

**City of Beatrice, Nebraska
Regular BPW Board Meeting
Wednesday, October 1, 2025 at 12:00 PM
City Hall Conference Room
400 Ella Street
Beatrice, NE 68310**



Pledge of Allegiance

1. **ROLL CALL**
2. **CONSENT AGENDA**
 - 2.a. Approve agenda as submitted.
 - 2.b. Receive and place on file all notices pertaining to this meeting.
 - 2.c. Receive and place on file all materials having any bearing on this meeting.
 - 2.d. Approval of minutes of regular BPW Board meeting on September 10, 2025, as on file in the City Clerk's Office.
 - 2.e. Approval of write off of bad debts.
 - 2.f. Recommend approval of Change Order #1 increase in the amount of \$2,629.00 to Judds Brothers Construction for the West Court Street Water Main Crossing project, to the Mayor and City Council.
3. **PUBLIC HEARINGS/BIDS** - None
4. **RESOLUTIONS**
 - 4.a. Resolution executing the amended Exhibit "B" of the Contract for Firm Electric Service, Contract No. 13-UGPR-1073, between WAPA and the City.
5. **ORDINANCES** - None
6. **PUBLIC FORUM**
7. **DISCUSSIONS/REPORTS**
 - 7.a. Update on Current Projects.
8. **MISCELLANEOUS**
 - 8.a. The next regular BPW Board meeting is October 15, 2025 at 12:00 p.m. in the City Hall Conference Room.

MINUTES OF THE REGULAR BOARD OF PUBLIC WORKS MEETING

A regular meeting of the Beatrice Board of Public Works was held on the 10th day of September, 2025 at 12:00 p.m. in the City Hall Conference Room, 400 Ella Street, Beatrice, Nebraska.

ROLL CALL

Attending: Boardmembers: Baehr, Hartley, Leech, Moran, Zarybnicky
Absent: None

Chair Moran announced that a copy of the Open Meetings Act is posted in the meeting room and is accessible to members of the public.

CONSENT AGENDA

- a. Approve agenda as submitted.
- b. Receive and place on file all notices pertaining to this meeting.
- c. Receive and place on file all materials having any bearing on this meeting.
- d. Approval of minutes of regular meeting on August 27, 2025, as on file in the City Clerk's Office.

Moved by Leech, seconded by Baehr, that the items listed under the consent agenda, be approved, accepted, and/or ratified as presented.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

PUBLIC HEARINGS/BIDS

There were no public hearings/bids.

RESOLUTIONS

Resolution executing the Agreement between the City and SewerAI for the provision of software designed for sewer and stormwater inspection data management and for migrating the City's previous data to the SewerAI platform

Tobias J. Tempelmeyer, City Administrator/General Manager, reported to the Board the City entered into an Agreement with SewerAI recently to use their software to assess the sewer lines. This Agreement would allow the City to migrate existing video of sewer lines into the software. James Burroughs, City Engineer, stated the City plans to migrate the previous five (5) years of video into the software to better utilize the software.

Moved by Baehr, seconded by Zarybnicky, to recommend to the Mayor and City Council to execute the Agreement between the City and SewerAI for the provision of software designed for sewer and stormwater inspection data management and for migrating the City's previous data to the SewerAI platform.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

ORDINANCES

Ordinance establishing electric rates in the City of Beatrice, Nebraska

Tobias J. Tempelmeyer, City Administrator/General Manager, reviewed the proposed electric rates with the Board. Tempelmeyer stated John Krajewski of JK Energy will be present at the Council Meeting September 15, 2025 to review the rate study he conducted. Tempelmeyer noted the last electric rate increase was in 2021. The proposed rate changes include: increasing the customer charges for all rate classes; increasing winter season rates more than summer season rates; increasing Residential Electric Heat and General Service heat rates more than other classes; and eliminating the irrigation rate schedule. Tempelmeyer noted an infrastructure charge is proposed in FY26 for residential customers in the amount of \$3.00 per month, \$4.00 per month for general service customers, and \$10.00 per month for general service demand customers. The infrastructure charge will double in FY27. Tempelmeyer noted the average residential customer will see an increase of \$5.25 per month.

Moved by Baehr, seconded by Hartley, to recommend to the Mayor and City Council to approve the proposed ordinance establishing electric rates in the City of Beatrice, Nebraska.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

Ordinance to revise the water rate charges for water purchased from the City of Beatrice, Nebraska

Tobias J. Tempelmeyer, City Administrator/General Manager, reviewed the proposed water rates with the Board. An increase of \$2.00 per month to the infrastructure fee will be effective October 1, 2025.

