

City of Fremont
Department of Utilities
2025 Highlights



Administration

The City of Fremont Department of Utilities is one of the oldest municipal utilities in the State of Nebraska. The Water System was started in 1885, the Sewer System in 1892 and the Electric System in 1895. The Utility and Infrastructure Board serve as an advisory board to provide input to the Mayor, City Council and Utility General Manager regarding the operation, and supervision of the Utility Systems.

Mission – Vision - Values

Listed below are the City of Fremont and the Department of Utilities Mission, Vision and Values that guide the staff in all activities and projects.

Mission	Vision	Values
To be good stewards by fostering a welcoming, collaborative, and distinct community that provides the resources necessary for sustainable growth and an excellent quality of life.	To create an environment for growth, opportunities, and be welcoming to all.	<ul style="list-style-type: none">• Strong Leadership• Public Safety• Fiscally Responsible• Quality of Life• Teamwork

Recognition

The Department of Utilities would like to recognize the retirement of Keith Kontor. While serving as the Wastewater Treatment Superintendent, Keith also took on the role of the Water / Sewer Superintendent when the former Superintendent retired Thanks to Keith for his dedicated service to the rate payers of Fremont.

The Department of Utilities would also like to recognize Dan Reznicek. Dan is the current Power Plant Superintendent, and this year marked 40 years of dedicated service to the rate payers of Fremont. Thanks, Dan, for your service.

These are just a couple of examples of the dedicated team that work for the rate payers of Fremont. All employees are committed to provide the safest, most reliable, cost-effective utilities to the rate payers of Fremont.

Winter Storm March 2025

Utilities are often taken for granted, when we flip the light switch, turn on the water or furnace, drain the sink / shower, flush the toilet everything works until it doesn't as we witnessed during the March blizzard. The storm caused major damage to the electric infrastructure in Fremont and had an impact on every customer on the Fremont system including the utility infrastructure for water, sewer and natural gas.

Fremont had assistance from peer utilities that were dispatched to assist with the restoration. Power was restored within the week. The Communication / Customer Service Staff were critical in getting information out to the public to keep them informed of the restoration process. The

Communications team utilized social media, the Fremont website, and local radio and television to keep people informed. Customer Service responded to thousands of calls and worked with the Transmission and Distribution Team on the restoration process to pass on to our customers.

All departments assisted with the system rebuild and clean-up. Crews were removing trees, lines across the roads, blocking roads for line crews to work, keeping emergency generators fueled and running properly, and getting parts and equipment to the damaged areas. These are a few examples of what was going on during and after the storm.

The City of Fremont, Department of Utilities, Dodge County, Fremont Public and Private Schools and other Public / Private agencies met daily for emergency planning updates. The Communications team was in constant contact with service agencies to provide emergency relief for the residents of Fremont and the surrounding area.

The Governor of Nebraska declared a disaster for Fremont, Dodge County, Douglas County and other Counties in northeast Nebraska. Fremont applied for disaster assistance with the State and Federal Agencies and has been meeting with FEMA from the date of the disaster declaration.

I want to thank all the rate payers of Fremont for their understanding and support during the storm. All team members worked tirelessly to restore power to the systems and to the customers. It was a monumental task and as mentioned it could not have been completed without the dedication of all the Utility and City Staff.

Budget 2025-2026 and 2026-2027

City and Utility Administration met with each Council Member one on one or in small groups to get an understanding of what was important to council as staff worked through the budget process. With that understanding, administration met with staff to set priorities for the budget moving forward.

The Finance Department compiled all the information from the various departments, ran scenarios to evaluate the impact the proposed expenses would have on the outcome of the budget. Administration met with each department and adjusted expenses to achieve an optimal outcome. On September 16, 2025, the City of Fremont City Council approved the 2025-26 and 2026-27 two-year budget, and the finance team submitted the budget to the appropriate agency.

Utility Rates

As a result of the City Council approving the 2023-2024 and 2024-2025 budgets, Utility Staff contracted with JK Energy to review all department rates to ensure there is adequate revenue to cover the expenses. The rate studies included the evaluation of the Department of Utilities' Capital Improvement Plan and Reserve policy on each utility fund. All departments were/are involved in the respective rate studies to ensure that the Utility is providing accurate information to the rate consultant.

