lobsiger, and All Vice Presidents

From: Cory J. O'Brien, Vice President, Engineering and Construction

On May 5, 2021 the District entered into a contract with the City of Omaha to install the water main for Joint Contract OPW 52721/R1833. The contractor performing the water main work is Roloff Construction. The original contract price was \$4,634,965.18. Change Order No. 1 consists of adding unit prices for four items for a total additional cost of \$140,175.00. This will change the contract price to \$4,775,140.18.

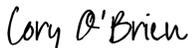
ITEM 1: Item 1 includes an additional 500 linear feet of horizontal directional drilling/augering of 8" ductile iron pipe at a unit price of \$175.00 per foot. The original plans showed all 8" ductile iron pipe to be installed by the open trench method. It was discovered in the field that some of the 8" ductile iron pipe needed to be installed by the directional drilling method to avoid conflicts with an existing fence. This is an increase of \$87,500.

ITEM 2 & 3: Items 2 & 3 include labor and materials for the addition of both a Type SC-1 connection and a Type SC-1 (modified) connection for an additional cost of \$51,270.

ITEM 4: Item 4 includes labor and material to furnish and install an adjustable valve box and 4" gate valve for \$1,405.00.

Your approval is requested.

DocuSigned by:



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Cory J. O'Brien

Vice President, Engineering & Construction

APPROVED:

DocuSigned by:



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Gina Langel
Sr. Vice President,
Chief Operations Officer

DocuSigned by:



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Mark A. Mendenhall
Sr. Vice President,
General Counsel

DocuSigned by:



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Mark Doyle
President

METROPOLITAN UTILITIES DISTRICT
Omaha, Nebraska

CONTRACT: CITY OF OMAHA AND METROPOLITAN UTILITIES DISTRICT JOINT CONTRACT FOR OPW 52721; NORTH 16TH STREET TO NORTH 20TH STREET, CHARLES STREET TO PINKNEY STREET; R 1833 (100093001239, 100093001310, 100041000032, 100041000096)

CONTRACTOR: L.G. ROLOFF CONSTRUCTION CO., INC.
 10204 SOUTH 152ND STREET
 OMAHA, NE 68138

DATE OF AWARD: May 5, 2021 **CHANGE ORDER NO.** 1

It is hereby agreed to modify the contract referred to above as follows:

LINE	DESCRIPTION/REASON	QTY	PRICE	UNIT	Price Change
370	HORIZONTAL DIRECTIONAL DRILLING/AUGERING 8" PIPE	500	\$ 175.00	LF	\$ 87,500.00
371	CONNECTION TYPE SC-1	4	\$ 11,214.00	EA	\$ 44,856.00
372	CONNECTION TYPE SC-1 (MODIFIED)	1	\$ 6,414.00	EA	\$ 6,414.00
373	FURNISH AND INSTALL ADJUSTABLE VALVE BOX AND VALVE; INSTALL 4" GATE VALVE	1	\$ 1,405.00	EA	\$ 1,405.00
TOTAL COST CHANGE ADD					+ \$ 140,175.00

The changes included in this change order are to be accomplished in accordance with the terms and conditions of the original contract and specifications.

Original Contract Price	\$ 4,634,965.18
Change Order No. 1	+ \$ 140,175.00
Revised Contract Price	<u>\$ 4,775,140.18</u>

CONTRACTORS ACCEPTANCE

By SEE ATTACHED

Title _____

Date _____

METROPOLITAN UTILITIES DISTRICT

By Mark Doyle
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Title President

Date 04/21/2022

Approved as to Form: Mark Mendenhall
DocuSigned by: U1E6UC5E2DF44C7...
 Sr. Vice President, General Counsel

CITY OF OMAHA
PUBLIC WORKS DEPARTMENT

CONTRACT CHANGE ORDER

PROJECT NO.: OPW 53753 CHANGE ORDER NO.: 1
 PROJECT NAME: NICHOLAS STREET SEWER EXTENSION PHASE 3B - SCHEDULE D MUD
 CONTRACTOR: L.G. ROLOFF CONSTRUCTION CO, INC.
 COUNCIL RESOLUTION NO.: _____ DATE OF RESOLUTION: _____

LINE	ITEM #	DESCRIPTION / REASON	UNIT	QUANTITY	UNIT PRICE	CONTRACT PRICE	
						DECREASE	INCREASE
370	9000.370	HORIZONTAL DIRECTIONAL DRILLING/AUGERING 8" PIPE <i>Item adds drilling 8" pipe in lieu of open cutting. Work to be completed when directed by MUD Refer to CPR No. 1</i>	LF	500.00	\$175.00		\$87,500.00
371	9000.371	CONNECTION TYPE SC-1 <i>Item adds large service connections. Locations determined by MUD Refer to CPR No. 2</i>	EA	4.00	\$11,214.00		\$44,856.00
372	9000.372	CONNECTION TYPE SC-1 (MODIFIED) <i>Item adds large service connection. Location determined by MUD Refer to CPR No. 2</i>	EA	1.00	\$6,414.00		\$6,414.00
373	9000.373	FURNISH AND INSTALL ADJUSTABLE VALVE BOX AND VALVE: INSTALL 4" GATE VALVE <i>Item adds a 4" Gate Valve not originally included in Bid Item List. Location determined by MUD Refer to CPR No. 2</i>	EA	1.00	\$1,405.00		\$1,405.00
TOTAL DECREASE IN CONTRACT PRICE						\$0.00	
TOTAL INCREASE IN CONTRACT PRICE							\$140,175.00
NET DIFFERENCE							\$140,175.00
ESTIMATED CONTRACT VALUE							\$4,634,965.18
PREVIOUS CHANGE ORDER(S) VALUE							\$0.00
CURRENT CONTRACT AMOUNT							\$4,775,140.18
PERCENT CHANGE ORDER(S) TOTAL							3.0%

NOTICE TO PROCEED DATE	7/6/2021
INITIAL DAYS TO SUBSTANTIAL COMPLETION	1152
PREVIOUS CALENDAR DAYS ADDED	0
CALENDAR DAYS THIS CHANGE ORDER	0
CURRENT CONTRACT DAYS TO SUBSTANTIAL COMPLETION	1,152
CURRENT SUBSTANTIAL COMPLETION	8/30/2024

ACCEPTED: _____
(CONTRACTOR)

RECOMMENDED: _____
(CONSTRUCTION MANAGER)

RECOMMENDED: _____
(CITY PROJECT REPRESENTATIVE)

APPROVED: _____
(MUD REPRESENTATIVE)

APPROVED: _____
(DIVISION ENGINEER)

APPROVED: _____
(CITY ENGINEER)

APPROVED: _____
(PUBLIC WORKS DIRECTOR)

DATE: 2-18-2022

DATE: 03/01/2022

DATE: 3-1-2022

DATE: _____

DATE: _____

DATE: _____

DATE: _____

METROPOLITAN UTILITIES DISTRICT*Inter-Department Communication*

April 22, 2022

Subject: PIPE BURSTING CONTRACT RECOMMENDATION – PILOT PROJECT FOR 2022

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

From: Kris L. Thompson, Sr. Plant Engineer, Plant Engineering

The water infrastructure replacement program has grown over the past few years and the District is working diligently to continue to expand the work with existing partners and by adding new technologies and new partnerships.

The District currently partners with contractors to perform water infrastructure replacement work utilizing direct replacement methods. These projects include direct replacement of existing cast iron water mains with new ductile iron pipe, PVC (polyvinyl chloride) pipe and HDPE (high density polyethylene) pipe.

In an effort to continue to expand the water infrastructure replacement program, management is requesting to partner with Murphy Pipeline Contractors (“Murphy”) to perform a pilot pre-chlorinated pipe bursting project in 2022. Murphy would perform one pre-chlorinated pipe bursting pilot project. The project is approximately 1.5 miles long. If the project goes well, management would follow-up with an additional request to the Board of Directors to continue a partnership with Murphy to perform additional pipe bursting projects in 2023 and potentially beyond.

Murphy has performed pre-chlorinated pipe bursting projects for utilities across North America. With seven “Trenchless Project of the Year” awards and millions of feet of trenchless experience, their continued focus is to help cities reduce community impact during water main construction. The pre-chlorinated pipe bursting process was developed over 40 years ago, and today continues to be selected by some of the largest water main replacement programs in the world due to its ability to reduce project schedules, provide cost efficiencies and limit the impact to business, residents, and the overall community.

With the approval of this request, management is asking that the president be authorized to enter into a contract with Murphy Pipeline Contractors to perform a

single pre-chlorinated pipe bursting project in 2022. A C&A is being sent to the May Board of Directors. Your approval is requested.

DocuSigned by:
Kris Thompson
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Kris L. Thompson
Sr. Plant Engineer, Plant Engineering

APPROVED:

DocuSigned by:
Stephanie L. Henn
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Stephanie L. Henn
Director,
Plant Engineering

DocuSigned by:
Stephanie L. Henn
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Cory J. O'Brien
Vice President,
Engineering & Construction

DocuSigned by:
Gina Langel
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Gina Langel
Sr. Vice President,
Chief Operations Officer

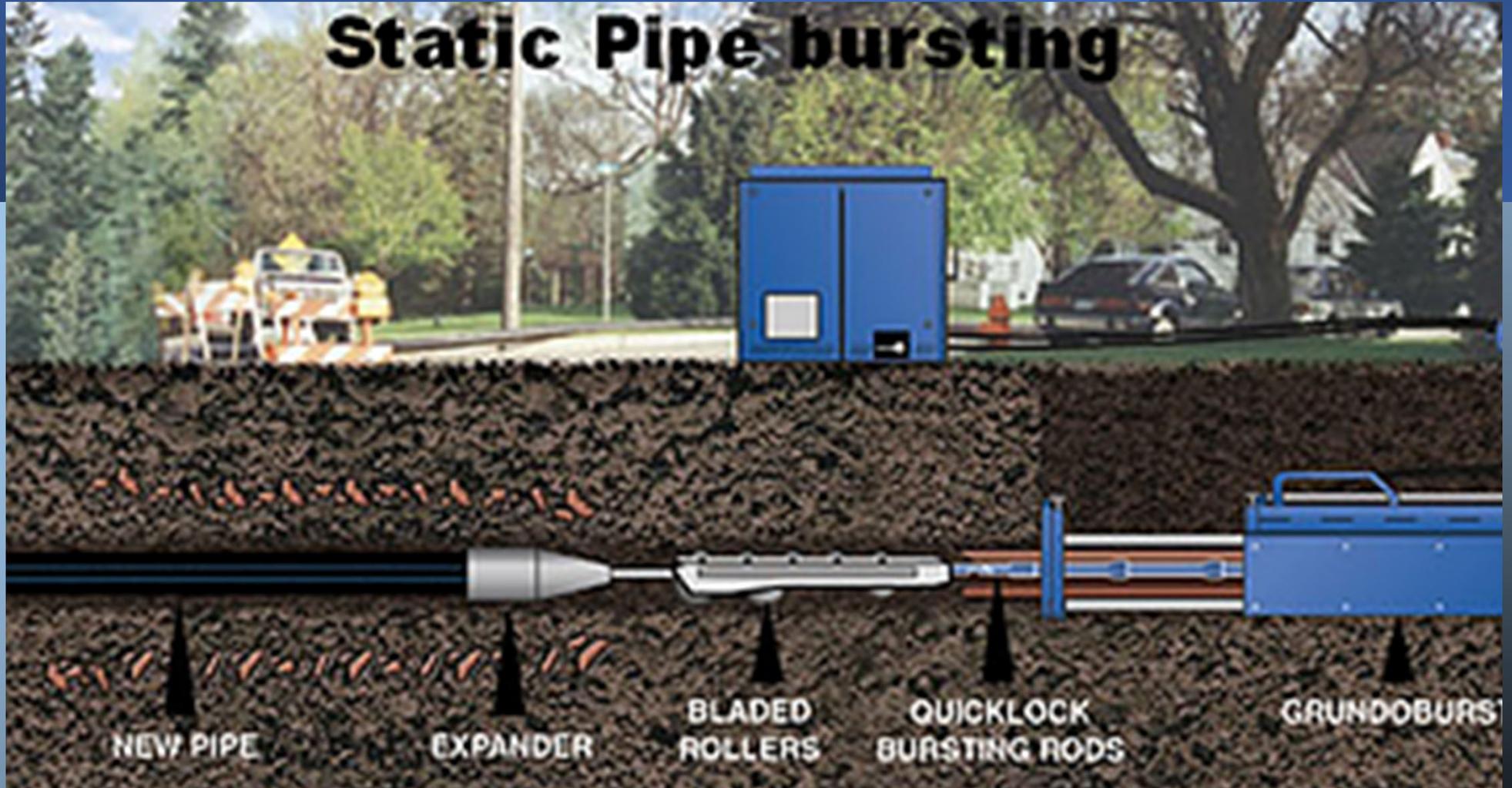
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Mark Doyle
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Mark Doyle
President

Pre-Chlorinated Pipe Bursting Proposed Pilot Project

Murphy Pipeline Contractors

May 2022 Board Meeting

Static Pipe bursting







INSERTION PIT



RECEIVING PIT







METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

April 22, 2022

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

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

From: Sherri A Meisinger, Director, Procurement

The following items will be on the May 4, 2022 Committee Agenda for consideration and the May 4, 2022 Board Agenda for approval. The recommended bid is bolded and listed first. Nonlocal bidders have been indicated in italics.

WATER/GAS MAIN CONTRACTS

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Install Water Mains in Crossroads Mall Redevelopment, 72 nd Street and Dodge Street 100053001501 100053001502 100055001372 WP1841 Engineering Estimate: \$1,982,484.00 (A C&A in the amount of \$2,134,133.00 will be presented to the Board on May 4, 2022 for approval.)	18/1	<i>Judds Bros. Const.</i>	\$1,747,790.00
Install Water Mains in Lake Cunningham Village Phase II and Approach Main SE of N. 96 th Street and State Street 100055001386 100057000473 100055001340 100055001397 WP1867/WP1708A Engineering Estimate: \$1,209,322.00 (A C&A in the amount of \$445,610.00 for 100055001386 and 100055001397 and a Supplemental C&A for 100057000473 in the amount of \$211,067.00 will be presented to the Board on May 4, 2022 for approval. C&A for 100055001340 and 100057000473 approved June 4, 2020 in the amount of \$365,000.00.)	18/2	Kersten Construction <i>Cedar Construction</i>	\$730,122.50 865,800.00

Install Water Mains in Daybreak, NE of 18/2 **Kersten Construction \$706,100.00**
 N.192nd Street and Fort Street Cedar Construction 807,115.00
 100055001387 100057000510
 100057000511 WP1885
 Engineering Estimate: \$895,999.00
 (A C&A in the amount of \$950,104.00 will be presented to the Board on May 4, 2022 for approval.)

Install Water Mains in Sunset 18/2 **Kersten Construction \$1,172,160.85**
 Meadows Subdivision, SW of Cedar Construction 1,324,770.00
 S. 204th Street and Harrison Street
 100055001389 100057000512
 WP1887
 Engineering Estimate: \$1,510,648.00
 (A C&A in the amount of \$1,388,917.00 will be presented to the Board on May 4, 2022 for approval.)

RATIFICATION

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Four (4) Rubber Tire Loaders 100087000646	1/1	Murphy Tractor	\$881,600.00*

* State of Nebraska Bid, State Contract 15238(OC)
 (C&A for Annual Construction Machines, Equipment, Vehicles and Upfitting approved January 5, 2022 in the amount of \$16,953,750.00.)

OTHER

<u>Item</u>	<u>Bids Sent / Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
RFP-Owner's Representation and Program Management Services for Construction Manager at Risk 100084001309 100084001310 (A C&A in the amount of \$1,107,200.00 will be presented to the Board on May 4, 2022 for approval.)	2/2	Project Control Tetrad Property Group	\$920,000.00 1,028,610.00
24 Station Water Test Bench with AMSII Controls for Meter Services 100089000916 (A C&A in the amount of \$130,855.02 will be presented to the Board on May 4, 2022 for approval.)	2/2	Ford Water Bench <i>MARS Water Bench</i>	\$111,786.49 161,088.00

Odorant Tank and Equipment 1/1 **Midland Res. Recvy. \$218,653.00**
 Decommission and Removal
 100066002309 GP 2641
 Engineering Estimate: \$230,450.00
 (A C&A in the amount of \$277,000.00 will be presented to the Board on May 4, 2022 for approval.)