Moved by Zarybnicky, seconded by Hartley, to recommend to the Mayor and City Council to approve the ordinance to revise the water rate charges.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

Ordinance to regulate the fees and charges for the use of the Wastewater Treatment System of the City of Beatrice, Nebraska

Tobias J. Tempelmeyer, City Administrator/General Manager, reviewed the proposed fees and charges for the use of the Wastewater Treatment System with the Board. The infrastructure fee will increase \$2.00 per month as of October 1, 2025. No increase is anticipated for October 1, 2026 at this time.

Moved by Hartley, seconded by Baehr, to recommend to the Mayor and City Council to approve the ordinance to regulate the fees and charges for the use of the Wastewater Treatment System.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

PUBLIC FORUM

No one appeared at public forum.

DISCUSSIONS/REPORTS

Review of Board Policy #163 – Water Tap Fees

Tobias J. Tempelmeyer, City Administrator/General Manager, explained to the Board each year the water tap fee is reviewed to ensure the Water Department is recovering its cost for the installation, materials, labor, and equipment time to install a new water tap. Rob Mierau, Water Superintendent, stated the cost of materials had a large increase. The Department installed fifteen (15) water taps in 2025, with total costs ranging from \$1,500.00 to \$5,000.00. The recommendation is to increase the fee for a new water tap from \$1,975.00 to \$2,400.00, as of January 1, 2026. Tempelmeyer noted this fee does not generate revenue, but rather helps the City break even on the installation of new water taps.

Moved by Zarybnicky, seconded by Leech, that Board Policy #165 – Water Tap Fees, be adopted to replace Board Policy #163.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

Recommendation of FY26 & FY27 Biennial Budget to Mayor and City Council

Tobias J. Tempelmeyer, City Administrator/General Manager, reported to the Board there are no proposed changes to the budget that was presented at the last meeting.

Moved by Baehr, seconded by Hartley, to recommend to the Mayor and City Council to approve the proposed FY26 & FY27 Biennial Budgets for the Electric, Water, WPC, and Street Departments.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

General Manager's Monthly Report

James Burroughs, City Engineer, reported to the Board the mill and overlay project is underway and the milling portion should be done next week. The final walk through was conducted today for the Lincoln Street Improvements, 25th to 27th, and the project should be wrapped up this week, weather permitting. The 4th and 5th Street downtown improvement projects are underway. The improvements on 4th Street are complete and the Public Properties Department has completed the planters. Tiemann is finishing up on the south portion of 5th Street.

Jason Moore, Street Superintendent, stated the Department laid approximately six hundred (600) tons of millings on North 26th Street, to reduce the dust from the gravel street. Crews replaced the valley and gutter at the intersection of 19th and Lincoln Street. Crews also created an asphalt patch at the Compost Site. Moore noted they have also mowing along the highways and areas that tend to have blowing snow to help during the winter months.

Rob Mierau, Water Superintendent, reported the Water Department worked with the contractor to assist in moving water services along 4th and 5th Street, as well as installing irrigation for the Public Properties Department. The watermain crossing on the West Court Street Bridge is anticipated to be wrapped up next week. Work continues on the installation of watermain at Corral Crossing, which may be completed

next week. Upon completion at Corral Crossing, crews will move to Heritage Heights. The Department has also begun flushing hydrants.

Pat Feist, Electric Superintendent, stated crews are working on upgrades in the northeast area of town. The overhead line between 7th and 8th Street, Lincoln to Park Streets is being rebuilt. Crews have also been moving existing infrastructure that is interfering with the new development at Corral Crossing and Heritage Heights. The Department replaced the regulators at Substation #4. The old regulators will be sent out to be refurbished and will be used as a spare set.

Hannah Bell, Finance Director, reviewed the July financials with the Board. Bell noted the auditors will be onsite in October to begin preliminary work for the FY25 audit.

ADJOURNMENT

The next regular BPW Board Meeting will be October 1, 2025 at 12:00 p.m. in the City Hall Conference Room, 400 Ella Street, Beatrice, Nebraska.

Moved by Leech, seconded by Baehr, that the meeting be adjourned at 12:38 p.m.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.