- **Sewer Rates**

- The Sewer System has seen major improvements and upgrades over the last few years. The fund has been running a deficit for years and rates were adjusted to, over time, cover actual costs.
- Ordinance 5666 was approved by City Council on February 13, 2024. The rate increase included a 20% increase on April 1, 2024, and an additional 8% increase on November 1, 2024.
- **Water Rates**
 - Ordinance 5693 Water Rate was approved by City Council on September 24, 2024. The Rate Study indicated that the Water Fund required a 15% increase in 2024 and an additional 15% increase in 2025.
- **Electric Rates**
 - Ordinance 5704 was approved by City Council on February 11, 2025. An overall rate increase of 4% was implementing starting March 1, 2025, and an additional 4% will be implemented starting March 1, 2026.
- **Natural Gas**
 - Ordinance 5680 was approved by City Council on July 9, 2024. The Residential Rates did not change; there were changes to Commercial and Industrial of 2.8% in 2024 and 0.5% in 2025.

Staff is evaluating the impact of the rates for all utility services and the current approved budget and will work with the rate consultant to determine if rates are adequately set.

Utility Bonds

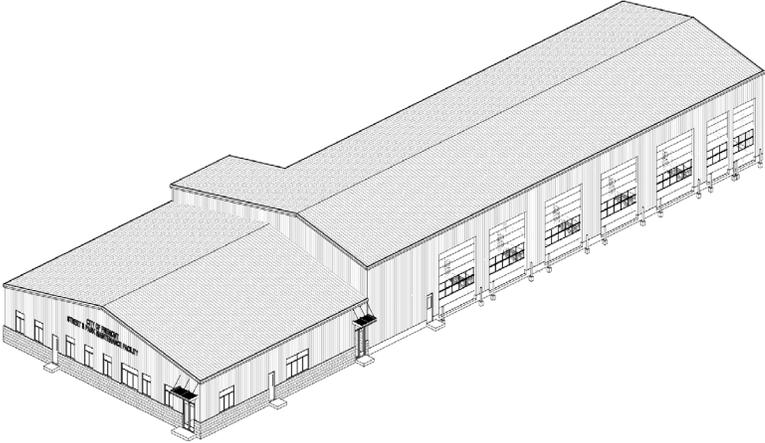
- Resolution 2024-025, Declaration of Official Intent to reimburse expenses from proceeds of Combined Utility Revenue Bonds. The bonds that the Utility takes out are issued as combined utility revenue bonds however, each fund is responsible for the bond payments as they operate as separate entities.
- The current Standard and Poor's Bond rating for the City of Fremont is AA and the Department of Utilities is AA(-) the Utility has been informed by the rating agency that the AA(-) is the highest rating possible for a system with coal generating facilities.
- October 2025 the Utility issued the first phase of combined utility revenue bonds for approximately \$20,000,000 to cover the costs associated with the modifications at the power plant and the improvements on the electric transmission and distribution system.

Street – Parks – Fleet Maintenance Building

JEO and Fremont Staff continue to work on the new Street – Parks – Fleet Maintenance building. The location of the facility is south of the existing water treatment plant on south Luther Road. The primary building area will be approximately 26,000 square feet. Approximately 13,000 square feet of the facility is wood shop, metal/fab shop, sign shop, office area, break/conference room and locker rooms. The other 13,000 square feet is the fleet maintenance area.

The auxiliary building is approximately 14,500 square feet. Its primary purpose is temperature-controlled vehicle storage and a wash-bay.

An additional temperature-controlled vehicle storage building of approximately 14,500 square feet was approved by the City Council and a change order was issued to the contractor. The project had a completion date of February 27, 2026, however, due to a variety of events the contractor requested a change to the completion date to August 7, 2026. This was approved by the City Council.



Utility Customer Service

Team

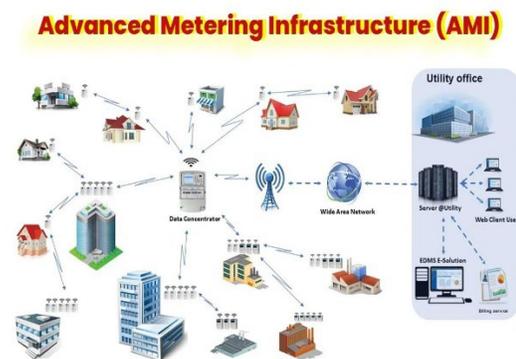
The Customer Service team consists of eight team members including Lottie Mitchell, Customer Service Director, two Customer Service Leads, one Billing Associate, two Customer Service Assistants and two Customer Service Associates.