ANNUALS

Bids Sent

<u>Item</u>	<u>/ Rec'd</u>	<u>Bidders</u>	<u>Bid Amount</u>
Gas Odorant (Approximately 40,000lbs) (June 1, 2022 to May 31, 2023)	2/1	Arkema Inc.	\$137,200.00
Resilient Seated Gate Valves (May 1, 2022 to April 30, 2023)	13/4	Core and Main Utility Equipment Omaha Winwater Lincoln Winwater	\$414,074.10 493,428.24 498,569.24 503,538.00
Concrete and Asphalt Pavement Repairs at Various District Construction Sites (June 1, 2022 to May 31, 2023)	1/1	Burrell Enterprises	\$570,200.00



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

Approved:



Jon Zellars
 Vice President, Procurement and Enterprise Services



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



Mark E. Doyle
 President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

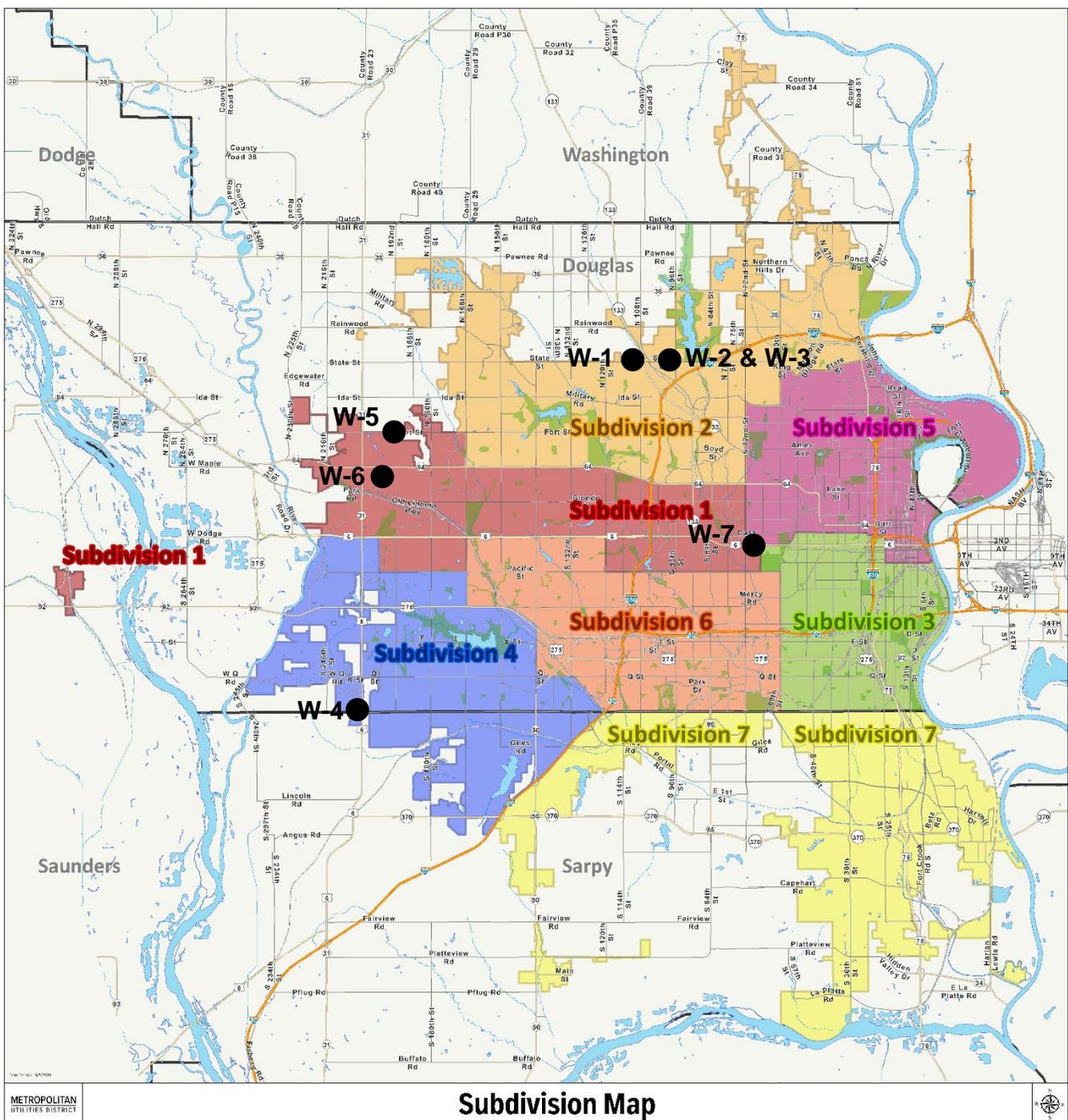
April 26, 2022

Subject: MAIN EXTENSIONS

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

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

The following main extensions will be on the May 4, 2022, Committee Agenda for consideration and the Board Agenda for approval:



WATER MAINS:

1. **STATE AND HIGHWAY 133 ADDITION, Subdivision 2, Friend:** These mains are being installed to provide domestic water service and fire protection to four industrial lots in State Street and Highway 133, 114th and State Streets. Work is required to be completed by June 2023. A pioneer main fee is due to the existing 36- and 48-inch water mains in State Street in the amount of \$324,622. (City of Omaha Zoning, Westwood Solutions, LLC)

Subdivision: State and Highway 133 Addition

Project Number: WP 1901

Project Cost: \$449,449

Applicant Contribution: \$774,071

Construction by Applicant: \$0.00

M.U.D. Cost: \$0.00

2. **LAKE CUNNINGHAM VILLAGE, Subdivision 2, Friend:** These mains are being installed to provide domestic water service and fire protection to 84 single residence lots in Lake Cunningham Village, 96th and State Streets. Work is requested to be complete by July 2022. A pioneer main fee is due to the existing 48-inch water main in State Street in the amount of \$15,327. (City of Omaha Zoning, A1 Development)

Subdivision: Lake Cunningham Village

Project Number: WP 1867

Project Cost: \$445,610

Applicant Contribution: \$460,937

Construction by Applicant: \$0.00

M.U.D. Cost: \$0.00

3. **LAKE CUNNINGHAM VILLAGE, Subdivision 2, Friend: SUPPLEMENTAL.** This approach water main project was originally approved by the Board on June 4, 2020, for an estimated cost of \$345,000 along with the interior mains needed to provide domestic water service and fire protection to 168 single residence lots in phase 1 of the Lake Cunningham Village Subdivision. Please see attached. This extension was not designed or bid with the subdivisions Phase 1 interior mains due to delays in the design and construction of the 96th St. road improvements. Phase 2 of the Subdivision has since moved forward and 96th St. road design has been completed and construction scheduled. The previously approved estimated cost was based on historical costs of projects of similar size and scope due to N. 96th Street not being designed. Job 100057000473 has now been designed, bid and bids received requiring an increase of \$211,067, or 61%, from the previous estimate. (City of Omaha Zoning, A1 Development)

Subdivision: Lake Cunningham Village

Project Number: WP 1708

Project Cost: \$211,067

Applicant Contribution: \$211,067

Construction by Applicant: \$0.00

M.U.D. Cost: \$0.00

4. **SUNSET MEADOWS, Subdivision 4, Cavanaugh.** These mains are being installed to provide domestic water service and fire protection to 256 single residence lots in Sunset Meadows Subdivision, 204th and Harrison Streets. Work is requested to be complete by

October 2022. A pioneer main fee is due to the existing 24-inch water main in 216th Street and 12-inch water mains in Harrison Street in the amount of \$191,078. (Sarpy County Zoning, Woodsonia 204 – Harrison, LLC)

Subdivision: Sunset Meadows
Project Number: WP 1887
Project Cost: \$1,388,917
Applicant Contribution: \$1,579,995
Construction by Applicant: \$0.00
M.U.D. Cost: \$0.00

5. **DAYBREAK SUBDIVISION, Subdivision 1, Begley:** These mains are being installed to provide domestic water service and fire protection to 117 single residence lots in Daybreak Subdivision, 192nd and Fort Streets. Work is requested to be completed by September 2022. A pioneer main fee is due to the existing 30-inch water main in West Maple Road and a 12-inch water main in Fort Street in the amount of \$179,805. A connection charge is due to the existing 8-inch water main in 189th Street in the amount of \$10,888. (City of Omaha Zoning, BSR-FW, LLC)

Subdivision: Daybreak Subdivision
Project Number: WP 1885
Project Cost: \$950,104
Applicant Contribution: \$1,140,797
Construction by Applicant: \$0.00
M.U.D. Cost: \$0.00

6. **CAPRIANA SUBDIVISION, Subdivision 1, Begley:** These mains are being installed to provide domestic water service and fire protection to 11 single residence lots and one multi-residence lot in Capriana Subdivision, 192nd and Cleveland Streets. Work is requested to be complete by October 2022. A pioneer main fee is due to the existing 16- and 30-inch water mains in 192nd Street and West Maple Road in the amount of \$13,123. (City of Omaha Zoning, Apogee Professional Services, LLC)

Subdivision: Capriana Subdivision
Project Number: WP 1888
Project Cost: \$294,247
Applicant Contribution: \$71,972
Construction by Applicant: \$222,275
M.U.D. Cost: \$0.00

7. **CROSSROADS, Subdivision 1, Begley:** These mains are being installed to provide domestic water service and fire protection to 18 commercial lots in The Crossroads, 72nd and Dodge Streets. Work is required to be completed by February 2023. (City of Omaha Zoning, KJ Crossroads Venture, LLC)

Subdivision: Crossroads
Project Number: WP 1841
Project Cost: \$2,134,133
Applicant Contribution: \$2,134,133
Construction by Applicant: \$0.00
M.U.D. Cost: \$0.00

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

Approved:

Gina Langel
Sr. Vice President, Chief Operations Officer

Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

April 20, 2022

Subject: Wage and/or Salary Increases and Ratifications, May 2022 Board Meeting

To: Personnel Committee members Begley, Friend, and Frost

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

President Doyle, and Senior Vice Presidents Ausdemore, Langel, Lobsiger, Mendenhall, and Schaffart

From: Bonnie Savine, Vice President, Human Resources

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

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

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

Employee: Kim Ash
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Service Clerk II (Customer Service)
Current rate; step/grade: \$29.71; Step 4
Proposed rate; step/grade: \$31.20; Step 4
Percent of increase: 5.02%
District hire date: May 4, 2015

Employee: Kathryn Brousseau
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Service Clerk II (Customer Service)
Current rate; step/grade: \$25.25; Step 1
Proposed rate; step/grade: \$26.52; Step 1
Percent of increase: 5.03%
District hire date: May 10, 2021

Employee: Grant Cannon
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Account Clerk III (Customer Accounting)
Current rate; step/grade: \$26.74; Step 2
Proposed rate; step/grade: \$29.55; Step 3
Percent of increase: 10.51%
District hire date: January 6, 2020

Wage and/or Salary Increases and Ratifications

May 2022

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Employee: **Jeffrey Carman**
Current position (department): Material Handler (Stores)
New position (department): Stores Clerk IV (Stores)
Current rate; step/grade: \$37.22; Step 4
Proposed rate; step/grade: \$38.52; Step 4
Percent of increase: 3.49%
District hire date: July 8, 2013

Employee: **John Davis**
Current position (department): Customer Service Technician (Field Services)
New position (department): Customer Service Technician – Fitter (Field Services)
Current rate; step/grade: \$35.50; Step 1
Proposed rate; step/grade: \$39.09; Step 2
Percent of increase: 10.11%
District hire date: July 23, 2018

Employee: **Jeffrey Dotson**
Current position (department): Meter Mechanic (Meter Services)
New position (department): Collection Service Representative (Meter Services)
Current rate; step/grade: \$35.96; Step 4
Proposed rate; step/grade: \$37.43; Step 4
Percent of increase: 4.09%
District hire date: June 16, 2014

Employee: **Chadwick Haffke**
Current position (department): Customer Service Technician (Field Services)
New position (department): Customer Service Technician – Fitter (Field Services)
Current rate; step/grade: \$35.50; Step 1
Proposed rate; step/grade: \$39.09; Step 2
Percent of increase: 10.11%
District hire date: November 26, 2018

Employee: **Eric Mann**
Current position (department): Customer Service Technician (Field Services)
New position (department): Customer Service Technician – Fitter (Field Services)
Current rate; step/grade: \$35.50; Step 1
Proposed rate; step/grade: \$39.09; Step 2
Percent of increase: 10.11%
District hire date: September 25, 2017

Wage and/or Salary Increases and Ratifications

May 2022

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Employee: Lucas Matulka
Current position (department): Customer Service Technician (Field Services)
New position (department): Customer Service Technician – Fitter (Field Services)
Current rate; step/grade: \$37.58; Step 2
Proposed rate; step/grade: \$41.26; Step 3
Percent of increase: 9.79%
District hire date: December 22, 2014

Employee: Mike McGillen
Current position (department): Pipe Layer Trainee (Construction)
New position (department): Utility Locator (Safety & Security)
Current rate; step/grade: \$24.79; Step 1
Proposed rate; step/grade: \$31.34; EN
Percent of increase: 26.42%
District hire date: September 7, 2021

Employee: Paul Otto
Current position (department): Customer Service Technician (Field Services)
New position (department): Customer Service Technician – Fitter (Field Services)
Current rate; step/grade: \$35.50; Step 1
Proposed rate; step/grade: \$39.09; Step 2
Percent of increase: 10.11%
District hire date: January 6, 2003

Employee: Jake Placzek
Current position (department): Meter Mechanic (Meter Services)
New position (department): Collection Service Representative (Meter Services)
Current rate; step/grade: \$32.36; Step 2
Proposed rate; step/grade: \$35.56; Step 3
Percent of increase: 9.89%
District hire date: December 17, 2018

Employee: Mike Paskevic
Current position (department): Pipe Layer (Construction)
New position (department): Machine Operator I (Construction)
Current rate; step/grade: \$31.35; Step 2
Proposed rate; step/grade: \$33.31; Step 2
Percent of increase: 6.25%
District hire date: March 23, 2020

Employee: **Avalon Thompson**
Current position (department): Customer Service Clerk I (Customer Service)
New position (department): Customer Service Clerk II (Customer Service)
Current rate; step/grade: \$26.74; Step 2
Proposed rate; step/grade: \$28.08; Step 2
Percent of increase: 5.01%
District hire date: January 6, 2020

Employee: **Benjamin Ulrich**
Current position (department): Customer Service Technician (Field Services)
New position (department): Customer Service Technician – Fitter (Field Services)
Current rate; step/grade: \$35.50; Step 1
Proposed rate; step/grade: \$39.09; Step 2
Percent of increase: 10.11%
District hire date: August 13, 2018

Employee: **Jarod Urban**
Current position (department): Customer Service Technician -Fitter (Field Services)
New position (department): Senior Customer Service Technician (Field Services)
Current rate; step/grade: \$43.43; Step 4
Proposed rate; step/grade: \$45.10; Step 4
Percent of increase: 3.85%
District hire date: December 31, 2007

Employee: **Anthony White**
Current position (department): Pipe Layer (Construction)
New position (department): Machine Operator I (Construction)
Current rate; step/grade: \$31.35; Step 2
Proposed rate; step/grade: \$33.31; Step 2
Percent of increase: 6.25%
District hire date: March 30, 2020

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

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

There are no recommendations for approval this month

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

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

Employee: Larry Bowers
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$28.81; Step 4
Proposed rate; step/grade: \$33.41; EN
Percent of increase: 15.97%
District hire date: September 9, 2019

Employee: Timothy Lincoln
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$28.81; Step 4
Proposed rate; step/grade: \$33.41; EN
Percent of increase: 15.97%
District hire date: August 6, 2018

Employee: Eliseo Perea
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$28.81; Step 4
Proposed rate; step/grade: \$33.41; EN
Percent of increase: 15.97%
District hire date: September 9, 2019

Employee: John Ruckman
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$28.81; Step 4
Proposed rate; step/grade: \$33.41; EN
Percent of increase: 15.97%
District hire date: November 4, 2019

Employee: Eric Schendt
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$28.81; Step 4
Proposed rate; step/grade: \$33.41; EN
Percent of increase: 15.97%
District hire date: April 15, 2019

Employee: Ryan Stanek
Current position (department): Customer Service Technician Trainee (Field Services)
New position (department): Customer Service Technician (Field Services)
Current rate; step/grade: \$28.81; Step 4
Proposed rate; step/grade: \$33.41; EN
Percent of increase: 15.97%
District hire date: August 13, 2018

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

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

Employee: Cory Erspamer
Current position (department): System Controller (Systems Control)
New position (department): Business Development Specialist (Business Development)
Current rate; step/grade: \$94,234; SPA – 03
Proposed rate; step/grade: \$98,946; SPA – 04
Percent of increase: 5.00%
District hire date: June 23, 1999

