



OPPD BOARD OF DIRECTORS

BOARD MEETING MINUTES

February 18, 2021

The regular meeting of the Board of Directors of the Omaha Public Power District ("OPPD" or "District") was held via Webex audio and video conference, on Thursday, February 18, 2021 at 4:00 p.m.

Present via Webex conferencing were Directors A. E. Bogner, M. J. Cavanaugh, S. E. Howard, C. C. Moody, M. G. Spurgeon, E. H. Williams and R. M. Yoder. Also present via Webex were T. J. Burke, President and Chief Executive Officer, S. M. Bruckner, General Counsel for the District, M. F. Hinnners, Senior Corporate Governance Specialist, and other members of the OPPD Board meeting logistics support staff. Chair A. E. Bogner presided and M. F. Hinnners recorded the minutes. Members of the senior management team present via Webex were: K. W. Brown, J. A. Comstock, L. J. Fernandez, M. J. Fisher, S. M. Focht, K. S. McCormick, L. A. Olson, M. L. Sedky and T. R. Via. Additionally, approximately 60 attendees, consisting of OPPD employees, members of the public and media, were in attendance via Webex.

Board Agenda Item 1: Chair Opening Statement

Chair Bogner gave a brief opening statement, including reminders for using the Webex audio and video conferencing platform.

Board Agenda Item 2: Safety Briefing

President Burke provided the safety briefing, including a reminder from the Nebraska Department of Health and Human Services entitled "10 Actions for Every Nebraskan to be Taking Now to Slow Spread of COVID-19." He encouraged everyone to wear a mask and reminded the public of OPPD's policy requiring all employees, contractors and visitors to wear a mask.

Board Agenda Item 3: Guidelines for Participation

Chair Bogner then presented the guidelines for the conduct of the meeting and instructions on the public comment process using Webex audio and video conferencing features.

Board Agenda Item 4: Roll Call

Ms. Hinnners took roll call of the Board. All members except Director Mollhoff were present via Webex audio and video conferencing.

Board Agenda Item 5: Announcement regarding public notice of meeting

Ms. Hinnners read the following:

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“Notice of the time and place of this meeting was publicized by notifying the area news media; by publicizing same in the Outlets newsletter and on OPPD.com; by displaying such notice on the Arcade Level of Energy Plaza since February 15, 2021; and by e-mailing such notice to each of the District’s Directors on that same date.

A copy of the proposed agenda for this meeting has been maintained, on a current basis, and is readily available for public inspection in the office of the District’s Corporate Secretary.

Additionally, a copy of the Open Meetings Act is available for inspection on oppd.com.”

Board Consent Action Items:

Item 6. Approval of the January 2021 Meeting Minutes and the February 18, 2021 Agenda

Item 7. Board Standing Committee Assignments – Resolution No. 6420

It was moved and seconded that the Board approve the consent agenda items.

Chair Bogner noted the Board discussed the standing committee assignments during the All Committees meeting held on Thursday, February 18, 2021.

Chair Bogner then asked if any members of the public attending via Webex conferencing had any comments on the consent agenda items. There was no comment from the public in attendance at the meeting.

Thereafter, the vote was recorded as follows: Bogner – Yes; Cavanaugh – Yes; Howard – Yes; Mollhoff – Absent; Moody – Yes; Spurgeon – Yes; Williams – Yes; Yoder – Yes. The motion carried (7-0).

Board Agenda Item 8: Spring 2021 Transmission Construction – Resolution No. 6421

Ms. Hinnners read the following:

“NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that Management hereby is authorized and directed to accept the proposal of Watts Electric Company in the amount of \$911,020.18, to provide construction services for transmission system modifications, including a transmission line extension for a customer, a transmission line relocation for a new NRD dam site, and nine (9) maintenance replacement structures, and the bond of such bidder hereby is approved.”

It was moved and seconded that the Board approve this action item.