Projects

Customer Service continues to be the front door to the Utility. The team generates utility bills, processes all payments, transfers, delinquent notices and new accounts.

1. **Emailing delinquent notices.** For the first time in the history of FDU, we now email delinquent notices. This provides next-day notification to delinquent customers, rather than waiting for postal mail delivery. We anticipate this will reduce the number of non-pay disconnects.
2. **AMI deployment.** This was a group effort to get to this point, but we have made it through the testing phase and are ready for implementation. Phase I of this project involves exchanging approximately 8,000 AMR electric meters with AMI electric meters. The deployment of the AMI is an ongoing project. This system will provide tremendous benefits when fully deployed.



We're seeing positive changes in customer payment trends. So far this year, 65.88% of all utility payments have been made remotely compared to 2022 when only 55.56% were made remotely. March 2022 is when we implemented Paymentus as our transaction manager and the ability to pay by phone, pay by text, pay using Venmo and PayPal, and use a credit card for autopay became available. The 10% increase represents approximately 17,500 additional remote payments made so far this year compared to 2022. This shows that our customers are using the self-serving tools available to them.

Another trend we're seeing is the increased use of online application and termination requests. The online forms became available September of 2023 and about 20% of all applications from September – December 2023 were made online. Today, we're seeing an average of 37%.

We continue to look for ways to meet customers where they are and provide them with tools to help them accomplish what they need.

Customer Service coordinates the Municipal Building improvements and maintenance. The building is an ageing structure in need of many improvements and repairs. The following are some of the items that have been accomplished this year:

- The exterior of the building has been pressure washed and all joints resealed.
- 2nd floor Phase II Remodel Project was completed. It included new flooring, ceiling, lighting, paint, additional offices, card swipe access, and glass front for added security.
- Phase II provided the opportunity to move customer interaction with staff to a workspace that provides better direct interaction.
- Phase II completed the work on the Municipal Building 2nd floor that also included the new City Council Chambers, new AV and voting system and updated restrooms completed in early 2025.
- An entire Municipal Building assessment is being conducted, and results will be evaluated and recommendations presented to City Council on additional improvements to the building.

The Municipal Building Remodel of 2nd floor phase 2 included additional offices added and expanded to provide space for small groups.



Electric Production

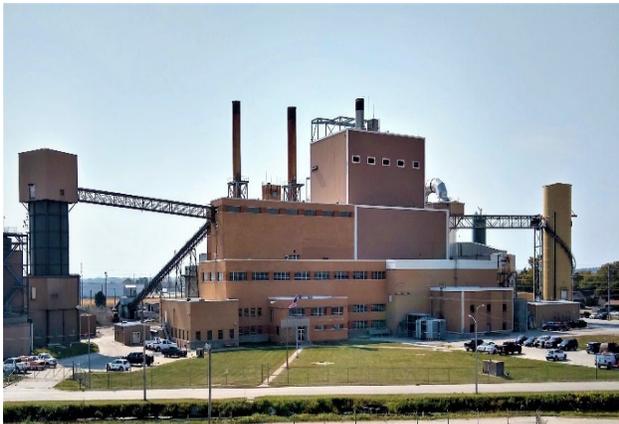
Team

The Electric Production team led by Dan Reznicek, Power Plant Superintendent consists of:

- Operations Supervisor responsible for four Shift Supervisors and respective operations crews and Statistical Technicians responsible for daily schedules and inventory control.
- The Electrical and Controls Supervisor is responsible for all electrical, controls, environmental and lab activities.
- The Maintenance Supervisor is responsible for all maintenance activities and fuel handling.

This team is responsible for all electrical generation (Lon D. Wright U6-U7-U8, Solar Array 1 and 2, Cottonwood Wind Farm, Western Area Power Authority (WAPA), and Derril G. Marshall Combustion Gas Turbine.), purchased power, transmission schedules, natural gas schedules, plant fuel supply and all activities required to keep the plant running and in compliance with the various regulations.