Employee: Ronald Jankowski
Current position (department): Utility Locator (Safety & Security)
New position (department): Foreman, QA Utility Locating (Safety & Security)
Current rate; step/grade: \$39.17; Step 4
Proposed rate; step/grade: \$85,548; SPA – 03
Percent of increase: 5.00%
District hire date: June 24, 1985

Employee: Joseph Kehm
Current position (department): Attorney (Law Department)
New position (department): Assistant General Counsel (Law Department)
Current rate; step/grade: \$130,253; SPA – 07
Proposed rate; step/grade: \$136,766; SPA – 09
Percent of increase: 5.00%
District hire date: November 6, 2017

Employee: **Richard Kubat**
Current position (department): Governmental Relations Attorney (Law Department)
New position (department): Governmental Relations Attorney (Law Department) Job Re-Evaluation
Current rate; step/grade: \$141,066; SPA – 08
Proposed rate; step/grade: \$148,119; SPA – 09
Percent of increase: 5.00%
District hire date: January 3, 2013

Employee: **Bintou Taal**
Current position (department): Senior System Engineer (Information Technology)
New position (department): Manager, SCADA (Information Technology)
Current rate; step/grade: \$116,403; SPA – 06
Proposed rate; step/grade: \$122,223; SPA – 07
Percent of increase: 5.00%
District hire date: June 16, 2008

Employee: **Tina Valentin**
Current position (department): Administrative Clerk V (Transportation)
New position (department): Customer Engagement Specialist (Corporate Communications)
Current rate; step/grade: \$33.55; Step 2
Proposed rate; step/grade: \$73,273; SPA – 02
Percent of increase: 5.00%
District hire date: September 8, 2014

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: **Oscar Del Castillo Rodriguez**
Current position (department): ERP Technical/Functional Analyst II (Information Technology)
Current rate; step/grade: \$108,000; SPA – 05
District hire date: April 25, 2022

Employee: **Andrew Luster**
Current position (department): Help Desk Technician I (Information Technology)
Current rate; step/grade: \$80,000; SPA – 03
District hire date: April 4, 2022

Employee:	Raymond Wolowicz
Current position (department):	Help Desk Technician I (Information Technology)
Current rate; step/grade:	\$90,000; SPA – 03
District hire date:	April 4, 2022



Bonnie Savine
Vice President, Human Resources



Mark A. Mendenhall
Senior Vice President, General Counsel



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT

April 25, 2022

Subject: 2021 BARGAINING UNIT WAGE RE-OPENER

To: Personnel Committee members Begley, Friend, and Frost

cc: Board Members Cavanaugh, Cook, Howard, and McGowan
President Doyle, Senior Vice Presidents Ausdemore, Langel, Lobsiger,
Mendenhall, Schaffart

From: Bonnie Savine, Vice President, Human Resources

The District's Collective Bargaining Agreement 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 Labor Agreement language, the Committee as a whole must agree to the adjustment of a wage rate or no change will occur.

For the 2021 Wage Re-Opener, the Committee held seven (7) meetings encompassing sixteen (16) requestors reviewing seven (7) jobs. The Committee is recommending adjustments to one (1) job, affecting wages for five (5) employees.

The Committee is recommending the following wage adjustments:

Material Handler (10168) and Material Handler Trainee (13000) – Stores

The Material Handler job classification is assigned to the Stores Division. There are three (3) employees assigned to the Material Handler position and two (2) employees assigned to the Material Handler Trainee position.

The review of this request indicated the duties of the Material Handler job classification no longer warrant alignment of the wage scale with Stores Clerk III position. The responsibilities of the Material Handler position require additional levels of expertise for all the locations that they are responsible for maintaining. The pipe washing station recently implemented by Infrastructure Integrity is managed by the Stores Division, and this duty is completed by the Material Handler job family. The Committee has determined that the additional responsibilities and the required knowledge of heavy equipment the Material Handler job family operates, warrant an adjustment of the positions wage scales.

The Committee is recommending the following wage adjustments:

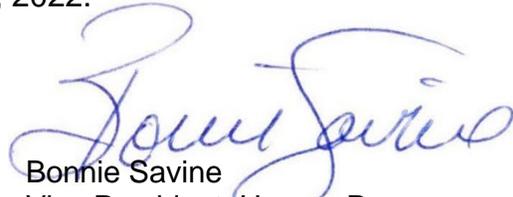
Salary Adjustment:

Jeff Carman and Michael Moore, are all at the Standard Wage of Material Handler \$37.22 per hour. Adjustment will be a 1.75% increase, which increases the Standard Wage to \$37.87 per hour.

Kyle Baughman is at Step 3 of Material Handler, which is \$35.36 per hour. After the 1.75% increase, he will be placed at \$35.98 per hour – Step 3.

Richard Arenas and Doug Lewis are at the Standard Wage of Material Handler Trainee \$32.75 per hour. Adjustment will be a 1.75% increase, which increases the Standard Wage to \$33.32 per hour.

Due to the delay related to the 2021 Wage Re-Opener, Management is recommending these increases be retro-active to January 14, 2022.

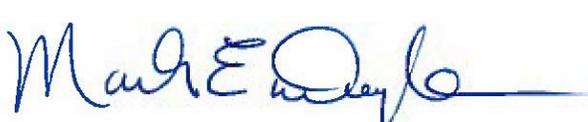


Bonnie Savine
Vice President, Human Resources

APPROVED:



Mark A. Mendenhall
Sr. Vice President, General Counsel



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

April 27, 2022

Subject: FINAL LEGISLATIVE REPORT – 2022 SESSION

To: Judiciary and Legislative Committee

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

From: Rick Kubat, Government Relations Attorney

The legislature adjourned on April 20th. This completes the two-year legislative cycle and all remaining legislative proposals that failed to pass are indefinitely postponed. Provided below is the list of introduced legislation along with Board positions.

LB 26 (Wayne) – Eliminates sales tax for residential water. LB 26 eliminated both city and state sales tax imposed on the sale, lease, or rental of and the storage, use, or other consumption of residential water. Industrial and commercial water would still be subject to city and state sales tax under the provisions of the legislation.

Board Pos: Support
Status: Signed into law by the Governor

LB 83 (Flood) – Changes the Open Meetings Act to provide for virtual conferencing. LB 83 has two parts. The first part provides for virtual meetings under regular or non-emergency circumstances. The District was added as an eligible entity via an amendment to LB 83 to hold up to half of our Board meetings in a virtual setting. The second part of the bill addresses virtual meetings when an emergency declaration is made. It allows virtual meetings if an emergency is declared under the Emergency Management Act. The District is also included as an eligible public body in the emergency declaration portion of LB 83.

Board Pos: Support
Status: Signed into law by the Governor

LB 131 (Hunt) - Urban Affairs clean-up and priority bill containing various items. LB 131 provided up to \$10 million in general fund dollars to help smaller natural gas municipalities pay for the increased gas prices associated with last year's polar vortex.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 148 (Bostelman) – Transfers powers and duties from the Department of Health and Human Services to the Department of Environment and Energy. For District purposes,

these powers and duties include oversight over drinking water, testing of water samples and the licensure, and permitting of water well contractors.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 163 (Urban Affairs Committee) – LB 163 amends all sections of Chapter 18 of the Nebraska State Statutes. LB 163 is the Urban Affairs cleanup bill intended to replace or eliminate antiquated, obsolete, or unnecessary language and it includes various statutory references to the District.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 178 (Lindstrom) – Provides for a turn-back of a portion of the 5.5% of state sales tax dollars collected for sewer and potable water services. LB 178 is a similar version of last year's LB 242. The only change from last year's LB 242, is additional language in LB 178 which requires entities who receive turnback dollars to account for their receipt in their budget statement along with a declaration of the percentage by which water and sewer rates would have increased if not for the receipt of turnback funds. The turn-back of revenue is specifically designated and earmarked for potable water and wastewater infrastructure assistance or repaying of bonds for such work. LB 178 would turn-back 36% of the 5.5% of state sales tax dollars collected for water and sewer services from July 1, 2021, through June 30, 2022, a turn-back of 54% of the 5.5% of state sales tax dollars collected from July 1, 2022, through June 30, 2024, and a turn-back of 72% of the 5.5% of state sales tax dollars collected after July 1, 2024. LB 178 did not receive any opposition testimony. The bill was supported by the Omaha and Lincoln Chambers, the City of Omaha, City of Lincoln, Sarpy County, United Cities of Sarpy County, Nebraska Assn. of Resource Districts, the Coalition of Agricultural Manufactures, American Council of Engineering Companies, Assn. of General Contractors, Nebraska Assn. of Commercial Property Owners, Nebraska Utility and Excavators Assn, Nebraska Water Resources Assn, the cities of Blair, Hastings, Grand Island, South Sioux City, Plattsmouth and others. LB 178 has not received a priority designation and will not be heard without such a designation.

Board Pos: Support
Status: Indefinitely postponed

LB 190 (Hughes) – Prohibits the Legislature from appropriating or transferring money from the Water Sustainability Fund. The only exception would be upon a finding that the goals of the fund are no longer being accomplished. LB 190 was amended into LB 507.

Board Pos: Support
Status: Signed into law by the Governor

LB 266 (McCollister) – Adopt the Renewable Energy Standards Act. LB 266 requires public power suppliers to achieve net-zero carbon emissions by 2050.

Board Pos: Oppose
Status: Indefinitely postponed

LB 293 (Flood) – Changes the membership of the Public Service Commission from the current five-member board to seven Commissioners.

Board Pos: Neutral
Status: Indefinitely postponed

LB 306 (Brandt) – Changes requirements for low-income home energy assistance program (LIHEAP). LB 190 increased the federal poverty income guidelines from 130% to 150% to increase the threshold of income to qualify for LIHEAP. Additionally, LB 190 would set aside 10% of the LIHEAP funds for weatherization purposes for qualified applicants to make their homes more energy efficient.

Board Pos: Support
Status: Passed into law over the objection of the Governor

LB 339 (Bostelman) – Requires a utility coordination plan for highway, bridge, and other specific construction projects. LB 339 applies to any contract exceeding \$50,000 for construction, reconstruction, improvement, maintenance or repair of a street, highway, bridge, or other related structure. The utility coordination plan shall provide the date and time for when utilities are moved or removed. The Contractor for the project may rely upon such plan and shall be compensated by the Department of Transportation, city or county for damages associated with any deviation of the utility coordination plan. LB 339 impacts both the water and gas facilities owned by the District.

Board Pos: Oppose
Status: Indefinitely postponed

LB 344 (Friesen) – Changes provisions to the One-Call Notification System Act and creates the Underground Excavation Safety Committee (UESC). LB 344 creates the UESC to consist of the State Fire Marshall (SFM), two operator representatives, two excavator representatives appointed by the Governor and two locators. LB 344 has been substantively altered via the adopted amendment AM 1880. The legislation now permits the SFM to handle investigations, issue written determinations, conclusions of law and issue civil penalties for violations of the one-call Act. If a party objects to the SFM's order, the SFM shall appoint a hearing officer to consider evidence and issue orders. Appeals of the hearing officer's determination would be handled under the Administrative Procedures Act.

Board Pos: Oppose
Status: Indefinitely postponed

LB 406 (McDonnell) – Creates the Lower Platte River Infrastructure Task Force and provides funding. LB 406 created a task force to study potential reservoirs on the Lower Platte River. The purpose of the study was to look at three to five potential flood-control

infrastructure projects along the river basin for flood control, water supply, water quality, recreation, and hydropower. Last year, the Board took a position to support LB 406 with the understanding that the District would have representation on any committee formed to study a reservoir on the Platte River. LB 406 was altered in the last days of the legislative session to include only state senators as committee members. LB 406 was further amended to include studies of Lake McConaughy, Lewis and Clark Lake and Niobrara State Park.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 414 (Wishart) – Changes provisions of the Political Subdivisions Construction Alternatives Act. LB 414 enhances the ability for political subdivisions to use design-build contracts for sewer, water, utility, and other large projects. Unfortunately, the District was unable to be amended onto LB 414. Senator Wishart passed LB 847 in the 2022 Session to include the District as an eligible entity to use design-build contracts.

Board Pos: Support
Status: Signed into law by the Governor

LB 512 (Brewer) – Adopts the Critical Infrastructure Utility Worker Protection Act. In the event of a civil defense emergency, the Governor shall ensure that critical utility workers are provided access to personal protective equipment, medical screening, testing, preventive health services, medical treatment, and vaccines. Priority access means a level of accessibility at least equal to that provided to hospital, medical personnel, law enforcement and other emergency responders. Under LB 512, the District would maintain a list of mission critical employees.

Board Pos: Support
Status: Indefinitely postponed

LB 619 (Sanders) – Changes excavation requirements under the One-Call Notification System Act. LB 619 changes the depth requirements for underground utilities. The District is concerned that the minimum depth requirements proposed by LB 619 are contrary to federal regulations as proscribed by the Pipeline and Hazardous Materials Safety Administration (PHMSA). Specifically, PHMSA requires a depth of 18 inches for gas service lines and LB 619 would require a new depth requirement of 24 inches. The Board took an initial position to oppose to LB 619. However, the District's concerns of residential grading and gas utility depths were removed from the bill via an amendment.

Board Pos: Neutral
Status: Indefinitely postponed

LB 650 (Flood) – Adopt the Nebraska Geologic Storage of Carbon Dioxide Act. LB 650 establishes the legal and regulatory framework for carbon dioxide capture and storage projects in Nebraska. Carbon capture technology captures industrial carbon dioxide emissions, compresses the carbon, and places them in geological formations for long

term storage. This technology enables industries such as ethanol to reduce their carbon footprint, thus mitigating the environmental impact of their operations. LB 650 establishes the legislative intent for carbon capture in Nebraska. It clarifies property rights related to storage, assigns the Nebraska Oil and Gas Conservation Commission as the primary regulatory authority, provides for regulations and permitting procedures, and creates a cash fund for administration of regulations.

Board Pos: Neutral
Status: Signed into law by the Governor

NEWLY INTRODUCED LEGISLATION IN THE 2022 SESSION

LB 800 (Urban Affairs) - Changes provisions applicable to cities of the metropolitan class. LB 800 is a cleanup bill and makes non-substantive changes to the District's enabling statutes.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 809 (Moser) – Changes powers and duties of the Nebraska Department of Environment and Energy (NDEE). The NDEE administers the State of Nebraska's Drinking Water State Revolving Fund (SRF). LB 809 would increase the amount of loan forgiveness above the current level of 50% for SRF funds. Current law only allows SRF loan forgiveness for communities with a population of 10,000 or less. LB 809 also removes the population threshold for loan forgiveness, specifically for lead service line replacements. This change would enable the District to become an eligible entity to receive SRF. This bill is important to the District because the State of Nebraska is receiving roughly \$360 million additional dollars in the next five years in the SRF program via the recently passed federal Infrastructure and Jobs Act. The District provided testimony in support of LB 809, and the District could request financial assistance in the future from the SRF to finance the long-term goal of lead service line replacements. NDEE has notified the District that the maximum amount of loan forgiveness for lead service line replacements will be 58%.

Board Pos: Support
Status: Signed into law by the Governor

LB 847 (Wishart) – Introduced on behalf of the District, LB 847 would amend the Political Subdivisions Construction Alternatives Act (the "Act") to provide the District with the ability to use design-build contracts. Last year the District was not included in similar legislation (LB 414) for other political subdivisions. LB 847 provides the District, Omaha Public Power District, Nebraska Public Power District and Central Nebraska Public Power District with permissive authority to use design-build contracts. The Act requires political subdivisions to use design-build if two-thirds of the governing board makes a finding that design-build either saves in cost or time or that the project is specialized or complex.

Board Pos: Support

Status: Signed into law by the Governor

LB 884 (M. Cavanaugh) – Provide notice to private residential owners under the One-Call Notification System Act. LB 884 requires notification to private property owners before an excavation. The bill could become problematic for the District when an emergency excavation becomes necessary. The One Call Notification Act currently does not provide for methods of notification for private property owners.

Board Pos: Oppose
Status: Indefinitely postponed

LB 906 (B. Hansen) - Requires employers to provide for COVID vaccine exemptions and provides duties for the Department of Health and Human Services (DHHS). Employees could fill out a form provided by DHHS to become exempt from an employer vaccine mandate due to sincerely held religious beliefs or medical related concerns. Employers can require unvaccinated employees to wear personal protective equipment and be subject to periodic testing. The employer is required to pay for the protective equipment and testing.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 944 (McCollister) – Changes the sales tax rate on the furnishing of electricity services. The Tax Commissioner would establish a carbon intensity factor in 2023 for the production of electricity. Electrical utilities currently pay 5.5% state sales tax for electrical services. LB 944 would enable electrical utilities to lower their state sales taxes by lowering their carbon intensity factor. An electric utility that has a carbon intensity factor of less than 20% of the State standard would be completely exempt from state sales tax. An electric utility with a carbon score greater than 20% of the state standard, but less than 100% of the state standard would have state sales taxes lowered on a sliding scale basis.