Customer Number	Name	Service Address	Final Bill Date	Account Balance	Last Pmt Date	Collection Code
12080406	ALVAREZ, DAVID R S	515 N 13TH ST APT 202	05/07/2025	14.69	06/13/2025	Sent to Collection Agency
10021203	AMBROSE, SETH D	416 N 13TH ST	04/01/2025	219.41	04/14/2025	Sent to Collection Agency
1025512	ANDERSON, JACKSON S	105 1/2 N 4TH ST APT 35	04/07/2025	27.53	05/15/2025	Sent to Collection Agency
4035103	BENAVIDES, DEGLIS	121 N 9TH ST APT 3	04/07/2025	136.04	05/15/2025	Sent to Collection Agency
38081004	BENSON, ALEXIS C	1912 S 5TH AVE	06/25/2025	79.40	07/10/2025	Sent to Collection Agency
20008507	BEVER, EMILY L	1118 GARFIELD ST	06/06/2025	206.04	07/10/2025	Sent to Collection Agency
6031500	BILLESBACH, ANDREW J	1712 ELLA ST	04/08/2025	530.08	05/15/2025	Sent to Collection Agency
15083601	BLAKE, JOANNA K	307 CHEYENNE DR	05/06/2025	325.41	04/02/2025	Sent to Collection Agency
22355608	BOYD, AMY L	1010 N 26TH ST APT 4	05/01/2025	23.00	05/15/2025	Sent to Collection Agency
8061006	CARNEY, KERRY A	1405 HIGH ST	04/09/2025	102.00	05/15/2025	Sent to Collection Agency
11055000	DOERR, JUDITH A	1426 GRANT ST	04/07/2025	307.36	02/21/2025	Sent to Collection Agency
4034218	DUARTE, INGRID DALILA	823 ELLA ST APT 1	04/07/2025	306.94	05/15/2025	Sent to Collection Agency
21019005	GRAHAM, MATTHEW F	1222 N 14TH ST	05/14/2025	235.00	05/04/2025	Sent to Collection Agency
34082003	GUTERREZ, GRAYSON ARMANDO	739 W MARY ST	04/04/2025	177.02	04/14/2025	Sent to Collection Agency
6019002	HARDER, BREANNA N	1316 ELLA ST	06/06/2025	187.33	07/10/2025	Sent to Collection Agency
34080206	HARLESS III, DONALD R	830 W MARY ST APT 4	06/09/2025	157.34	07/10/2025	Sent to Collection Agency
34095409	HICKS, TAYLOR N	539 W MARY ST	06/06/2025	43.84	07/10/2025	Sent to Collection Agency
17021904	HOFFMAN, AMANDA M	1519 N 9TH ST	04/30/2025	89.25	05/15/2025	Sent to Collection Agency
24103608	JENSEN, JENETA D	210 S 22ND ST APT 4	06/06/2025	80.90	07/10/2025	Sent to Collection Agency
25038508	JOHNSON, AARON S	1338 MARKET ST	06/02/2025	159.17	06/13/2025	Sent to Collection Agency
7016003	JONES, JONATHAN E	1023 ELK ST	04/22/2025	72.00	04/25/2025	Sent to Collection Agency
32011001	J'S GRILL LLC	901 W COURT ST (320110)	07/02/2025	186.21	07/10/2025	Sent to Collection Agency
7053507	KAPKE, FELICIA K	1830 ELK ST	05/01/2025	226.69	05/15/2025	Sent to Collection Agency
22303102	KUHLMANN, SHAUNAH R	1013 N 26TH ST	04/07/2025	232.68	09/02/2025	Sent to Collection Agency
10006510	MARKEY, MARTIN W	406 N 11TH ST APT 1	03/31/2025	35.38	04/14/2025	Sent to Collection Agency
32043003	MAYO, LINDSAY N	912 MERIWETHER ST	05/28/2025	153.25	06/13/2025	Sent to Collection Agency
10011508	MAZE, MARY E L	409 N 12TH ST	05/27/2025	178.69	06/13/2025	Sent to Collection Agency
12081211	NEWSOME, SCOTT R	1301 LINCOLN BLVD	05/27/2025	377.77	06/13/2025	Sent to Collection Agency
33090811	OCANA, SOSA YENSEY	723 W COURT ST APT 6	04/10/2025	25.00	05/15/2025	Sent to Collection Agency
39024008	OLTMAN, STACY L	620 NICHOLLS AVE	04/01/2025	186.04	04/14/2025	Sent to Collection Agency
37039209	OTTO, ANDREW L	216 SHUGART ST	06/06/2025	151.32	07/10/2025	Sent to Collection Agency
15085204	PECK, CODY J	2410 ARAPAHOE TRL	04/04/2025	292.49	04/14/2025	Sent to Collection Agency
36032004	RALSTON, SHAWNA M	319 GRAHAM ST	05/07/2025	32.72	06/13/2025	Sent to Collection Agency
39114001	REHM, THEODORE E	113 REGENCY DR	06/26/2025	249.00	06/23/2025	Sent to Collection Agency
14065315	RODRIGUEZ, JESSICA REBECA PEREZ	820 N 5TH ST APT 5	05/05/2025	51.00	04/20/2025	Sent to Collection Agency
7108705	ROEDE, LUCAS A	201 N 25TH ST APT 2	04/07/2025	87.07	05/15/2025	Sent to Collection Agency
19015001	RONNEBAUM, NICHOLAS J	1305 N 11TH ST	04/11/2025	305.00	03/20/2025	Sent to Collection Agency
10035703	SADOWSKI, BRADLY M	1300 HIGH ST	04/22/2025	132.08	05/15/2025	Sent to Collection Agency
34052006	SEYERSDAHL, CHRISTINA	105 S SUMNER ST	04/14/2025	25.00	05/15/2025	Sent to Collection Agency
35031504	SHEA, MATTHEW A	203 N SUMNER ST	05/29/2025	83.48	08/07/2025	Sent to Collection Agency