Lon D. Wright Power Plant



Cottonwood Wind Farm



DGM Gas Turbine



Fremont Community Solar



Major Projects

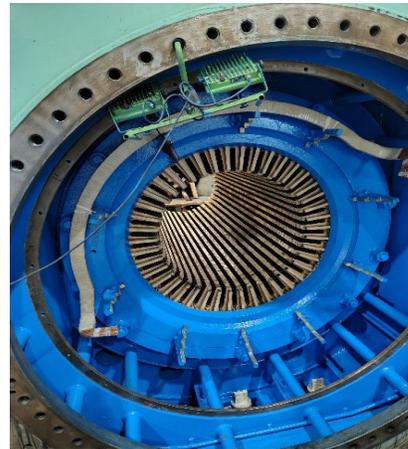
The Lon D. Wright Power Plant was involved in many projects; most are long term projects that require extensive planning to implement.

- **Two boiler inspections per year per unit.** This includes bringing in contractors to inspect the boiler tubes. Staff inspections of valves, motors, and fuel processing equipment, condensers, and cooling tower equipment.
- Crews installed the **Effluent Limitations Guidelines (ELG)** bottom ash collection system during the fall outage (outside this FY2025). This equipment is a requirement of the EPA and has been included in the State of Nebraska NDEE National Pollutant Discharge Elimination System (NPDES) permit.
- **Unit 8 Generator Stator rewind;** the stator is the stationary windings of the generator. These windings are inspected and tested during the turbine/turbine valves/generator inspections that take place at approximately 40,000 hours of operation intervals. The windings are original (48 years of operation) and the equipment manufacturer recommended that they be replaced. Along with the stator re-wind, staff replaced the high voltage bushings and current transformers, all of which are original equipment. This project was completed during the fall 2025 outage. During the re-wind of the generator contractors inspected the turbine valves, these valves are inspected at approximately 20,000 hours of operation due to the extreme operating conditions.

U8 Generator Stator being installed



U8 Generator Stator Inside / Field Removed



- The ELG and Stator re-wind were scheduled to be completed during the same outage to minimize unit downtime and reduce the amount of energy purchased to serve Fremont demand.

Transmission and Distribution (T&D)



Team

The Transmission and Distribution team led by Al Kaspar, Director of Transmission and Distribution, consists of one Assistant Director of Transmission and Distribution, one Distribution Superintendent, one Tree Trimming Supervisor, one Electric Metering Supervisor and four Line Crew Supervisors along with Engineering Associates, Line Workers, Electric Service Technicians and Tree Trimmers.

This team is responsible for all overhead and underground electrical transmission and distribution equipment, including substations and system protection. The team is also responsible for city street lighting and traffic signal maintenance.

On February 13, 2024, the City Council approved a memorandum of understanding with OPPD and NPPD for the purchase and installation of a ~100 MVA transformer and associated equipment at the NPPD/OPPD substation that is connected to Fremont Substation D. This transformer will provide additional capacity at that interconnection to Fremont and improved reliability when LDW U8 or the combustion turbine is unavailable. Fremont agreed to pay for the capital cost of the transformer and equipment and OPPD will pay for the ongoing operation and maintenance expenses for the life of the transformer and equipment. The project is ongoing, Fremont, OPPD and NPPD continue to monitor the schedule and discuss installation and commissioning.

Major Projects

- In Fall of 2025, Fremont generation Unit 8 conducted a major overhaul including a stator rewind. The extended outage resulted in system loading concerns and increased vulnerability to tie line outages and possible load shedding. T&D personnel worked with power plant operations to monitor system conditions and maintain readiness to respond daily.
- FDU is evaluating near-future generation additions to the system as well as working with OPPD on joint transmission planning efforts. We also continue to work with NPPD on a 2027 transformer addition to NPPD's Fremont Substation.

- The team is nearing completion of a multi-year SCADA upgrade for all utilities, including Electric, Water, Sewer, and Gas. The last Substation will be completed in early 2026.
- The team wrapped up construction of the Fremont Substation G Upgrade and added two 28MVA Substation Transformers along with 69kV Circuit Breakers, and a 15kV Shelter Isle.