Board Pos: Neutral
Status: Indefinitely postponed

LB 1002 (McDonnell) – Appropriates funds under the American Rescue Plan Act (ARPA) for low-income home energy assistance. LB 1002 provides \$2 million in ARPA funds for individuals eligible under the low-income home energy assistance program (LIHEAP). LB 1002 provides \$1 million dollars to the Omaha Public Power District and \$1 million dollars to the District for low-income energy assistance.

Board Pos: Support
Status: Indefinitely postponed

LB 1008 (Albrecht) – Prohibits a county, city, or village from restricting energy utility service. LB 1008 prohibits political subdivisions from enacting any ordinance, resolution, regulation, rule, or policy that has the effect of limiting energy choice. Specifically, such

county, city or village could not ban the use of any electric, natural gas, propane, or other energy utility service.

Board Pos: Support
Status: Indefinitely postponed

LB 1012 (Hilgers on behalf of the Governor) - The bill proposes to create two new funds for water infrastructure projects. The first fund created is the Statewide Tourism and Recreational Water Access and Resource Sustainability Fund (STAR WARS). This is the fund that seeks to establish a reservoir on the Platte River between Omaha and Lincoln. The second fund created is the Perkins County Canal Project Fund. Both funds would be administered by the Department of Natural Resources. The adopted committee amendment (AM 2000) now includes a \$20 million appropriation to the Department of Natural Resources (DNR) to conduct various studies related to a reservoir on the Lower Platte. Contained within the \$20 million appropriation is a requirement for the DNR to consult with the City of Lincoln and MUD for an objective analysis of the effects this project would have on the public water supply.

Board Pos: Neutral
Status: Passed notwithstanding objections of Governor

LB 1013 (Hilgers on behalf of the Governor) - The bill proposes numerous transfers from the cash reserve fund, including \$53,500,000 to the Perkins County Canal Project Fund.

Board Pos: Neutral
Status: Passed notwithstanding objections of Governor

LB 1014 (Hilgers on behalf of the Governor) - The bill directs numerous appropriations to projects funded by American Rescue Plan dollars allocated to the State of Nebraska.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 1015 (Hilgers on behalf of the Governor) – LB 1015 creates the underlying legislation for the Perkins County Canal. It provides the Department of Natural Resources with the authority necessary to begin analysis of the canal system in western Nebraska. The Governor has stated that the Perkins County Canal is necessary for Nebraska to maintain a 1923 South Platte River Compact with the State of Colorado.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 1023 (Hilgers) – LB 1023 creates the underlying legislation for the STAR WARS water projects to include a Lower Platte River reservoir, enhanced amenities at Lake McConaughy, Lewis and Clark Lake and Niobrara State Park. LB 1023 tasks the Department of Natural Resources with the authority to engage in public-private partnerships necessary to complete said projects. The reservoir on the Lower Platte

River is to be no less than 3,600 acres and shall not include a dam on the Platte River, nor can it flood any city or village. The District, along with the City of Lincoln, met with Speaker Hilgers and others related to our mutual concerns that any reservoir on the Lower Platte does not hinder the public water supply, including, but not limited to, water quantity or water quality. Funding for the MUD/Lincoln study was included in LB 1012 via the adoption of AM2000.

Board Pos: Neutral
Status: Signed into law by the Governor

LB 1046 (Bostelman) – Changes the selection of Directors and CEOs of the Omaha Public Power District (OPPD) and the Nebraska Public Power District (NPPD). This bill provides that both OPPD and NPPD would have four Board members each elected by the public in subdivisions. Five remaining directors for each Board would be appointed by the Governor, bringing total representation on each board to nine members. The Governor would have the additional authority to appoint future CEOs of both OPPD and NPPD.

Board Pos: Neutral
Status: Indefinitely Postponed

LB 1048 (Blood) – Appropriates \$10 million from the American Rescue Plan Act to the University of Nebraska Medical Center to study chemicals released during ethanol production and storage and its effects on polluted ground water. The legislation is centered on the ground water contamination caused by the closed AltEn LLC ethanol plant in Mead Nebraska. With AM2564 to LB1068, the Legislature appropriated \$1 million to the University of Nebraska for the study contemplated in LB1048.

Board Pos: Support
Status: Indefinitely Postponed

LB 1058 (Brewer) – Provides requirements for public power suppliers related to base load generation. LB 1058 would have public power pay any employee a five-year severance for shutting down any base load generation. LB 1058 further provides that any public power utility that eliminates base load generation would need to pay the state of Nebraska the greater amount of either 10 years of state tax payments or a \$50 million dollar penalty.

Board Pos: Neutral
Status: Indefinitely Postponed

LB 1081 (Bostar) – Provides \$200 million in American Rescue Plan Act dollars to a city that utilizes more than 30 million gallons per day of water for costs associated for an additional water supply project. This legislation has been introduced on behalf of the City of Lincoln to help finance their long-term alternative water supply. The Legislature has included a \$20 million allocation for the City of Lincoln in the State's ARPA bill, LB 1014.

Board Pos: Support

Status: The Appropriations Committee voted to amend provisions of LB1081 into LB1014 via AM2330 (section 27). AM2330 was adopted during General File debate. LB1014 was signed into law by the Governor.

LB 1146 (Friesen) – Changes provisions related to the Interlocal Cooperation Act. LB 1146 would require political subdivisions to have their elected Board members serve as voting members of any interlocal agreement entity. It would further provide that future bonding only be allowed by a vote of the people. LB 1146, as drafted, would be problematic for the Central Plains Energy Project (CPEP) which is comprised, in part, by the District via an interlocal agreement. Senator Friesen has indicated that he does not intend to include CPEP as part of LB 1146 and is willing to carve out an exemption should this legislation advance to the floor for consideration.

Board Pos: Oppose
Status: Indefinitely Postponed

LB 1166 (Sanders) – Changes provisions to the One-Call Notification System Act. Excavators who do not comply with current notice requirements of the One-Call Act are strictly liable to owners of underground facilities if such facilities are damaged. LB 1046 would void strict liability for excavators when telecommunications are buried at a depth of less than 10 inches on residential property. Senator Sanders is concerned that telecommunication companies are not burying their service lines on residential property at a depth necessary to avoid damage.

Board Pos: Support
Status: Indefinitely Postponed

LB 1196 (McDonnell) – Appropriates \$45 million in American Rescue Plan Act funds to the Nebraska Department of Economic Development to assist the District in replacing lead service lines. LB 1196 was introduced at the request of the District.

Board Pos: Support
Status: Indefinitely Postponed



Richard A. Kubat
Government Relations Attorney

Approved:



Mark A. Mendenhall
Senior Vice President/General Counsel



Mark E. Doyle
President

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

April 27, 2022

Subject: Gas and Water Rules and Regulations Amendments

To: J & L Committee

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

From: Mark Mendenhall, Senior Vice President/ General Counsel

Neb. Rev. Stat. § 14-2114 provides that the Board of Directors “shall have the authority to make such rules and regulations for the conduct of the utilities controlled and operated by the metropolitan utilities district and the use and measurement of water or natural gas supplied by the district as it may deem proper, including the authority to cut off any natural gas or water service for nonpayment, nonmaintenance of the pipes and plumbing connected with the supply main, or for noncompliance on the part of any natural gas or water user...”

Neb. Rev. Stat. § 14-2124 further provides that the Board of Directors may “adopt rules and regulations, in the interest of public health and safety and the conservation of gas, relating to the use, installation, and maintenance of piping, equipment, and appliances for gas on the premises of consumers.” These rules and regulations “shall have the same legal force and effect as a city ordinance and be binding upon the consumers of the district as one of the conditions to their service.”

The District currently has two separate sets of rules and regulations. Both sets of rules and regulations are periodically updated after approval by the Board of Directors. The Gas Rules and Regulations were last updated in May 2017. The Water Rules and Regulations were last updated in July 2019.

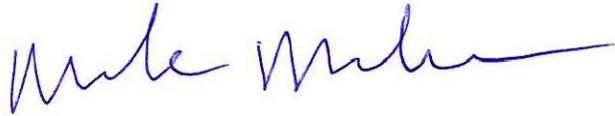
The District engaged a team of individuals from a variety of Departments to complete a review of both the Gas and Water Rules and Regulations. That effort began in early 2021. The team then worked to suggest appropriate amendments, modifications, deletions and additions to those Rules and Regulations. The final proposed Gas and Water Rules and Regulations are attached to this letter. All changes to the existing Gas and Water Rules and Regulations are “redlined”.

There are various changes to highlight including changes to the preface of both the Gas and Water Rules to better align with statutory authority. The Water Rules and Regulations also include adjustments to the location of taps, materials for service piping, customer cooperation requirements, master service lines and private fire protection systems, among other changes. The Gas Rules and Regulations also include changes

to the preface in addition to changes to the general conditions. The Gas Rules and Regulations also include changes to language regarding bypass of the District's system, installation of gas equipment and appliance requirements.

Upon approval, the District will engage in a communication effort to message these changes.

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



Mark Mendenhall
SVP/ General Counsel

Approved:



Mark Doyle
President

Proposed 2022 M.U.D. Gas Rules Changes

1. PREFACE

~~This contains the Rules and Regulations covering the use of gas distributed by Metropolitan Utilities District, and the installation of mains, services, meters, piping and appliances which were adopted by the Board of Directors April 5, 1989, effective May 12, 1989, and contain any amendments since that date as indicated.~~ These Rules and Regulations are made by authority of Neb. Rev. Stat. 14-2101 et seq which provide, in part that the board of directors shall also have authority to make such rules and regulations for the conduct of the utilities controlled and operated by the metropolitan utilities district and the use and measurement of water or natural gas supplied by the district as it may deem proper, including the authority to cut off any natural gas or water service for nonpayment, for nonmaintenance of the pipes and plumbing connected with the supply main, or for noncompliance on the part of any natural gas or water user with the rules and regulations adopted by the board for the conduct of its business and affairs and that the board of directors of a metropolitan utilities district is hereby empowered to (1) adopt all necessary rules and regulations for the operation and conducting of the business and affairs of its natural gas and water utilities for the purpose of supplying gas for heat and power purposes for public and private use and for the purpose of supplying water for domestic, mechanical, public, and fire purposes and (2) fix the prices to be charged therefor.

These Rules and Regulations have the same legal force and effect as a City Ordinance and are binding upon the consumers as one of the conditions of their service.

2. GENERAL CONDITIONS

~~3. The District shall have authority to shut off the gas supply to any premises for nonpayment, for nonmaintenance of the pipes and appliances connected with the District's gas service or for noncompliance with these Rules and Regulations. The gas supply shall not be restored until any such condition is corrected.~~ Failure to conform to these Rules and Regulations and the District's Billing Price Book, as they may be amended from time to time shall be cause for the District to shut off the gas supply to the premises in which the failure to comply exists. Gas service will not be restored until any such condition is corrected and made to conform to these Rules and Regulations. The District, subject to the Nebraska law, reserves the right to correct any billing errors.

~~6. These Rules and Regulations are made by authority of Nebraska Statutes, Sections 14-815,14-2114,14-2123 and 14-2124, R.R.S. 1943 granting authority to the Board of Directors to make Rules and Regulations for the conduct of the District's natural gas utility. These Rules and Regulations have the same legal force and effect as a City Ordinance and are binding upon the District's customers as one of the conditions of service.~~

76. All references to National Codes and Standards in these Rules and Regulations shall refer to the revised editions as set forth in Part VII, Appendix.
87. The definitions of words and terms contained in these Rules and Regulations shall be the same as defined in the National Fuel Gas Code, unless otherwise defined herein.
98. In the event these Rules or the National Fuel Gas Code is silent or incomplete as to the type or quality of materials to be used or the means or procedure by which a rule-regulated activity must be accomplished, the District shall have the authority to impose such requirements as deemed appropriate to accomplish the intent of these Rules, taking into account other recognized standards, procedures and authorities.
409. The District may temporarily interrupt a customer's gas supply in order to make repairs on the system after making a reasonable effort to notify. In case of emergencies, such as a main break or where in the District's opinion considerable damage may be caused, the gas supply may be interrupted without notification.
4410. The District may terminate a customer's gas service if the customer denies the District access to a building in which the customer is provided service for the District's purpose of investigating whether a District gas service or main penetrates the building's sewer lateral.
11. In emergency situations, the District may utilize a locksmith and law enforcement to gain entry to serviced facilities.

3. Part I, APPLICATIONS AND THE USE OF GAS

E. **Remedy for Unauthorized Bypass of the District System**

The District does not consent to or authorize any customer to bypass the District gas distribution system to obtain gas from an interstate pipeline or another distribution company's pipeline. If, ~~within 10 years after the date of a gas service installation~~ of a gas service, any customer obtains all or any part of customer's gas supply by installing a service pipe directly to an interstate pipeline or another distribution company's pipeline, customer shall compensate the District for its unrecoverable costs for the gas main, gas service and meter installation based on the following formula: (cost of installation divided by 10) x (10 minus number of years customer and any prior customer was served exclusively by District's main) x percentage of average daily contract requirements obtained through the non-District source. This amount shall be recomputed annually to reflect changes in the percentage of daily contract requirements. The District reserves all rights with respect to the bypass of its gas distribution system and the remedy set forth in this section is in addition to any other remedies to which the District may be entitled.

G. Payment

1. All bills due the District for gas service shall be payable as instructed on the billing invoice or by visiting the District's website at www.mudomaha.com for other payment options and locations. ~~at the Metropolitan Utilities District office at 1723 Harney St., Monday through Friday, between the hours of 7:45 am and 5:15 pm or at such other offices and hours as may be designated for the collection of such gas bills. Bills also may be paid by mail and shall be addressed to 1723 Harney St., Omaha, Nebraska, 68102.~~

K. Pressures

Delivery pressure of gas for each location will be specified by the District as either 2-PSIG or 7-inch W.C. Requests for any other pressure shall require approval by the District and will only be considered if the equipment requires a higher pressure. In no case will the District regulate to deliver more than one pressure from one given meter.

4. Part V, INSTALLATION OF GAS PIPING ON CONSUMERS' PREMISES

B. Manufactured Homes and Mobile Home Park

All work in conjunction with the installation, operation, and maintenance of gas piping and gas equipment in manufactured homes and mobile home parks shall be performed in accordance with NFPA 501A-~~2005~~ "Fire Safety Criteria for Manufactured Home Installations, Sites and Communities."

E. Piping Joints

1. All fittings and joints of piping larger than 2 inches in diameter shall be welded, flanged or copper press-connect fittings.
2. Any piping system operating with a pressure of 5-PSIG or greater shall be welded. No threaded piping shall be allowed other than final equipment connections.

F. Metallic Tubing

Steel tubing, except corrugated stainless steel tubing, is prohibited. A corrugated stainless steel tubing system shall be listed and installed in accordance with the requirements of the ANSI Z223.1/NFPA 54 National Fuel Gas Code. ~~certified by an approved listing agency as being equivalent to a direct bonded corrugated stainless steel tubing system prescribed under the Electrical Bonding and Grounding requirements for gas piping of the National Fuel Gas Code shall be bonded in accordance with Section 7.13.1 of the National Fuel Gas Code.~~

5. Part VI, INSTALLATION OF GAS EQUIPMENT AND APPLIANCES

B. Application, Permit, Inspection

2. Equipment to be permitted and inspected:
 - c) Water heating equipment with an input in excess of 100,000 Btu/hour and all space heating equipment that is converted from another fuel.

Natural gas equipment in manufactured homes with preinstalled natural gas equipment will not be inspected, but shall be installed in accordance with NFPA 501A-2005, "Fire Safety Criteria for Manufactured Home Installations, Sites and Communities."

e) Natural gas-fired generators.

f) Replacement of natural gas space heating equipment or water heating equipment with an input in excess of 100,000 Btu/hr in manufactured homes. Manufactured homes with preinstalled natural gas equipment will not be inspected, but shall be installed in accordance with NFPA 501A, "Fire Safety Criteria for Manufactured Home Installations, Sites and Communities."

C. Appliance Requirements

3. Conversion Burners. Installation of conversion burners shall conform to ANSI Z21.8 (R2002), except that an automatic means to shut off the fuel supply to the burner(s) shall be provided if the boiler water level drops to the lowest safe water line.

9. Combustion Vent Piping Penetrations. Any penetration or hole installed in combustion vent piping for analyzing combustion products shall be positively sealed after each use with one of the following methods:

a) A threaded plug or screw with high temperature sealant.

b) A rubber reusable hub-less coupling with hose or band clamps securing coupling over the penetration.