Mr. Via, Vice President – Energy Delivery, presented the following facts to support Board of Directors authorization to award a contract for Request for Proposal (RFP) No. 5845, Spring 2021 Transmission Construction, consisting of construction services for transmission system

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modifications, including a transmission line extension for a customer, a transmission line relocation for a customer, and nine (9) maintenance replacement structures.

- a. A 0.3 mile extension of a double circuit 161kV transmission line is required for the second phase of a customer development in Sarpy County.
- b. A 0.4 mile relocation of a 69kV transmission line is required to accommodate a new NRD dam site in Douglas County.
- c. Nine (9) structure replacements that were identified by the Asset Management and Maintenance Optimization team to be at the end of their life cycle.
- d. Construction labor including the following:
 1. Foundation construction, structure erection, and structure framing.
 2. Installation of conductor, shield wire, and fiber optic ground wire.
 3. Removal of existing structures, conductor, shield wires, and transmission line hardware.
- e. Six proposals were received. All six proposals are legally responsive. Four (4) of the proposals are technically responsive and two (2) are technically non-responsive for incomplete proposals.
- f. Construction will begin March 1, 2021 and is scheduled to conclude June 4, 2021.
- g. The bid from Watts Electric Company was evaluated to be the lowest and best bid.

Management recommended authorization by the Board to award a labor contract to Watts Electric Company for the evaluated amount of Nine Hundred Eleven Thousand, Twenty Dollars and Eighteen Cents (\$911,020.18) based on the evaluation of RFP No. 5845, Spring 2021 Transmission Construction, for the procurement of construction services to construct and modify various transmission lines.

Supporting Data

Datasheet
Analysis of Proposals
Tabulation of Bids
Legal Opinion
Resolution

The Board and management team discussed a variety of issues, including: (i) the meaning of “not technically responsive” proposals; (ii) concerns about the difference between the proposed bid amount and the Engineer’s Estimate; and (iii) concerns about timing to complete the work by June 2021.

Chair Bogner then asked if any members of the public attending via Webex conferencing had any comments. There was no comment from the public in attendance at the meeting.

Thereafter, the vote was recorded as follows: Bogner – Yes; Cavanaugh – Yes; Howard – Yes; Mollhoff – Absent; Moody – Yes; Spurgeon – Yes; Williams – Yes; Yoder – Yes. The motion carried (7-0).

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Board Agenda Item 9: Power with Purpose – Procurement of Substation and Transmission Resources – Engineer’s Certification – Resolution No. 6422

Ms. Hinnners read the following:

“NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that:

- 1. The Engineer’s Certification requesting that the Board authorize Management to negotiate and enter into one or more contracts to provide services, material, and labor to engineer, procure, and construct substation and transmission facilities to interconnect the photovoltaic solar and natural gas-fueled generation facilities to the existing transmission system, without compliance with the sealed bidding provisions of Sections 70-637 to 70-639 of the Nebraska Revised Statutes, is hereby approved.*
- 2. Management is hereby authorized and directed to negotiate and enter into a contract or contracts with a qualified contractor or contractors to provide all engineering, procurement, and construction of substation and transmission facilities to interconnect with the integrated natural gas-fueled generating facilities and photovoltaic solar facilities, subject to review and approval of the final contract(s) by the District’s General Counsel.*
- 3. The notice required by Nebraska Revised Statutes Section 70-637 shall be published in the Omaha World Herald, or other similar newspaper of general circulation.”*

It was moved and seconded that the Board approve this action item.

Director Williams began the Board discussion by asking management to explain the resolution and the responsibility that the Board is delegating to management.

S. M. Bruckner, General Counsel for the District, explained the sealed bidding process under Nebraska statutes and specific situations where the Board can waive the sealed bid process, approve an Engineer’s Certification, and authorize management to negotiate directly and enter into contracts with qualified bidders. Mr. Bruckner also explained that a supermajority vote is required to approve the action item.

The Board and management team discussed a variety of issues, including previous situations where the Board has authorized the use of this process and the benefits to the District for using this process.