Customer Number	Name	Service Address	Final Bill Date	Account Balance	Last Pmt Date	Collection Code
15064210	SMITH, ABIGAIL K	2407 ARAPAHOE TRL	05/19/2025	78.00	06/13/2025	Sent to Collection Agency
8067505	VONMINDEN, JENNIFER L	1519 HIGH ST	04/03/2025	165.66	04/14/2025	Sent to Collection Agency
25042509	WEEKS, JESSICA A	1518 MARKET ST	05/20/2025	235.32	06/13/2025	Sent to Collection Agency

Grand Totals:

6,969.60

43

9-11-24 5,108.11
1-15-25 7,401.19
5-25-25 7,074.78

CHANGE ORDER



No. 1

Date of Issuance: 9/22/2025 Effective Date: _____

Project: Beatrice Court St. Water Main	Owner: Beatrice BPW	Owner's Contract No.:
Contract: Lump Sum		Date of Contract: June 2, 2025
Contractor: Judds Brothers		Engineer's Project No.: 023-03816

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Connection to existing main on the east side of the river and subsequent abandonment required additional work due to two items as follows: 1) the thrust block that was required to be removed was twice as large as anticipated and required additional effort for Removal 2) A plug was provided on the tee which wasn't called out on the plans 3) The pavement removal and excavation were required to be increased in size due to the size of the thrust block that needed to be removed.

Attachments: (List documents supporting change): See attached quote from Judds

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: <u>\$ 415,000.00</u>	Original Contract Times: Substantial Completion (days or date): <u>September 15, 2025</u> Ready for Final Payment (days or date): <u>October 1, 2025</u>
[Increase] [Decrease] from previously approved Change Orders No. ___ to No. ___: <u>\$0</u>	[Increase] [Decrease] from previously approved Change Orders No. ___ to No. ___: Substantial Completion (days or date): <u>0</u> Ready for Final Payment (days or date): <u>0</u>
Contract Price prior to this Change Order: <u>\$ 415,000.00</u>	Contract Times prior to this Change Order: Substantial Completion (days or date): <u>September 15, 2005</u> Ready for Final Payment (days or date): <u>October 1, 2025</u>
[Increase] [Decrease] of this Change Order: <u>\$ 2,629.00</u>	[Increase] [Decrease] of this Change Order: Substantial Completion (days or date): <u>September 24, 2025</u> Ready for Final Payment (days or date): <u>October 1, 2025</u>
Contract Price incorporating this Change Order: <u>\$ 417,629.00</u>	Contract Times with all approved Change Orders: Substantial Completion (days or date): <u>September 24, 2025</u> Ready for Final Payment (days or date): <u>October 1, 2025</u>

<p>RECOMMENDED:</p> <p>By: <u>John B. Day</u> Engineer (Authorized Signature)</p> <p>Title: <u>John B. Day</u></p> <p>Date: <u>9/22/2025</u></p> <p>Approved by Funding Agency (if applicable):</p> <p>By: _____ Title: _____ Date: _____</p>	<p>ACCEPTED:</p> <p>By: _____ Owner (Authorized Signature)</p> <p>Title: _____</p> <p>Date: _____</p>	<p>ACCEPTED:</p> <p>By: <u>[Signature]</u> Contractor (Authorized Signature)</p> <p>Title: <u>Project Manager</u></p> <p>Date: <u>9/22/25</u></p>
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RESOLUTION NUMBER _____