6. APPENDIX

The following is a list of the national codes and standards referred to in these Rules and Regulations together with the source from which these documents may be secured:

Code:

ASME B16.44-2012~~7~~ MANUALLY OPERATED METALLIC GAS VALVES FOR USE IN ABOVE GROUND PIPING SYSTEMS UP TO 5 PSI

ANSI Z21.8-~~2017~~ 1994 (R2012) STANDARD FOR INSTALLATION OF DOMESTIC GAS CONVERSION BURNERS*

ANSI Z21.11.2-2016 GAS-FIRED ROOM HEATERS — VOLUME II, UNVENTED ROOM HEATERS*

ANZI Z21.24-2015~~20~~ CONNECTORS FOR GAS APPLIANCES

ANSI Z223.1/~~NFPA 54~~-2015~~21~~ NATIONAL FUEL GAS CODE*, **

NFPA 501A-2017²¹ FIRE SAFETY CRITERIA FOR MANUFACTURED HOME
INSTALLATIONS, SITES AND COMMUNITIES*, **

Proposed 2022 M.U.D. Water Rules Changes (3/28/2022 Revision)

1. PREFACE

- ~~1. These Rules and Regulations are made by authority of Neb. Rev. Stat. 14-2123 and 14-2124, granting authority to the Board of Directors to make such Rules and Regulations for the conduct of the water plant controlled and operated by the District, and the use and measurement of water supplied therefrom as it may deem proper, including the authority to cut off any water service for nonpayment or nonmaintenance of the pipes and plumbing connected with the supply main, or noncompliance on the part of any water user with these Rules and Regulations.~~

~~These Rules and Regulations have the same legal force and effect as a City Ordinance and are binding upon the consumers as one of the conditions of their service.~~

1. These Rules and Regulations are made by authority of Neb. Rev. Stat. 14-2101 et seq which provide, in part that the board of directors shall also have authority to make such rules and regulations for the conduct of the utilities controlled and operated by the metropolitan utilities district and the use and measurement of water or natural gas supplied by the district as it may deem proper, including the authority to cut off any natural gas or water service for nonpayment, for nonmaintenance of the pipes and plumbing connected with the supply main, or for noncompliance on the part of any natural gas or water user with the rules and regulations adopted by the board for the conduct of its business and affairs and that the board of directors of a metropolitan utilities district is hereby empowered to (1) adopt all necessary rules and regulations for the operation and conducting of the business and affairs of its natural gas and water utilities for the purpose of supplying gas for heat and power purposes for public and private use and for the purpose of supplying water for domestic, mechanical, public, and fire purposes and (2) fix the prices to be charged therefor.

These Rules and Regulations have the same legal force and effect as a City Ordinance and are binding upon the consumers as one of the conditions of their service.

- ~~2. Metropolitan Utilities~~ The District delivers water to customers at the water mains installed by the ~~Utilities~~ District in public streets and on private property when a proper easement is obtained from the owner of said private property.

The mains are owned by the ~~Utilities~~ District and are under its exclusive control. All pipes, appurtenances and fixtures, except for the meter, from the main in the street to and into the owner's premises are installed by and paid for by the owner, are the owner's property, and the owner is responsible for their maintenance and care.

Water meters are installed by the Utilities District but are purchased by and are the property of the owner. Normal repair of meters is made by the Utilities District without charge.

3. No installation of a water service (the pipe and fixtures from the main in the street to and including the meter) nor repair thereof shall be made which does not conform to these Rules and Regulations. Inspection and approval by the Utilities District is required for all installations and repairs of water services.
4. Failure to conform to these Rules and Regulations and the District's Billing Price Book, as they may be amended from time to time shall be cause for the Utilities District to shut off the water supply to the premises in which the failure to comply exists. Water service will not be restored until the installation or service has been made to conform to the Rules and Regulations. The District, subject to the Nebraska law, reserves the right to correct any billing errors.

2. Part I, GENERAL

3. Customer Cooperation

11. In the event that the District determines that any action, including but not limited to, inspection, investigation, testing, sampling, maintenance, repair, or replacement, is necessary regarding a customer owned water service line due to a risk to health, a safety issue, or in order to comply with applicable local, state, and federal laws and regulations, the Customer must cooperate and comply with the District in those efforts. Refusal to cooperate or to provide access may result in disconnection of service until cooperation or access is provided to the District. In emergency situations, the District may utilize a locksmith and law enforcement to gain entry to serviced facilities.

3. Part III, APPLICATION TO INSTALL, REPAIR, MODIFY OR CONNECT A WATER SERVICE LINE

1. Application for Water Service

- (a) **Requirement for Application.** An application is required prior to ~~before any work of any nature is done on any water service line or private water line including, but not limited to, requesting a tap on a water main for connection thereto, excavation for a tap, or the installation~~ing, modificationing, or reconnectioning abandonments or repair of any water service line or private water line.

Amendment Adopted: August 5, 1992 (8-3-16)

- (d) **District's Right to Refuse Application.** In its sole discretion, the District may refuse to approve an application:
 - (1) For an installation that has not been approved by the governing fire authority as having adequate fire protection;
 - (2) To a property which does not abut upon a water main;

- (3) For a tap to serve property which abuts any approach main, transmission main, or any other main ~~larger than 16 inches~~ which the District has determined for operational reasons cannot be tapped;
- (4) Where mains abutting property have inadequate water flow capacity and insufficient fire hydrants to service the anticipated requirements of the property and fire protection flows reasonably complying with the guidelines of the Insurance Services Offices;
- (5) For commercial, industrial, institutional, multi-family residential, or any other non-single family residential property use ~~properties~~ where mains are not installed along the entire right-of-way frontage of the property in all public streets which are within or abutting upon such commercial property.
- (6) To connect to a condominium service if the applicant is not a member of the condominium association.
- (7) To a property that has been determined to have water service lines that are no longer in use and have not been abandoned in accordance with these Rules and Regulations.

Amendment Adopted: September 5, 2007 (8-3-16; 7-3-19)

2. Inspection

All work requiring an application and repairs or abandonments made to any water service line or associated appurtenances is subject to inspection by the District. The applicant shall notify the District when all work ~~on which an application has been received~~ is to be performed and when it will be ready for inspection.

Should the work be covered up before it is inspected, the District may refuse service to the premises until the work is exposed for inspection, and the District may refuse to approve any additional applications to applicant until the inspection is made and until the work is in compliance with these Rules and Regulations.

Amendment Adopted: August 5, 1992 (8-3-16)

4. Part IV, TAPS AND CONNECTIONS

2. Location of Tap

- (b) Taps shall not be located:
 - (1) Closer together than 18 inches.
 - (2) On hydrant branches.
 - (3) Within an intersection.
 - (4) On water mains larger than 16 inches.

3. Size of Tap

- (a) The District shall make taps in the following sizes: 3/4-inch, 1 inch, 1-1/2 inches, 2 inches, 4 inches, 6 inches, 8 inches, and 12 inches.
- (b) Taps 2 inches and smaller shall be made using a corporation stop. Taps larger than 2 inches shall be made by installing a tee and gate valve or tapping sleeve and gate valve.
- (c) Tap size shall be equal to or greater than the water service size.

- (d) On 4-inch mains, 1-inch taps may be made when used with a full encirclement, stainless steel band clamp with a 1-inch boss to reinforce the 4-inch main. On 4-inch mains, 1-1/2 inch and 2-inch taps shall not be made.
 - (e) The maximum tap size allowed on a main shall equal the main size.
 - (f) Taps larger than 2 inches and all taps serving a private fire protection system shall be pre-approved by the District.
 - ~~(g) Taps on mains larger than 16 inches shall not be permitted.~~
- Amendment Adopted: May 3, 2000 (4-4-12)*

5. Part V, WATER SERVICE LINE INSTALLATION, MODIFICATION AND MAINTENANCE

1. General

A water service line is the piping and related appurtenances installed from the Utilities District's water main to the outlet connection of the first shut-off device downstream of the meter or meters or the first shut-off device inside of the building, whichever is farther downstream. On services where a bypass around the water meter is required, the bypass shall be considered part of the service. When the service is used for fire protection the service is from the main to the outlet of the backflow preventers.

A water service is divided into two or three sections depending on the location of the meter. These sections are from the main to the curb stop to the meter, and if the meter is located outside, from the meter to the building.

Water service lines shall not be branched or extended to serve more than one meter, except where master water service lines or combination domestic water service lines and private fire protection system lines are permitted or where multiple meter headers are permitted as provided in these Rules.

Amendment Adopted: August 5, 1992

4. Material for Service Piping

(b) All water services of 1 1/2-inch diameter and larger shall be ~~Type K copper or class 52 or heavier cement mortar lined ductile iron pipe. Polyethylene encasement shall be installed on all underground installations of ductile iron pipe in accordance with AWWA C105.~~ All water services of 1 1/2-inch diameter and larger shall be one of the following:

(1) Type K copper

(2) Class 52 or heavier cement mortar lined ductile iron pipe zinc coated in accordance with ISO 8179-1. V-Bio Polyethylene encasement (white in color) shall be installed on all underground installations of ductile iron pipe and fittings in accordance with AWWA C105.

(3) DR 14 Polyvinyl Chloride (PVC) on sizes 4-inch and larger that conforms to AWWA C900 and outside diameter conforming to that of ductile iron pipe

(DIOD) for potable water applications. Service drawings with a professional engineer's seal shall be submitted to the District for approval.

- (4) DR11 High Density Polyethylene (HDPE) on sizes 4-inch and larger that conforms to AWWA C906 and outside diameter conforming to that of ductile iron pipe (DIOD) for potable water applications. Service drawings with a professional engineer's seal shall be submitted to the District for approval.

Amendment Adopted: September 5, 2007 (5-03-00; 8-5-92)

6. Service Line Appurtenances

All water service lines shall have installed in them a curb stop or a valve between the water main and the property line as follows:

- (a) Services lines connected to the main with a corporation stop shall have a curb stop located between the curb line and the property line. The curb stop shall be installed within a stop box. When a curb stop is located in a driveway or other paved surface subject to vehicular traffic, it shall be installed within a cc valve box.

Where unusual circumstances prevent this location, the curb stop may be placed in the street, but shall be installed within a cc valve box. The curb stop valve shall be designed such that its operation cannot exceed a 90-degree turn. The curb stop shall be installed so that the tee head is parallel with the curb when the water is turned off. The curb stop shall not have a waste opening.

Amendment Adopted: August 7, 2002 (5-3-00; 4-3-91)

8. Master Services

- (a) ~~When all parts of every Building in an apartment, or~~ Ceommercial, civic, industrial, institutional, residential, multi-family, mixed use, or planned unit developments ~~lie within 600 feet of a public hydrant or a certified private hydrant, measured over roadways accessible to fire department motorized vehicles, the buildings may be served by a master water service if the following requirements are met:~~

Amendment Adopted: December 16, 1970

- (1) ~~The hydrants are connected to mains that will give adequate water flow to provide fire protection for the size complex involved and the owner furnishes the District a drawing of the hydrant locations, Hydrant spacing, location, and available flows are acceptable to the fire protection authority having jurisdiction.~~

Amendment Adopted: May 3, 2000 (12-16-70)

- (2) All buildings and property shall be owned by one owner; or the master service is located within shared utility easements and maintenance and repair responsibilities have been established through an Association or other agreement. When one or more of the buildings or properties are is sold or transferred to any other ownership, the District may require

installation of separate service lines and/or main extensions, to the separately-owned properties buildings, at the owner's expense.

When commercial properties served by a master service have separate owners but are part of the same development that share common ingress/egress or maintenance contracts, the District may allow the properties to share a Master Service upon require copies of the maintenance agreement(s) and/or written confirmation from all property owners that they understand a privately owned service is being connected to another privately owned service.

Amendment Adopted: May 3, 2000 (4-3-91; 8-3-16)

(10) Water mains are installed in all public streets which are within or abutting the property as required by the District.

10. Maintenance, Repair, Modification or Replacement of Water Services

(c) Materials used for repairs or modifications shall be of the type and size specified for new services. If over one-half of the pipe in a section, as defined in Part V, Paragraph 1, is replaced and the remaining pipe does not conform to the materials required by these Rules, the entire section, including the corporation, if applicable, and the curb stop, if inoperable, shall be replaced with materials approved for new services.

Repairs or modifications to ~~lead~~ services that contain lead, galvanized iron, tube-loy and brass are prohibited. If maintenance is required on a ~~lead service containing any of these materials~~, a new tap shall be made and the ~~lead service line shall be replaced~~ work shall include replacement of these materials in its their entirety.

6. Part VI, CROSS CONNECTIONS AND BACKFLOW PREVENTION

3. Interconnected Services and/or Fire Lines

Where a customer is served by two or more interconnected services and/or fire lines the customer shall install and maintain at the customer's expense on each service and/or fire line, an approved check valve (swing check are acceptable) that is installed in a vault. These check valves do not eliminate, mitigate, or in any way affect the backflow protection otherwise required in this section.

Amendment Adopted: July 6, 1994 (7-3-19)

4. Requirements

(g) ~~Other~~ Uses and Backflow Prevention Devices Requiring Backflow Prevention. The following types of equipment or operations shall be adequately protected from backflow by the installation of a reduced pressure backflow preventer.

Boilers and cooling towers

Swimming pools

Spas and whirlpools

Car washes
Dry cleaning
Carbonators
Chemical dispensing equipment

Film development, (~~except~~ digitally developed x-ray film or film processors protected by an ~~integral backflow prevention device or integral air gap~~ manufactured as a unit, conforming to a national standard acceptable to the District, and installed in accordance with the manufacturer's requirements.)

Medical equipment
Laboratory equipment
Chemical handling facilities
Hydrant usage for other than firefighting or flushing
Fire or domestic booster pumps
Others as determined by the District

Amendment Adopted: June 4, 1997 (2-7-96; 7-6-94)

7. Part VIII, PRIVATE FIRE PROTECTION SYSTEMS

2. Operation

Private fire protection systems are installed ~~primarily~~ for fire protection for the property on which they are installed and are not to be used for any other purpose without the express permission of the owner of the property and the Utilities District. All fire service openings will be kept closed and sealed, except in the case of fire. No water shall be used from the fire protection system pipes, except to extinguish fires.

Amendment Adopted: October 7, 1987

3. Permit for Installation

No unmetered private fire protection system, or modifications or additions to an existing system shall be installed without a permit from the ~~Metropolitan Utilities~~ District.

4. Design, Installation, Inspection and Maintenance

Private fire protection system service connections, piping and appurtenances design, installation, ~~inspection~~ inspection and maintenance shall comply with applicable portions of ~~Paragraphs 2, 3, 4, 5 and 6, Part V,~~ of these Rules and Regulations, applicable Municipal Code Ordinances and applicable State Fire Marshal Regulations.

~~Approval and inspection~~ Permission by the District to install a private fire protection system shall not assure adequacy of operation or protect ~~the user or owner~~ any third party from damage resulting from the ~~system~~ failure of the private fire protection system. The owner and user will retain all such liability as a condition of

service. The District shall not be liable for the operation, maintenance, condition or ability of such fire protection system and the owner of such system specifically acknowledges the same.

Amendment Adopted: May 3, 2000 (10-7-87)

6. Private Fire Hydrants

(e) Private fire hydrants, upon the District's inspection and approval, shall be designated "~~certified~~ approved private fire hydrants." Approval by the District does not mean the private fire hydrant is suitable for any specific purpose. Upon ~~certification~~ approval, District personnel shall place have a 3-inch black stripe around the hydrant barrel. The District shall provide basic maintenance of private fire hydrants that consists of replacement of parts worn by normal use. The District shall provide additional maintenance and repair at the owner's request and expense. the owner shall be responsible to ensure the private fire hydrant is maintained and operated in accordance with all applicable manufacturer's recommendations and all applicable Municipal Code ordinances related to private fire protection systems. The owner shall notify the District immediately if such private hydrant is inoperable.

Replacement of obsolete private fire hydrants and repair or replacement of damaged or worn private fire hydrants or parts ~~damaged by physical abuse or improper operation~~, shall be at the owner's expense.

Amendment Adopted: September 5, 2007 (4-03-91; 2-4-15)

8. Part IX, WATER METERS

1. General

All water used shall be metered except:

(a) Water used for public fire fighting protection and, street flushing as provided in Part VII, and unmetered private fire protection services as provided in Part VIII.

Amendment Adopted May 1, 1996 (4-3-91)

(b) Water for special purposes or demonstrations when approved by the President.

Amendment Adopted May 4, 2005

(c) District issued hydrant backflow assembly's use for temporary water.

2. Requirements

(b) **Multi-Family Residential (Two or more living units under a common roof).**

Each building shall have at least one meter that does not take water from another metered line or building. Buildings constructed across multiple lots shall require individual water meters to be located on each separately platted lot and service lines may not extend between living units.