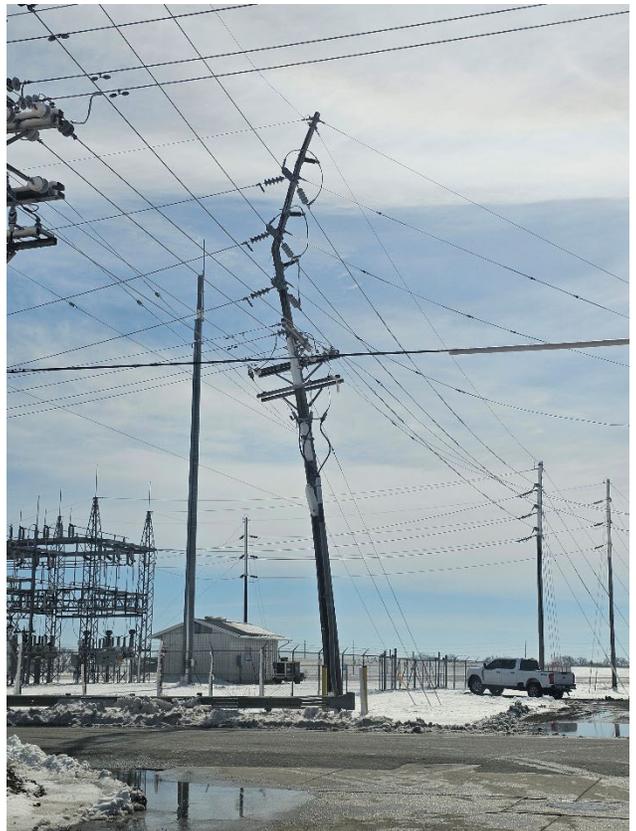
- Switchgear. Crews are currently finishing the duct lines for the 15 kV circuit getaways. The Upgrade will provide capacity for potential Inland Port-Authority related projects.
- The team awarded a contract to Virginia Transformer for a replacement unit for the T1 transformer at Substation A. The existing unit is 60 years old and starting to show signs of increased DGA results and excessive heating in the summer months. The new unit is scheduled to arrive in March of 2026.
- FDU was awarded a Grid Resiliency Grant from the DOE which will provide \$2 Million in grant funding to relocate one circuit of a double-circuit Fremont Sub G to Sub B transmission line off Luther Road over to the East side of the Hwy 275 bypass. Design considerations and provisions are being included to account for potential substation or tie-line interconnections, as well as a potential substation that could help serve the Inland Port Authority area.
- Implementation of a three-utility AMI system by Open Access Technologies Inc. was kicked off. A smaller initial pilot installation has already been completed. The project will include water and gas Meter Interface Units to make the system fully AMI across all three utilities.
- Continued Implementation of a multi-utility GIS system. The current platform is Subsurface Solutions for field collection purposes, with plans to transfer to an ESRI based platform in the future.
- The department and city experienced a major snowstorm/blizzard in March which included city-wide blackout for a few hours.
- During 2025, the team tested 2,000 distribution wood poles and replaced the Red Tags (~100).
- Services were installed to multiple new commercial and industrial customers, and 150 new residential lots.
- The department received requests for Net Metering for rooftop solar installations.
- Replaced 2 miles of underground primary cable in residential subdivisions.
- Implemented a new Lineworker training program; since the start of the new program have only lost 1 employee which was due to a career change.
- Provided Mutual Aid to OPPD two times during the year.

March Winter Storm

The Electric System was dramatically impacted by the March major snowstorm/blizzard that included a city-wide blackout for a few hours. Restoration efforts included working FDU and Mutual Aid crews for (9) 16-hour days, followed by two weeks of 10-hour days. Damage to the Fremont system included a half mile of 69 kV transmission down, damage to several other 69kV structures, and replacement of over 100 wood distribution poles.

The distribution system damage caused outages at the Wastewater Treatment Facility, Water Treatment Facility, and City Wells and Lift Stations. The damage on the system resulted in U6 and U7 tripping from ice falling and tripping breakers. All the facilities were operational utilizing back-up emergency generators.

The storm also caused major damage on two of the three interconnecting transmission lines resulting in those circuits tripping and requiring major rebuilds by OPPD and NPPD. When the third interconnection tripped Fremont U8 tripped causing a total city blackout. Fremont Staff and OPPD quickly restored power to Fremont's transmission system and then to the distribution system that was intact.



Awards

In 2024 the Fremont Department of Utilities Electric System received the APPA Excellence in Reliability award for the 7th consecutive year. This award is a direct reflection of the dedication of the Transmission and Distribution and Production teams.