WHEREAS, on or about March 31, 2015, the City of Beatrice, Nebraska (“City”) entered into a Contract for Firm Electric Service with Western Area Power Administration (“WAPA”), Contract No. 13-UGPR-1073; and

WHEREAS, the City and WAPA desire to amend Exhibit “B” of Contract No. 13-UGPR-1073, dated March 31, 2015.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BEATRICE, NEBRASKA:

SECTION 1. That the Mayor and City Clerk are hereby authorized to execute the amended Exhibit “B” of the Contract for Firm Electric Service, Contract No. 13-UGPR-1073, between WAPA and the City, attached hereto as Exhibit “A” and incorporated by this reference.

SECTION 2. That all resolutions or parts of resolutions in conflict herewith are hereby repealed.

RESOLUTION PASSED AND ADOPTED this 6th day of October, 2025.

Attest:

Erin Saathoff, MMC, City Clerk

Robert Morgan, Mayor

EXHIBIT B

(Operating Agreement Including Quantitative Determinations)

1. This Exhibit B made on _____, effective under and as a part of Contract No. 13-UGPR-1073, dated March 31, 2015, hereinafter called the Contract, shall become effective on the first day of the first full billing period after the date of its execution. Upon such effective date, this Exhibit B shall terminate and supersede Exhibit B dated March 31, 2015, and shall remain in effect until superseded by another Exhibit B or termination of the Contract.

2. BEATRICE'S FIRM ELECTRIC SERVICE ARRANGEMENTS:

2.1 The System Definitions and Billing Determinations set forth in this Operating Agreement are based upon the understanding of the Parties that Beatrice's firm electric service arrangements are such that its system load requirements are normally supplied from the following sources:

2.1.1 Firm electric service from Western.

2.1.2 Firm electric service from another power supplier. As of the date of this Exhibit B, Beatrice is receiving firm electric service from American Electric Power Service Corporation.

2.2 Western reserves the right to unilaterally require the substitution of a new Exhibit B in the event that the firm electric service arrangements of Beatrice are altered so that this Exhibit B does not correctly identify those arrangements.

3. REPORTING REQUIREMENTS: None at this time.

4. SYSTEM DEFINITIONS:

4.1 Historically, Beatrice's System Demand for any billing period was the sum of the highest coincident 30-minute integrated demands established from meter readings taken at the Point(s) of Measurement (POM), which may have been adjusted and defined in Exhibit C.

4.2 Historically, Beatrice's System Energy Requirements for any billing period were the total energy delivered during the billing period at the POM(s), which may have been adjusted and defined in Exhibit C.

5. FIRM POWER AND ENERGY OBLIGATION OF WESTERN:

5.1 Notwithstanding the provisions of Subsection 6.3 of the Contract, the Parties, by mutual agreement, have established, for each month of the year, values for the

Maximum Rate of Firm Power Obligation and Maximum Energy Obligation of Western to Beatrice as shown below. The table was calculated based upon the November 1992 through October 1993 reference year chosen by Beatrice.

Summer Season <u>1/</u>	kW	kWh	Winter Season	kW	kWh
May	2,362	1,063,000	November	1,853	949,000
June	3,240	1,319,000	December	1,967	1,178,000
July	3,351	1,587,000	January	2,021	1,014,000
August	3,349	1,458,000	February <u>2/</u>	2,007	957,000
September	2,234	1,080,000	March	1,839	974,000
October	2,083	1,037,000	April	1,748	880,000

1/ This table includes an assignment of Firm Power Allocation from Beatrice State Developmental Center, Contract No. 18-UGPR-5001.

2/ Energy amount for leap year will be 991,000 kWh.