T. R. Via, Vice President – Energy Delivery, presented the following facts to support Board of Directors authorization for Management to negotiate and enter into contracts for the supply and construction of substation and transmission facilities to support the interconnection of photovoltaic and natural gas fueled generation facilities to the existing transmission system.

- a. OPPD is currently siting and developing up to 600 megawatts of utility-scale solar photovoltaic generation and up to 600 megawatts of backup natural gas fueled generation. Resolution 6351 authorizes Management to negotiate and enter into

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one or more contracts to provide all engineering, procurement, and construction of natural gas-fueled generating facilities and output from photovoltaic solar facilities, and to procure associated local fuel transportation infrastructure, without compliance with the sealed bidding provisions of Sections 70-637 to 70-639 of the Nebraska Revised Statutes.

- b. To support the interconnection of these new generating facilities to the existing transmission system, OPPD intends to enter into one or more contracts for services, material, and labor to engineer, procure and construct the associated substation and transmission facilities as determined necessary by transmission analysis.
- c. Contracts for new substation and transmission infrastructure that support interconnection of new generating facilities are technically complex and unique with varying designs to optimize site layouts, enhance performance, and achieve schedule requirements. A negotiated contract approach allows options to be fully explored in a competitive environment and incorporated into customized contract documents.
- d. Due to the unique and complex nature of interconnecting new generating facilities to the existing transmission system, and to ensure completion by the timelines determined through negotiated generation contracts, the District's engineer has certified that compliance with the sealed bidding provisions of the Nebraska Revised Statutes Sections 70-637 through 70-639, as amended, would be impractical and not in the public interest for substation and transmission facilities associated with this integrated generation project.

Management recommended approval of the Engineer's Certification and authorization for Management to negotiate and enter into a contract or contracts for services, material and construction labor for substation and transmission facilities associated with the integrated generation project.

Supporting Data

Datasheet
Letter of Recommendation
Engineer's Certificate
Legal Opinion
Resolution

Chair Bogner then asked if any members of the public attending via Webex conferencing had any comments.

Dr. David Corbin, 1002 N. 49th Street, Chair of the Nebraska Sierra Club, reminded the Board of the Sierra Club's opposition to the natural gas-fueled generating facilities and inquired about the total cost of the natural gas plants and transmission facilities.

There was no additional comment from the public in attendance at the meeting.

Thereafter, the vote was recorded as follows: Bogner – Yes; Cavanaugh – Yes; Howard – Yes; Mollhoff – Absent; Moody – Yes; Spurgeon – Yes; Williams – Yes; Yoder – Yes. The motion carried (7-0).

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Board Agenda Item 10: President's Report

President Burke presented the following information:

- January Baseload Generation
- January Peaking Generation
- January Renewables
- Honor Our Community activities and events
- Honor Our Community remembrance

President Burke also provided additional perspective on the polar vortex and after action review. He expressed appreciation for employees and OPPD's partners, including Metropolitan Utilities District and other fuel providers, residential, commercial and industrial customers who curtailed usage, and the media.

Board Agenda Item 11: Opportunity for comment on other items of District Business

Chair Bogner asked for comments from the public.

Dr. David Corbin, 1002 N. 49th Street, Chair of the Nebraska Sierra Club, expressed appreciation for OPPD's response to the polar vortex, including communication to ratepayers to conserve energy during the severe and unprecedented weather event.

Ms. Frances Mendenhall, 3715 Hamilton Street, commented upon climate change and belief that events like the polar vortex will happen again.

Mr. Alan Vovolka, 3719 Hamilton Street, expressed appreciation for OPPD's efforts during the polar vortex and expressed concerns about resiliency in SPP.

There was no additional comment from the public in attendance at the meeting.

There being no further business, the meeting adjourned at 5:06 p.m.

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Troy R. Via

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T. R. Via

Vice President – Energy Delivery and
Assistant Secretary

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M. F. Hinners

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M. F. Hinners

Assistant Secretary of the Meeting