Natural Gas System

Team

The Natural Gas team led by Gary Ogden, Gas System Superintendent consists of:

- Gas Crew Supervisor responsible for daily activities of the installation and maintenance of the natural gas system and Gas System Workers
- Gas Service Supervisor responsible for the daily activities of the natural gas service workers.
- Locating Team of three staff that perform all the utility underground locates. The team trained and implemented new locating equipment and software to interface with the Nebraska 811 system.

System

The Natural Gas System consists of all piping, regulator stations, and metering equipment. The system also includes the Peak Shaving plant. The plant operates on propane and air mixture and is injected into the natural gas system on extremely cold days. These days are called “Critical Days” as called by Northern Natural Gas. Below is a picture of the propane vaporizer that was installed and tested. This system is tested monthly to make sure that the system is available when needed.

Fremont Natural Gas system connects to Northern Natural Gas through two Town Border Stations (TBS) with a total pipeline capacity of 28,210 MCF/Day in the winter months and 17,861 MCF/Day in the summer months. The capacity includes the 1,326 MCF/Day that Northern Natural Gas awarded Fremont in October 2025 through an open season without any capital investment by the utility. The Natural Gas winter season is November 1 through March 31 and summer season is April 1 through October 31.

Peak Shaving Plant



Fremont / Northern Natural Gas storage agreement continues, Fremont has contracted for 374,510 Dth/Day storage capacity.



Natural Gas Supply

Natural Gas Asset Management

The City of Fremont Department of Utilities Natural Gas System has firm pipeline capacity for both winter and summer seasons. Fremont forecasts a schedule of natural gas demand a week in advance and then a daily commitment. Fremont does not always need all the capacity that is purchased, as a result the Natural Gas Asset Management Company will pay Fremont a monthly fee for the ability to assign that pipeline capacity to other users. BP will pay Fremont a base contract amount of \$33,333.33 per month. The cost per month is allowed to change based on the additional capacity that Fremont purchases and the amount of the capacity available for resale.

Prepay Natural Gas.

Fremont participates in four pre-pay natural gas contracts. These pre-pay agreements provide Fremont with a discount on natural gas purchases.

<ul style="list-style-type: none">• Central Plains Energy Project - 3• Central Plains Energy Project – 4	<ul style="list-style-type: none">• Minnesota Municipal Gas Agency• Public Energy Authority of Kentucky
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Prepay natural gas are long-range natural gas agreements that provides Fremont the opportunity to submit a portion of Fremont’s natural gas needs into the project for an extended period usually 40-50 years with 5–7-year refinance periods. The prepay public utilities issues bonds based on the commitment from the participating public utilities that they are going to utilize the natural gas for their customers. Based on the bond proceeds the participants (public utilities) get a discount on each unit of natural gas allocated to the prepay project. The prepay bonds are eligible for refinancing and the interest rates established will provide Fremont with a discount for the term of the bonds

Qualifications

The Natural Gas Department implemented new Operating Qualifications procedures and testing. The team also worked with regulators to implement a new standard for Operating / Maintenance and Emergency response procedures.

The team worked with a third-party vendor to develop and implement a public awareness and effectiveness program that sent flyers to all our customers and compiled the results as

required for our operations program.



Water Production / Distribution Sewer Collection Systems

Team

The Water / Sewer Team saw a change in leadership in 2025 with the retirement of Keith Kontor. The Department of Utilities would like to congratulate Keith on his retirement and thank him for his many years of service to the rate payers of Fremont.

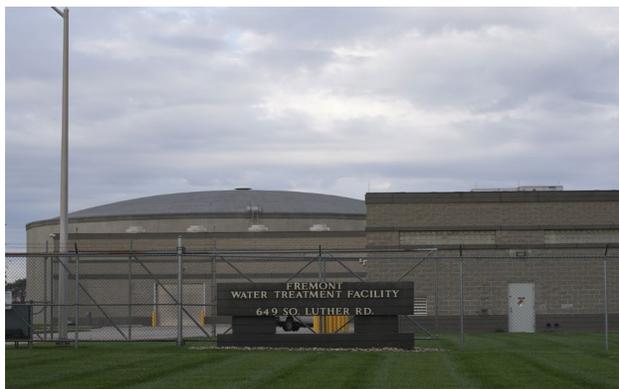
The Utility would like to welcome Eric Furhmeister as the new Water / Sewer Superintendent. Eric started in November 2025 and has been working on learning the system and reviewing all the projects that are currently being planned.