(1) Additional meters for any number of customers may be purchased and will be read and billed individually by the District at prevailing rates, provided that one of the following conditions are met:

- (a) They are installed on a multiple meter header centrally located near a service entrance in an area of public access: and the living units are not separately platted or owned by tenants.
- (b) They are located in individual units in which case a separate water service line from the District's main or condominium service shall be required for each individual unit.
- (c) Where individual units are not separately platted or owned by a tenant, meters may be installed inside tenant units pending District approval. Meter shall be in a readily accessible area within 36 inches of the floor and a locking inlet valve shall be installed ahead of the meter. The owner shall be required to be a billing default on the water meter.

9. Part X, WATER MAIN EXTESIONS

6. Paralleling and Tapping Mains

- (a) Individuals shall pay assessments or connection charges for distribution mains in accordance with Paragraphs 2, 3 or 4 of this Section in addition to contributions to parallel pioneer mains.

Amendment Adopted: May 4, 2005

- (b) No individual property owner shall be required to pay an assessment or connection charge for more than one distribution main when both mains front the same property. When more than one pioneer main fronts a property, only the pioneer main most directly affecting the property shall be eligible for a contribution.

Amendment Adopted: May 4, 2005 (10-7-87)

- ~~(c) Mains larger than 16 inches cannot be tapped without permission from the District.~~

~~*Amendment Adopted: May 4, 2005 (4-3-91)*~~

- Update the term "cc box" throughout the rules to "cc valve box" in the following sections:

Part IV, Application to Install, Repair, Modify or Connect a Water Service Line

5. Abandonment of Tap or Connection

- (b) When a service connected to the main by a tee or similar device is abandoned, the tee or device shall be cut out of the main and replaced with pipe and the **cc** valve ~~(cc)~~ box or vault shall be removed or abandoned in place. The excavation to access the tee or device (and backfilling of the excavation) shall be done by the owner's plumber, unless the owner requests the District to perform said excavation and backfilling at the owner's expense. The size of the excavation and required clearances around the main will be furnished to the plumber upon request to the District. The removal and/or abandonment of the tee or similar device shall be performed by the District at the owner's expense. If the **cc** valve

~~(cc)~~ box or vault is not adjacent to the service tap and is not removed or abandoned by the District, then the Master Plumber shall abandon the service cc valve ~~(cc)~~ box or vault per the following requirements: If the cc valve ~~(cc)~~ box or vault is not in paving the Master Plumber shall remove the cc valve ~~(cc)~~ box lid or Round Iron ring and cover on the vault, remove the top section(s) of the cc valve ~~(cc)~~ box or vault to be abandoned to 12 inches below grade, fill bottoms with sand to 12 inches below grade and restore the disturbed area to as-is or better condition. If the cc valve ~~(cc)~~ box or vault is in paving the Master Plumber shall remove the cc valve ~~(cc)~~ box lid or Round Iron ring and cover on the vault, remove the top section(s) of the cc valve ~~(cc)~~ box or vault to be abandoned to 12 inches below grade, fill the bottoms with sand to 12 inches below grade and effectively fill the top 12 inches and any associated void with concrete finished flush with surrounding paving.

Part V, Water Service Line Installation, Modification and Maintenance

6. Service Line Appurtenances

(c) The design of all valves, curb stops, curb stop boxes, cc valve boxes, manhole ring and covers, and precast concrete manhole vaults shall meet these Rules and Regulations, District specifications or have the approval of the District's engineering department. Curb stop box scopes shall have the same size threads as the curb stop valve.

Amendment Adopted: May 3, 2000 (4-4-12)

(d) The installation of curb stop boxes, roadway boxes, cc valve boxes, manhole ring and covers and precast concrete manhole vaults shall be performed so that they will function properly, and so that an access to the shut-off device is maintained. All shall be set vertically and so the top is flush with the surrounding surface.

Amendment Adopted: May 5, 1993

METROPOLITAN UTILITIES DISTRICT
Inter-Departmental Communication

April 26, 2022

Subject: Vanguard Institutional Advisory Services – Proposed Fee Increase

To: Insurance and Pension Committee

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

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

Vanguard Institutional Advisory Services (VIAS) was engaged in late 2014 to serve as a discretionary asset manager/co-fiduciary on behalf of the assets held in trust for the Retirement Plan for Employees of the Metropolitan Utilities District. Vanguard was selected from a field of eight providers who responded to a Request for Proposal; Vanguard's selection was evidenced by Board approval on November 5, 2014. Vanguard's duties were expanded in 2016 with the establishment of a trust to fund benefits associated with Other Post-Employment Benefits (post-retirement medical benefits), for which they serve in the same discretionary asset manager/co-fiduciary capacity. It should be noted that the prior provider who performed services in support of the retirement plan served as a 3(21) advisor, as defined by the Employment Retirement Income Security Act (ERISA) of 1974, rather than the more stringent ERISA-defined 3(38) co-fiduciary role performed by Vanguard.

There are many differences between a co-fiduciary 3(38) advisor and a 3(21) financial advisor. A 3(21) advisor has limited risk and does not act as a full co-fiduciary. On the contrary, a 3(38) advisor has discretion to make changes to the portfolio without plan sponsor signoff (within constraints), takes full responsibility for investment decisions and is subject to a higher level of scrutiny and possible legal ramifications. A 3(38) advisor is the highest level of advisory services according to ERISA as these advisors have the discretion to make fund investment decisions. At the time Vanguard was selected, it was estimated that their "all-in" annual fees (combined total of Advisory fees, fund expense ratios and Trustee fees) would be in the range of \$400,000 to \$725,000, depending upon the mix of "active" vs. "passive" investment choices; this fee estimate would result in annual savings of between \$1,175,000 and \$1,500,000 as compared with fees charged by our previous financial advisor. The savings were to be realized, despite the enhanced services and accountability offered by Vanguard by virtue of their co-fiduciary 3(38) advisor status.

During the April 18, 2022, meeting of the Insurance and Pension Committee, Joe Wolfram, our Senior Investment Consultant with Vanguard, presented a proposed increase to their advisory fees schedule as depicted in the following table.

All-In Fee Summary	Current Fee Schedule		Proposed Fee Schedule - Phased In		Increase	
	\$000's	BPS *1	\$000's	BPS	\$000's	BPS
	Asset Value at December 31, 2021: \$654,785,934					
Advisory Fee	\$ 145	2.2	\$ 218	3.3	\$ 73	1.1
Fund Expense Ratio *2	\$ 341	5.2	\$ 341	5.2	\$ -	-
Trustee Fee	\$ 85	1.3	\$ 85	1.3	\$ -	-
Total	\$ 571	8.7	\$ 644	9.8	\$ 73	1.1

*1 Note: 1 Basis Point (BPS) is equal to .01%; 100 BPS is equal to 1%

*2 Note: Fund returns are net of the Fund Expense Ratio; these fees are not billed directly to the customer

As noted in the table above, the only proposed fee increase relates to the Advisory Fee, which is assessed using a tiered rate schedule with decreasing percentage fees as assets under management grow. To illustrate, MUD trust assets under management that exceed \$500 million are subject to a 1 bps (.01%) advisory fee. Vanguard has indicated that their proposed fee increase is necessary due to significant investments in personnel engaged in research and customer support, as well as the associated systems in support of these activities.

Even considering the proposed fee increase, Vanguard's fees rank among the industry's lowest, and well below fees charged by our previous advisor. According to information presented during the April 18, 2022, meeting of the Insurance and Pension Committee, only 30% of nonprofit defined benefit pension plans of similar size (\$501 million to \$1 billion in assets) pay advisory fees less than 10 bps, which is the lowest cost category reported on. With the proposed fee increase, Vanguard's 3.3 bps "blended" advisory fee rate compares very favorably to other providers (please see Attachment #1 for comparative fee information as compiled by Cerulli Associates). Additionally, the revised "all-in" fee total of \$644,000 still falls within the \$400,000 to \$725,000 range that was quoted at the onset of the relationship with Vanguard. Finally, it should be noted that new clients pay a higher advisory fee than existing customers. Vanguard has represented that a new customer with assets under management equal to MUD's would likely pay annual advisory fees of \$260,000 (4.0 bps), at a minimum; when combined with other fees, a new customer's "all-in" fees would total \$686,000 as compared with MUD's total of \$644,000 noted above, or \$42,000 more.

In the interest of refreshing "institutional memory", when the recommendation was made in November 2014 to select Vanguard for the role of discretionary asset manager/co-fiduciary, the Board memo communicating the recommendation contained the following excerpt relative to fees (the Board memo dated October 27, 2014, is attached for your reference, and labeled "Attachment #2"):

"...Vanguard has agreed that their advisory fees component will remain at the same level for as long as the District is a client of Vanguard. Their standard agreement would typically guarantee this for a three-year period."

The statement regarding fees was based on Vanguard's response to a question contained in the RFP, as follows:

RFP Question #2: Identify the period of time the proposed fees will remain in effect.

Answer: Fees remain in effect throughout your relationship with Vanguard. Vanguard's standard fee arrangement is for three years and evaluated annually, thereafter. Vanguard is flexible and willing to work with M.U.D. to satisfy your desired relationship.

While the proposed fee increase seems inconsistent with the aforementioned RFP response, Vanguard's Compliance Officer, who was not involved in the RFP response in 2014, has indicated that the response was intended to be an affirmation that fees would be charged for the duration of the relationship and represented standard language. Vanguard acknowledges that the wording of their response could have been more clearly stated and regrets that it was misinterpreted. In recognition of this, Vanguard has agreed to implement the proposed advisory fee increase in two phases; one-half of the increase is proposed for effectuation on October 1, 2022, with the remainder of the increase effective October 1, 2023. The revised advisory fee schedule will be "locked-in" for three years, or until October 1, 2026.

Management has been very pleased with the services provided by Vanguard and recommends that the Board approve Vanguard's revised Advisory Fee schedule, thereby retaining their services, for the following reasons:

- Vanguard brings exceptional expertise to their discretionary asset manager/co-fiduciary role and has played a significant role in the increased rigor by which pension and OPEB trust assets are managed.
- Vanguard's revised Advisory Fee schedule still places them amongst the lowest cost/highest value providers in the industry, while performing as a 3(38) co-fiduciary advisor. On a related note, MUD has realized significant fee savings, approximately \$1.2 million per year, as compared with our prior 3(21) pension financial advisor.
- Vanguard has demonstrated good faith in "phasing in" their fee increase over two years, acknowledging that an RFP response was misinterpreted. Additional fee certainty is provided by their willingness to "lock-in" the revised Advisory Fee schedule for three years, or until October 1, 2026.

Joe Wolfram, Senior Investment Consultant with Vanguard Institutional Advisory Services, will be joining the Board meeting "virtually" to address your questions.

Your attention to this very important employee-benefit matter is appreciated.


Joseph J. Schaffart
Senior Vice President, Chief Financial Officer
(402) 504-7111

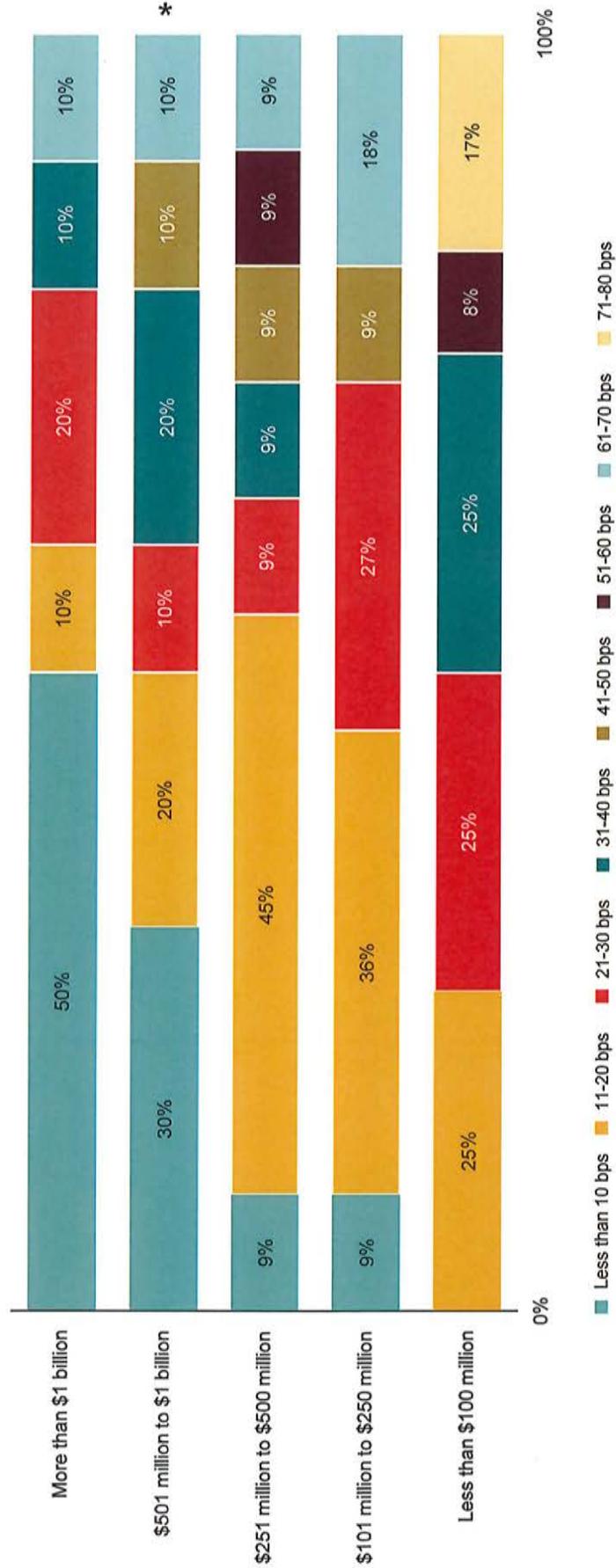
Approved:



Mark E. Doyle
President

Attachments

Average fees for OCIO services by client asset levels for Nonprofit clients, 2021 (basis points)



Source: Cerulli Associates, The Cerulli Report—U.S. Outsourced Chief Investment Officer Function 2021: Revisiting Performance Track Records.

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

Slide ID #: 3354464 Tracking #: 201038

Expiration date: 5/2/2022

METROPOLITAN UTILITIES DISTRICT
Inter-Department Communication

October 27, 2014

Subject: RFP FOR INVESTMENT ADVISORY SERVICES - RECOMMENDATION

To: Insurance and Pensions Committee
cc: all Board Members; Keep, Bucher, Doyle, Reisner and all Vice Presidents

From: Debra A. Schneider, Senior Vice President, Chief Financial Officer

At the District's June Board meeting, the Board approved a change to the role an investment provider plays for the District's Retirement Plan assets from an advisory role to a discretionary asset manager/co-fiduciary role. With this guidance, a Request for Proposal (RFP) to provide investment advisory services was issued to the following eight firms in August:

1. DeMarche Associates, Inc.
2. Wells Fargo Institutional Retirement and Trust
3. First National Bank of Omaha
4. Russell Investments
5. Summit Strategies Group
6. Aon Hewitt/Hewitt EnnisKnupp, Inc.
7. Vanguard Investment
8. BMO Global Asset Management

All eight submitted a formal proposal. The Insurance and Pensions Committee, along with the Management Pension Committee, reviewed all proposal submissions for completeness and content, including the following categories:

- Previous background and relevant experience.
- Background and experience of the proposed project team to be assigned to the engagement.
- Schedule of pricing, rates and/or fees for services proposed which shall include estimated embedded costs of individual investment funds.
- Technical content of the proposal and how well the stated needs are addressed.
- Adequacy and completeness of the proposal with regard to the information specified (compliance with and acceptance of all terms, conditions and all other provisions contained in the RFP).

The review was completed and the Committee narrowed the eight proposals down to two finalists. The two finalists were Vanguard Investment and AonHewitt/Hewitt EnnisKnupp, Inc. The two finalists were invited to present to the Insurance and Pensions Committee and the Management Pension Committee on October 21, 2014.

Both finalists did an outstanding job with their presentation and answered questions for the Committee and Management. Based on final deliberations by both the Insurance and Pensions Committee and the Management Pension Committee, District Management and the Insurance and Pensions Committee recommend that Vanguard be engaged through their Vanguard Institutional Advisory Services (VIAS) division which provides investment advisory/investment management services and VIAS accepts the role of co-fiduciary for their clients under Section 3(38) of the code.