6. SEASONAL FIRM ELECTRIC SERVICE ENERGY AND MONTHLY CONTRACT RATE(S) OF DELIVERY (CROD):

6.1 Notwithstanding the provisions of Subsection 6.3 of the Contract, the Parties, by mutual agreement, have established, for each month of the year, Fixed Seasonal Firm Electric Service values for the Maximum Rate of Fixed Seasonal Firm Power Obligation and Maximum Energy Obligation of Western to Beatrice as shown below:

Summer Season <u>1/</u>	kW	kWh	Winter Season	kW	kWh
May	1	569	November	0	0
June	2	833	December	0	0
July	2	857	January	0	0
August	2	842	February	0	0
September	1	548	March	0	0
October	1	634	April	1	539

1/ This table is an assignment to Beatrice of Fixed Seasonal Firm Electric Service from Nebraska Public Power District (NPPD), Contract No. 18-UGPR-5002, calculated using a percentage of NPPD's Seasonal Firm Energy divided among NPPD's members based on NPPD's historical horsepower demand for each member. These numbers do not follow Western's demand-to-energy load pattern and therefore required a manual calculation. The Fixed Seasonal Firm CROD delivery period (Apr-Oct) was historically based on navigational water releases by the United States Corps of Engineers, a 7-month pattern, and not upon the typical 6-month seasonal patterns used by Western (Nov-Apr/May-Oct).

7. FIXED FIRM AND FIXED SEASONAL FIRM ELECTRIC SERVICE ENERGY AND MONTHLY CRODS COMBINED:

7.1 Notwithstanding the provisions of Subsection 6.3 of the Contract, the Parties, by mutual agreement, have established, for each month of the year, values for the Maximum Rate of Fixed Firm and Seasonal Firm Power Obligation and Maximum Energy Obligation of WAPA to Beatrice as shown below:

Summer Season	kW	kWh	Winter Season	kW	kWh
May	2,363	1,063,569	November	1,853	949,000
June	3,242	1,319,833	December	1,967	1,178,000
July	3,353	1,587,857	January	2,021	1,014,000
August	3,351	1,458,842	February <u>1/</u>	2,007	957,000
September	2,235	1,080,548	March	1,839	974,000
October	2,084	1,037,634	April	1,749	880,539

1/ Energy amount for leap year will be 991,000 kWh.

7.2 The Maximum Rate of Firm Power Obligation and Maximum Energy Obligation of Western in any billing period shall each be, for the billing period involved, apportioned among the Point(s) of Delivery identified in Exhibit C.

7.3 This Subsection is intentionally left blank.

7.4 Beatrice shall be responsible to notify Western in the event that Beatrice's System Demand and/or Beatrice's System Energy Requirements in a billing period are less than the values in Subsection 7.1 above for that billing period.

7.5 Either Party hereto shall have the right to resume determination of Western's firm power and energy obligations to Beatrice pursuant to Subsection 6.3 of the Contract upon five years' advance written notice to the other Party or upon a period of less than five years if mutually agreed to. In the event of such notice, obligation determinations pursuant to Subsection 6.3 of the Contract shall begin upon the effective date of a revised Exhibit B providing for such determinations.

7.6 Western reserves the right to appropriately modify the above power and energy values in the event that the CROD(s) or energy deliveries are modified as provided elsewhere in the Contract.

8. BILLING DETERMINATIONS:

8.1 The billed demand for firm power provided by Western to Beatrice in any billing period shall be, for that billing period, the Maximum Rate of Firm Power Obligation as established pursuant to Section 5, 6, and 7 above.

8.2 The billed energy provided by Western to Beatrice in any billing period shall be, for that billing period, the Maximum Energy Obligation as established pursuant to Section 5, 6, and 7 above.

9. USE OF DIGITAL SIGNATURES: The Parties agree that this Exhibit B may be signed and executed by digital signature in accordance with Western's policy. A digital signature is the same as a handwritten signature and shall be considered valid and acceptable.

10. EXECUTION IN COUNTERPARTS: This Exhibit B may be executed in any number of counterparts and, upon execution and delivery by each Party, the executed and delivered counterparts together shall have the same force and effect as an original instrument as if all Parties had signed the same instrument. Any signature page of this Exhibit B may be detached by any counterpart of this Exhibit B without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Exhibit B identical in form hereto, by having attached to it one or more signature pages.

WESTERN AREA POWER ADMINISTRATION

By _____

Title Vice President of Power Marketing

for Upper Great Plains Region

Address P.O. Box 35800

Billings, MT 59107-5800

(SEAL)

CITY OF BEATRICE, NEBRASKA

By _____

Title _____

Attest:

By _____

Address P.O. Box 279

Title _____

Beatrice, NE 68310-0279

EXHIBIT B

(Operating Agreement Including Quantitative Determinations)

1. This Exhibit B made on _____, effective under and as a part of Contract No. 13-UGPR-1073, dated March 31, 2015, hereinafter called the Contract, shall become effective on the first day of the first full billing period after the date of its execution. Upon such effective date, this Exhibit B shall terminate and supersede Exhibit B dated March 31, 2015, and shall remain in effect until superseded by another Exhibit B or termination of the Contract.