This team is responsible for all Water production, treatment and distribution. In addition, the team is responsible for all sewer lift stations and the sewer collection system.

The water system consists of the Municipal Water Treatment and Storage facility, the well field wells and the intown wells.

The sewer collection system consists of sewer lift stations around Fremont and the collection piping in town and the transmission lines to the Wastewater Treatment Plant.

Fremont Water Treatment Plant



Major Projects Completed / Ongoing

- The team rebuilt three lift stations that included installing new pumps, guiderails and piping. These rebuilds improve pump station reliability and efficiency.
- The water storage facility is a 5,000,000-gallon tank that provides storage for the water distribution system. The storage tank was drained, cleaned and inspected. While the tank was out of service staff took advantage to rebuild the altitude valve. This is the pressure control valve for the water treatment facility.
- Every year the water / sewer department plan on lining a portion of the sanitary sewer mains and rehabbing sanitary manholes. This year the department hired a contractor to line 4,000 linear feet the main sewer and rehab 8 manholes.
- The Water Department Team had a hydraulic model completed of the entire water system. With the resurface project of Broad Street, the Water Department took the opportunity to replace a 4" water main with a 6" water main to remedy a deficiency found in the model.

- Crews continue to GIS all the water and sanitary sewer underground piping. They are also collecting manhole rim elevations, main locations, pipe sizes and flow paths. All this information is compiled to assist with locates and planning.
- Staff continue to investigate the water services for the lead pipe rule. This is a multi-year project that involves the Fremont Team, homeowners, and the State of Nebraska.
- Crews worked to relocate the water line for the construction of the amphitheater in John C. Fremont Park. This included relocating the line, capping the existing line, and installing a flushing hydrant.

Below are photos of the Water / Sewer Department Team in action.



Wastewater Treatment Plant

The Wastewater Treatment Facility Team also saw a change in leadership in 2025 with the retirement of Keith Kontor. The Department of Utilities would like to congratulate Keith on his retirement and thank him for his many years of service to the rate payers of Fremont.

The Utility would like to congratulate Scott Seelhoff who was promoted from Assistant Wastewater Superintendent to Wastewater Superintendent.

This team is responsible for all operations, maintenance and permitting activities at the Wastewater Treatment Facility.

- The Wastewater Treatment Plant Superintendent is responsible for daily activities of the Wastewater Treatment Facility, WWTP staff, daily operation, and maintenance activities and long-range planning

Fremont Wastewater Treatment Plant



Major Projects

- Egg Shaped Digester (ESD-1) was removed from service for cleaning and inspection. The cleaning was scheduled because of bypassing the pretreatment of the plant during the last construction project. While the Egg was empty it was inspected for any issues, finding none, it was put back into service. Egg Shaped Digester (ESD-2) is scheduled for cleaning and inspection CY 2026.
- The March winter storm had a major impact on the Wastewater Treatment Facility. The power to the facility was completely destroyed and needed complete rebuild. Staff brought in two separate generators to keep the biological process alive to continue to treat wastewater. During those 7 days the plant never lost treatment or went outside of NPDES permit levels.
- Staff worked with the vendor on a major rebuild of centrifuge #2 for processing sludge. This machine is a swing machine capable of doing both the thickening and the dewatering side of the process. GEA was the OEM of the machines was onsite to do the needed work. The plant has an inspection agreement with GEA, to inspect the other two centrifuge machines. Centrifuge #3 unit is slated to have its major rebuild work done in 2026.
- In 2025 Fremont and Arlington started conversations to extend the agreement for sewer treatment. Once completed that agreement will be sent to City Council for approval. Arlington owns and operates the collection and transmission system to the City of Fremont Wastewater Treatment Facility.

Awards

The Fremont Wastewater Treatment Plant along with HDR Engineering was awarded a 2025 honor from the American Council of Engineering Companies. At the Fall Wastewater Conference, the Fremont Wastewater Treatment Staff and Facility were awarded a Gold Safety Award, Best in Class Large Facility for the Scott Wilber Award, and the Water Environment Federation Burke Award for outstanding safety program over the last 3 years.

In 2025, the City of Fremont Department of Utilities faced both challenges and opportunities for advancements. The DU team successfully managed operations, maintained infrastructure, and delivered customer services while ensuring reliable and efficient utility systems.