The price quoted is ultimately based on asset investment choices, however, will likely range from 12 basis points for an all-passive investment choice to 22 basis points with a mix of passive and active investment. Based on \$329 million as noted in the RFP, this would put the fees in the range of \$400,000 to \$725,000. In comparison, our estimated fees for 2014 are approximately 59 basis points or \$1,900,000. You can see this brings significant savings to the District's Pension Plan. Vanguard was the lowest bid on fees that was received. In addition, Vanguard has agreed that their advisory fees component will remain at the same level for as long as the District is a client of Vanguard. Their standard agreement would typically guarantee this for a three-year period. If approved, we plan to start immediately working with Vanguard to transition the portfolio.



Debra A. Schneider
Senior Vice President, Chief Financial Officer

Approved:



Scott L. Keep
President



For informational purposes only

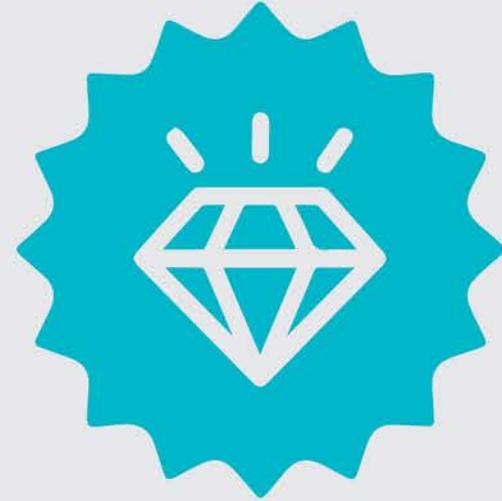
State of the District

President Mark Doyle - May 4, 2022



OUR MISSION

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



CORE VALUES

Safety, Reliability, Fiscal Responsibility
and Organizational Excellence

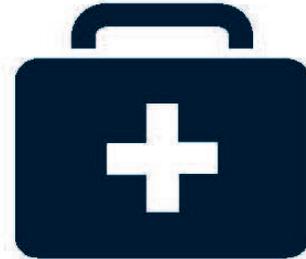
Laying Groundwork for the Future

Continued investments in infrastructure, systems and people to meet growing needs of our community.



Safety Program

Total Safety Culture
Safety Record
Supervisor Training
2-Minute Drill



10

Recordable injuries
in 2021

10 Injuries in 2020.



13

Vehicle accidents
in 2021

17 Accidents in 2020.

1.1

YTD recordable
injury rate

Recordable injury rate = number
of recordable injuries x 200,000/
number of hours worked

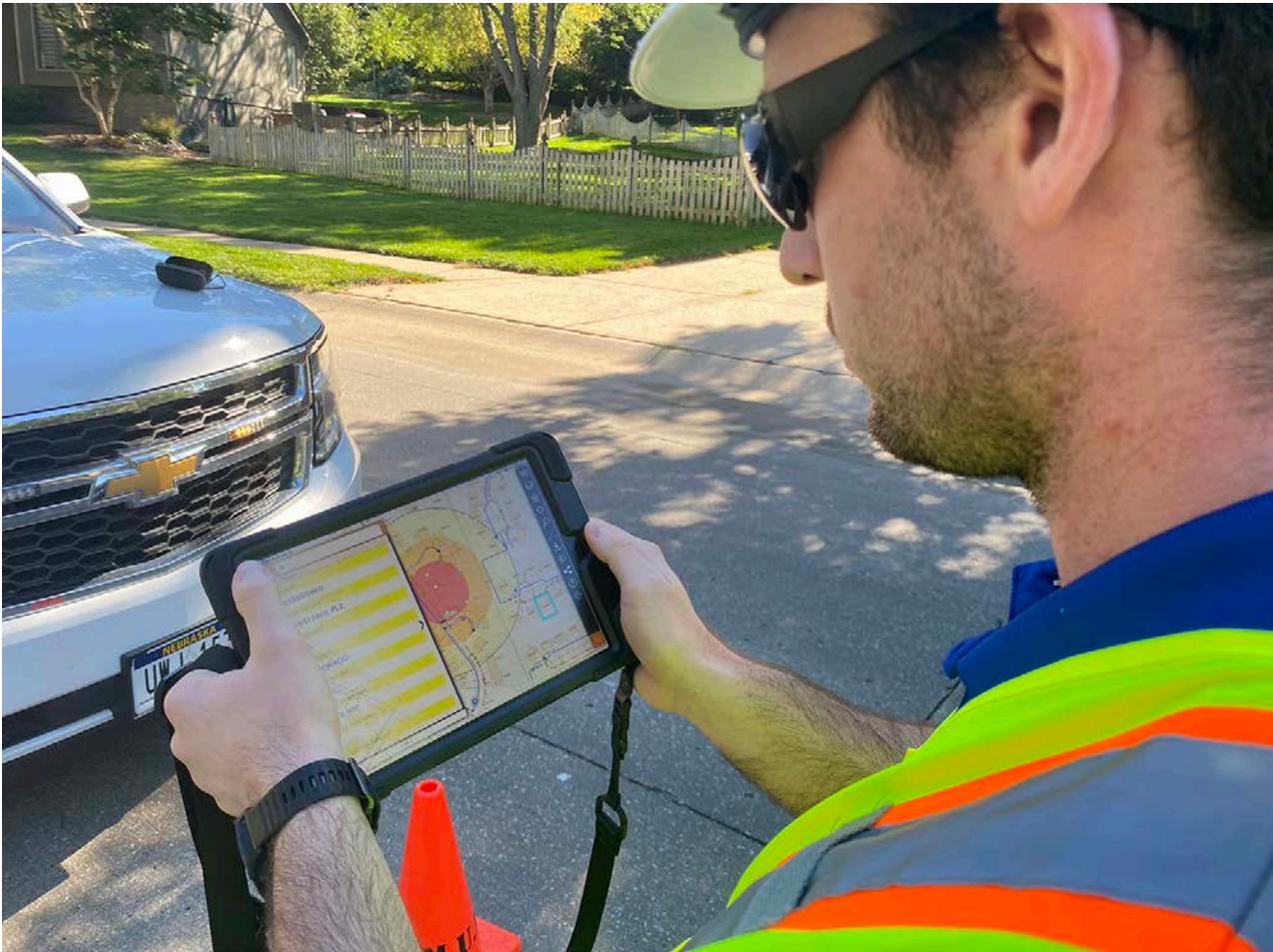
Goal Rate: **1.6**

4.3

YTD preventable
vehicle accident rate

Preventable vehicle accident rate =
number of preventable accidents x
1,000,000/number of miles driven

Goal Rate: **4.3**



Public Safety

Gas-filled structure response

GIS map tool with zones

Agency Representative for
Incident Command coordination

Field Operations

Emergency response time

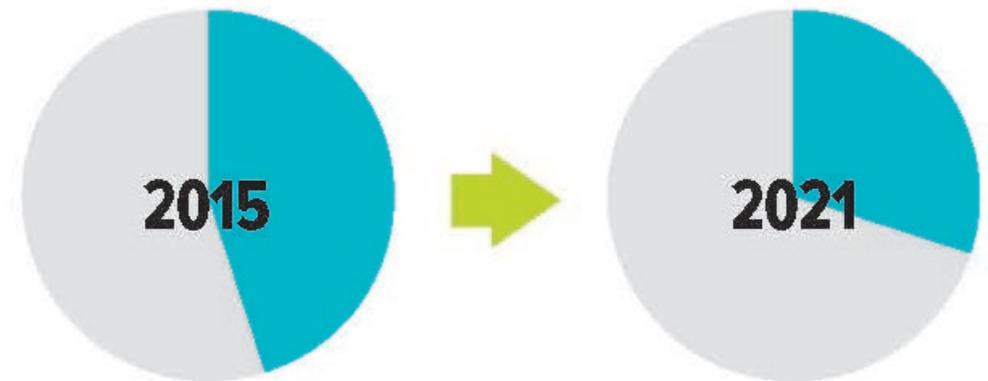
2-hour appointment window

Text Ahead for technicians

Customer satisfaction ratings

28%

Decrease in gas emergency response time since 2015



25.9 minutes

18.2 minutes

Employee Culture

Committed to a diverse workforce

Dedicated initiatives to cultivate diversity and inclusion

Focus groups and educational sessions

2 Employee Resource Groups

Intranet site for information, recognition and resources



Fiscal Responsibility

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

The logo consists of two large, bold, teal-colored capital letters 'A' and 'A' positioned side-by-side.

M.U.D. Water Revenue Bonds
S&P Global Ratings (July 2021)
S&P's Third Highest Rating

The logo consists of two large, bold, lime-green capital letters 'A' and 'A' positioned side-by-side, followed by a plus sign '+' of the same color.

M.U.D. Gas Revenue Bonds
Fitch Ratings (February 2022)
Fitch's Second Highest Rating

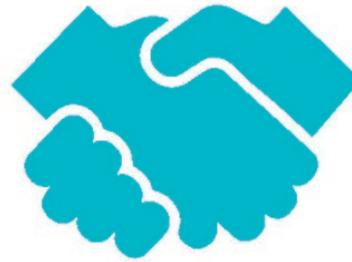
Business Continuity

Stable operations during pandemic allowed for continued delivery of life-essential services to our customer-owners.

Work from home policy provides flexibility, began moving to hybrid model for Phase 3 re-entry.



Helping Customers



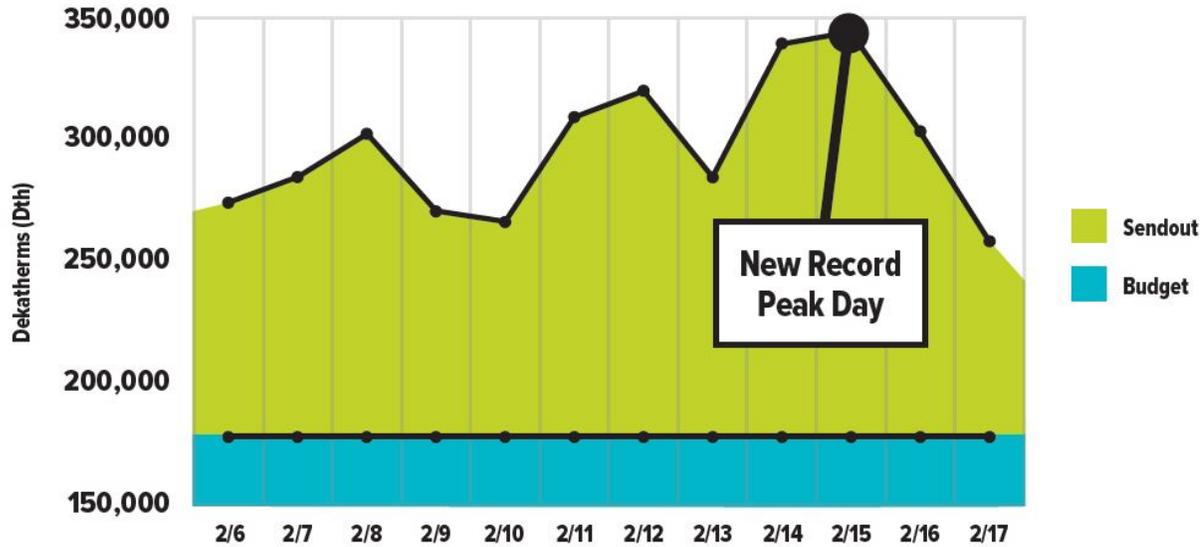
Partnered with the Douglas County COVID-19 Utility Assistance Program to distribute \$1 million, helping 2,000 customers with their bills.



814 Customers

Received **\$271,844** in utility assistance. That's an average of **\$334** per customer.

Polar Vortex Gas Sendout vs. Budget



Record gas prices across the industry in February 2021.

\$100M

In customer savings thanks to our storage strategies and supply contracts.

50%

More gas used by customers during the Polar Vortex.

Controlling Market Volatility

Peak shaving facilities provided service reliability and shielded District from spending an additional \$100 million on gas purchases during record high prices.

Enhancing Reliability and Resiliency

\$78 million capital improvement project to expand our LNG Plant.

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





Gas Infrastructure Replacement

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

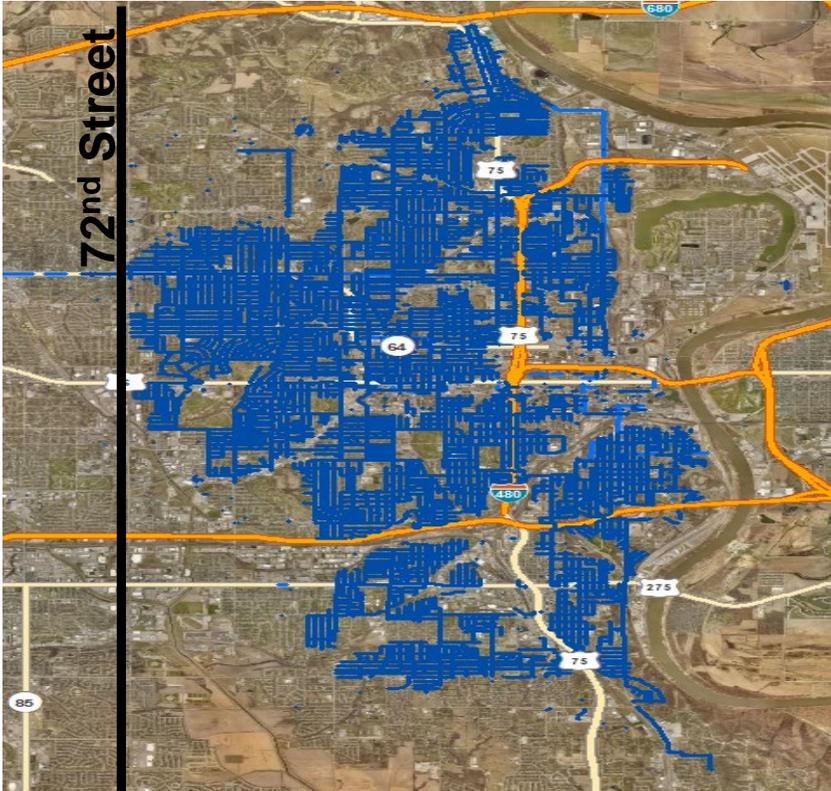
Today: 153 miles of CI remain

2021: Replaced 45 miles

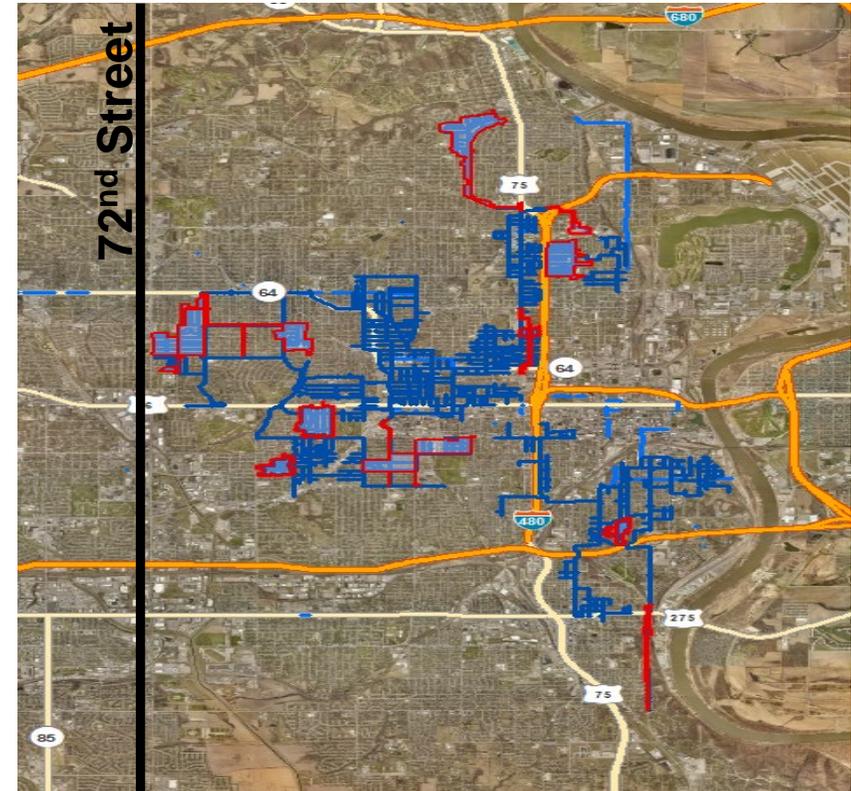
Future: Substantially complete with CI replacement by 2027.

Before and After

Cast Iron Pre-2008: **560 Miles**

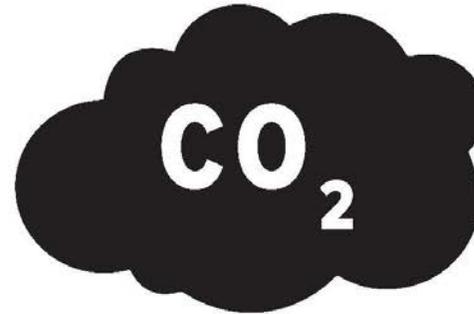


Cast Iron Today: **153 Miles**



Global Methane Challenge

Environmental impact from gas infrastructure replacement



408,083

Metric tons of carbon dioxide emissions removed from 2008 to 2020 through gas IR program.