2. BEATRICE'S FIRM ELECTRIC SERVICE ARRANGEMENTS:

2.1 The System Definitions and Billing Determinations set forth in this Operating Agreement are based upon the understanding of the Parties that Beatrice's firm electric service arrangements are such that its system load requirements are normally supplied from the following sources:

2.1.1 Firm electric service from Western.

2.1.2 Firm electric service from another power supplier. As of the date of this Exhibit B, Beatrice is receiving firm electric service from American Electric Power Service Corporation.

2.2 Western reserves the right to unilaterally require the substitution of a new Exhibit B in the event that the firm electric service arrangements of Beatrice are altered so that this Exhibit B does not correctly identify those arrangements.

3. REPORTING REQUIREMENTS: None at this time.

4. SYSTEM DEFINITIONS:

4.1 Historically, Beatrice's System Demand for any billing period was the sum of the highest coincident 30-minute integrated demands established from meter readings taken at the Point(s) of Measurement (POM), which may have been adjusted and defined in Exhibit C.

4.2 Historically, Beatrice's System Energy Requirements for any billing period were the total energy delivered during the billing period at the POM(s), which may have been adjusted and defined in Exhibit C.

5. FIRM POWER AND ENERGY OBLIGATION OF WESTERN:

5.1 Notwithstanding the provisions of Subsection 6.3 of the Contract, the Parties, by mutual agreement, have established, for each month of the year, values for the

Maximum Rate of Firm Power Obligation and Maximum Energy Obligation of Western to Beatrice as shown below. The table was calculated based upon the November 1992 through October 1993 reference year chosen by Beatrice.

Summer Season <u>1/</u> , <u>2/</u>	kW	kWh	Winter Season <u>2/</u>	kW	kWh
May	2, <u>363362</u>	1,063, <u>5690</u> 00	November	1,853	949,000
June	3, <u>242240</u>	1,319, <u>8330</u> 00	December	1,967	1,178,000
July	3, <u>353351</u>	1,587, <u>8570</u> 00	January	2,021	1,014,000
August	3, <u>351349</u>	1,458, <u>8420</u> 00	February <u>32/</u>	2,007	957,000
September	2, <u>235234</u>	1,080, <u>5480</u> 00	March	1,839	974,000
October	2, <u>084083</u>	1,037, <u>6340</u> 00	April	1, <u>749748</u>	880, <u>539000</u>

1/ This table includes an assignment of Firm Power Allocation from Beatrice State Developmental Center, Contract No. 18-UGPR-5001.

2/ Energy amount for leap year will be 991,000 kWh.

6. SEASONAL FIRM ELECTRIC SERVICE ENERGY AND MONTHLY CONTRACT RATE(S) OF DELIVERY (CROD):

6.1 Notwithstanding the provisions of Subsection 6.3 of the Contract, the Parties, by mutual agreement, have established, for each month of the year, Fixed Seasonal Firm Electric Service values for the Maximum Rate of Fixed Seasonal Firm Power Obligation and Maximum Energy Obligation of Western to Beatrice as shown below:

Summer Season <u>1/</u>	kW	kWh	Winter Season	kW	kWh
<u>May</u>	<u>1</u>	<u>569</u>	<u>November</u>	<u>0</u>	<u>0</u>
<u>June</u>	<u>2</u>	<u>833</u>	<u>December</u>	<u>0</u>	<u>0</u>
<u>July</u>	<u>2</u>	<u>857</u>	<u>January</u>	<u>0</u>	<u>0</u>
<u>August</u>	<u>2</u>	<u>842</u>	<u>February</u>	<u>0</u>	<u>0</u>
<u>September</u>	<u>1</u>	<u>548</u>	<u>March</u>	<u>0</u>	<u>0</u>
<u>October</u>	<u>1</u>	<u>634</u>	<u>April</u>	<u>1</u>	<u>539</u>

1/ This table is an assignment to Beatrice of Fixed Seasonal Firm Electric Service from Nebraska Public Power District (NPPD), Contract No. 18-UGPR-5002, calculated using

a percentage of NPPD's Seasonal Firm Energy divided among NPPD's members based on NPPD's historical horsepower demand for each member. These numbers do not follow Western's demand-to-energy load pattern and therefore required a manual calculation. The Fixed Seasonal Firm CROD delivery period (Apr-Oct) was historically based on navigational water releases by the United States Corps of Engineers, a 7month pattern, and not upon the typical 6-month seasonal patterns used by Western (Nov-Apr/May-Oct).

2/ This table includes an assignment7. FIXED FIRM AND FIXED SEASONAL FIRM ELECTRIC SERVICE ENERGY AND MONTHLY CRODS COMBINED:

7.1 Notwithstanding the provisions of Subsection 6.3 of the Contract, the Parties, by mutual agreement, have established, for each month of the year, values for the Maximum Rate of Fixed Firm and Seasonal Firm Power Obligation and Maximum Energy Obligation of WAPA to Beatrice as shown below:

<u>Summer Season</u>	<u>kW</u>	<u>kWh</u>	<u>Winter Season</u>	<u>kW</u>	<u>kWh</u>
<u>May</u>	<u>2,363</u>	<u>1,063,569</u>	<u>November</u>	<u>1,853</u>	<u>949,000</u>
<u>June</u>	<u>3,242</u>	<u>1,319,833</u>	<u>December</u>	<u>1,967</u>	<u>1,178,000</u>
<u>July</u>	<u>3,353</u>	<u>1,587,857</u>	<u>January</u>	<u>2,021</u>	<u>1,014,000</u>
<u>August</u>	<u>3,351</u>	<u>1,458,842</u>	<u>February 1/</u>	<u>2,007</u>	<u>957,000</u>
<u>September</u>	<u>2,235</u>	<u>1,080,548</u>	<u>March</u>	<u>1,839</u>	<u>974,000</u>
<u>October</u>	<u>2,084</u>	<u>1,037,634</u>	<u>April</u>	<u>1,749</u>	<u>880,539</u>

~~1 of Firm Power Allocation from Beatrice State Developmental Center, Contract No. 18-UGPR 5001.~~

3/ Energy amount for leap year will be 991,479000 kWh.

~~57.2~~ The Maximum Rate of Firm Power Obligation and Maximum Energy Obligation of Western in any billing period shall each be, for the billing period involved, apportioned among the Point(s) of Delivery identified in Exhibit C ~~using the ratio of the obligation of Western, as noted above, to the respective Beatrice's System Demand and System Energy Requirements for that same period as determined pursuant to Section 4 above.~~

~~57.3~~ This Subsection is intentionally left blank.

~~5.47.4~~ Beatrice shall be responsible to notify Western in the event that Beatrice's System Demand and/or Beatrice's System Energy Requirements in a billing period are less than the values in Subsection 7.1 above for that billing period.

7.5 Either Party hereto shall have the right to resume determination of Western's firm power and energy obligations to Beatrice pursuant to Subsection 6.3 of the Contract

upon five years' advance written notice to the other Party or upon a period of less than five years if mutually agreed to. In the event of such notice, obligation determinations pursuant to Subsection 6.3 of the Contract shall begin upon the effective date of a revised Exhibit B providing for such determinations.

5.57.6 Western reserves the right to appropriately modify the above power and energy values in the event that the Contract Rate(s) of Delivery CROD(s) or energy deliveries are modified as provided elsewhere in the Contract.

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8. BILLING DETERMINATIONS:

68.1 The billed demand for firm power provided by Western to Beatrice in any billing period shall be, for that billing period, the Maximum Rate of Firm Power Obligation as established pursuant to Section 5, 6, and 7 above.

68.2 The billed energy provided by Western to Beatrice in any billing period shall be, for that billing period, the Maximum Energy Obligation as established pursuant to Section 5, 6, and 7 above.

79. USE OF DIGITAL SIGNATURES: The Parties agree that this Exhibit B may be signed and executed by digital signature in accordance with Western's policy. A digital signature is the same as a handwritten signature and shall be considered valid and acceptable.

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10. EXECUTION IN COUNTERPARTS: This Exhibit B may be executed in any number of counterparts and, upon execution and delivery by each Party, the executed and delivered counterparts together shall have the same force and effect as an original instrument as if all Parties had signed the same instrument. Any signature page of this Exhibit B may be detached by any counterpart of this Exhibit B without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Exhibit B identical in form hereto, by having attached to it one or more signature pages.

WESTERN AREA POWER ADMINISTRATION

By _____

Title Vice President of Power Marketing

for Upper Great Plains Region

Address P.O. Box 35800

Billings, MT 59107-5800

(SEAL)

CITY OF BEATRICE, NEBRASKA

By _____

Attest:

Title _____

By _____

Address P.O. Box 279

Title _____

Beatrice, NE 68310-0279