450 Million pounds of coal burned.

or



46 Million gallons of gasoline consumed.

or



47,090 homes' energy use for one year.

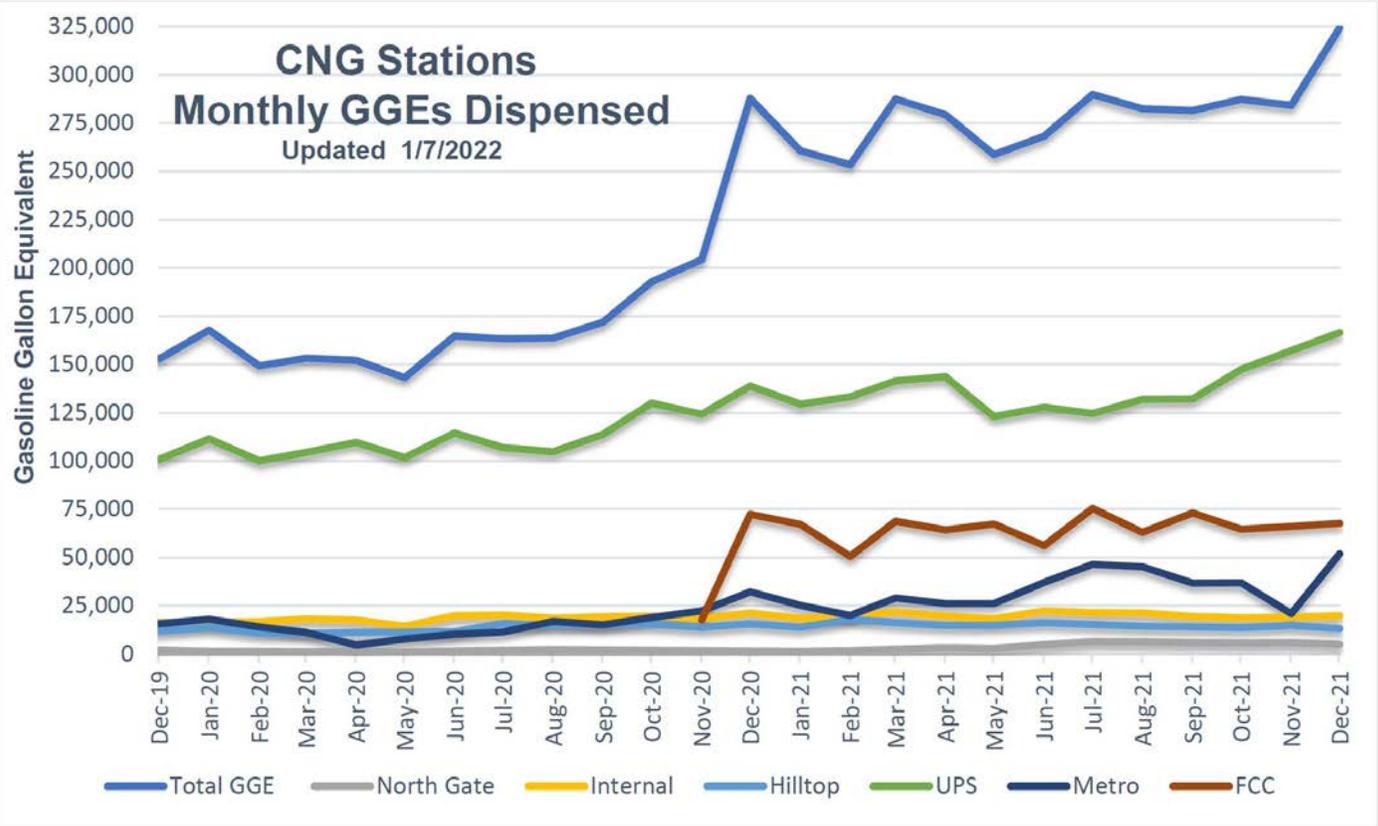
Environmental Sustainability

CNG Fleet Program

Over 3.3 million GGEs dispensed in 2021

RNG Pilot Project

Exploring opportunities
Landfill project



Renewable Energy Investments

Partnership with OPPD's renewable energy project

Provide natural gas back up to improve reliability for solar and wind

On-demand start up





Industry Outlook

Carbon emissions in U.S. lowest level in 27 years.

Natural gas and its infrastructure play critical role.

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

Water Infrastructure Risk Mitigation

Since 2008: Replaced 117 miles of aging, critical water main

2021: Replaced 14 miles and evaluated nearly 1 mile of main with condition assessment tools.

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

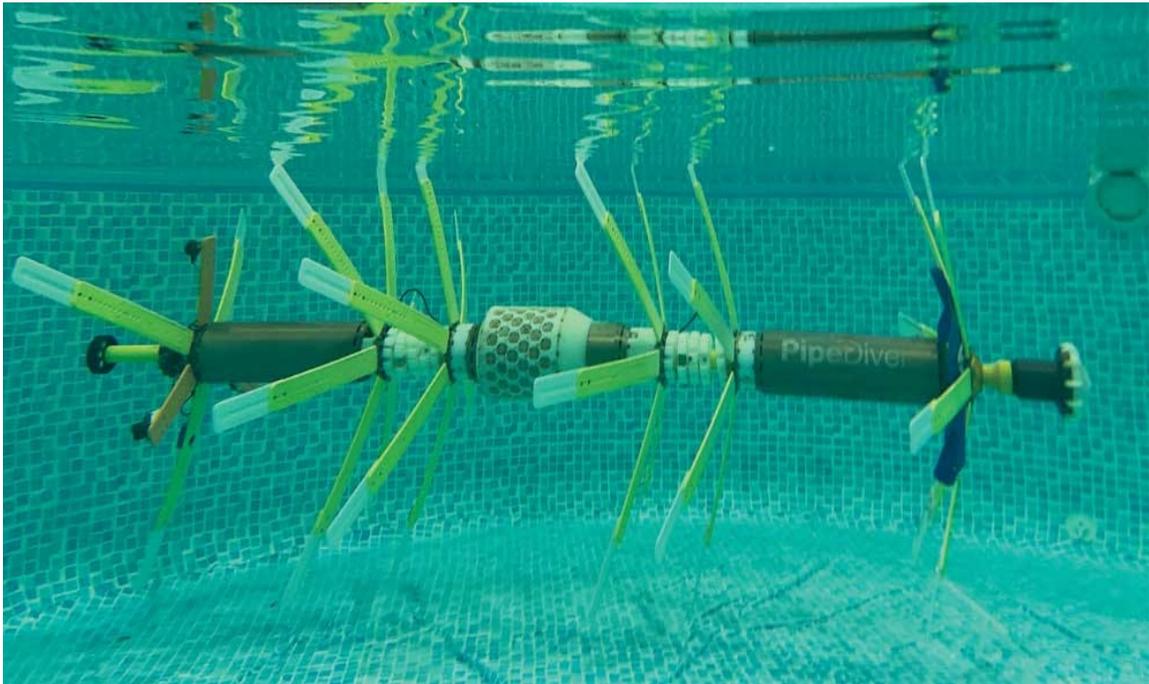


Condition Assessment Tools

PICA SeeSnake



Pure Technologies Pipe Diver



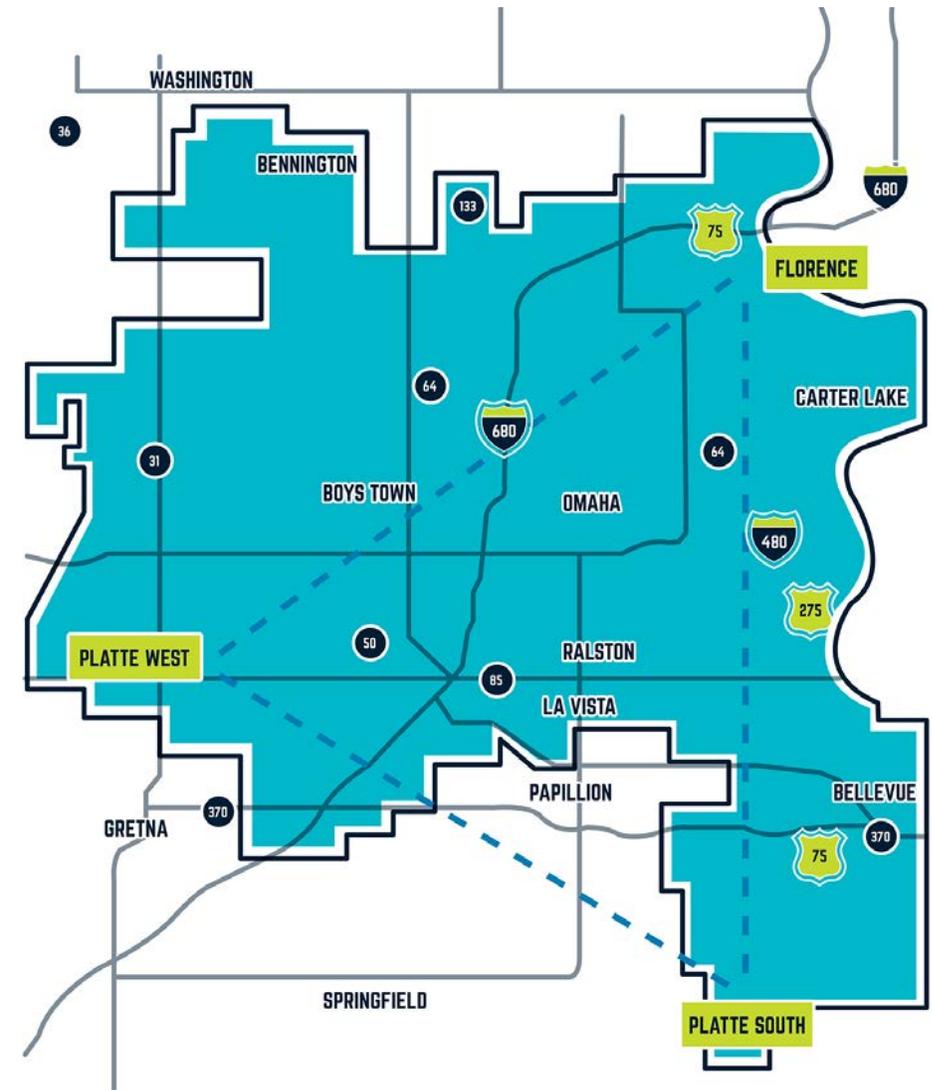
Enhancing Our Triangle of Reliability

Completed hydraulic model

Analyze and optimize current operations

Evaluate potential system expansions

Vital to develop Water Master Plan and roadmaps





Improvement Plans

Florence Plant

Surpassed CIP halfway milestone

Renovated Basin 3 and updated low-service pump station

Platte South Plant

Launched CIP

Multi-month outage for filter valve replacement project

Triangle of Reliability Benefits

Balance water production between 3 plants to provide ample supply of high-quality water to community.

Overall system reliability not impacted by CIP projects.

Exploring opportunities to expand regional water supplier role.



Platte West Plant set a pumping record with an average of 38.92 million gallons a day for 2021.



Best Tasting Water in Nebraska

Entries were judged on appearance, scent, taste and aftertaste.

Will go to national AWWA contest in June 2022.

Congratulations to employees who help provide safe, reliable, cost-effective – and great tasting – water to our community every day!

Facility Plans

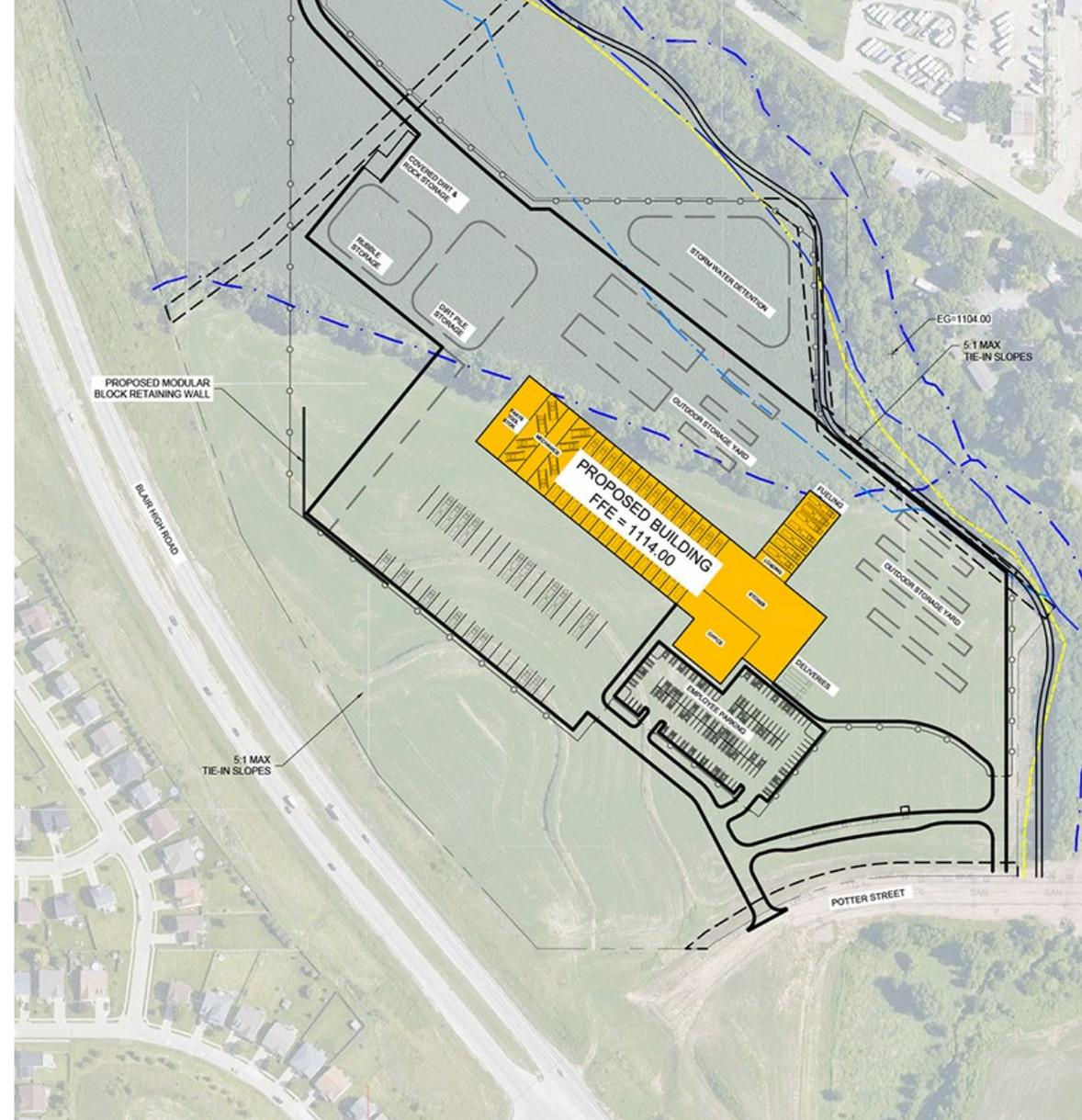
New Construction Center

Construction Center renovation

Construction Manager at Risk (CMAR)
process new to District

Operations Center renovations delayed

Keep “C” Circle until projects completed





Cyber Security

Monitor threats and trends

Mitigate risks

Awareness training/phishing exercises with employees

Incident response plan and exercises

Cloud computing

Strategic Plan

Updating strategic plan for rollout in 2023

Framework around 4 pillars

Goals developed for 2022

Tier 1: Top priority goals

Tier 2: Important goals

Tier 3: Stretch goals



2022 District-wide Goals – Tier 1

Reliability:

Water IR: Replace 16 miles and condition assess 2 miles

CIP: LNG Upgrade

CIP: Platte South Plant

CIP: Florence Plant

Water Master Plan

Safety/Public Health:

Ongoing Employee Safety Culture

Business Continuity Tabletop Exercises

Lead Service Line Replacement Plan

2022 District-wide Goals – Tier 1

Fiscal Responsibility:

Update cost of service study

Water rate review focused on:

Wholesale rates

Impact fees

Residential vs. large water user rates

Organizational Excellence:

Update District Strategic Plan

Wholesale Water decisions

Further enhance D&I program

Customer Experience:

Communication preferences

Outage management capabilities

New payment options (recurring credit card, PayPal, Text-to-Pay)

Questions?

METROPOLITAN

UTILITIES DISTRICT