



Lincoln Electric System Operations Center

Frequently Asked Questions

Why does LES need a second operations/service center?

The need for a second location is driven by several major factors. Those include the current and future growth of LES' customer base and service area, customer response and travel time to support services in the south and southeast parts of the community, and the mitigation of risk. Currently, all LES equipment and materials are housed in a single location within the 100-year flood plain. As the city has continued to grow, it has become more challenging to provide prompt response to outages from our single, north service center. A south operations center will allow us to better serve all of our customers.

An extensive siting process was followed, including a formal request for proposals for land parcels, evaluation of submissions, possible co-location discussions with other city and county government agencies, and a comprehensive physical site and infrastructure analysis.

Where will the new operations/service center be located?

The southwest corner of South 98th Street and Rokeby Road.

Why did LES choose this location?

LES identified the southeast quadrant of the city as the preferred area for a new facility based on several factors: the geographic growth in population and service area, adequate distance between the two locations to allow for response redundancy, available land parcel of 80+ acres not located in a prime development area (Tier I), and the mitigation of risk to the organization in the event of a natural, or man-made disaster to its current facility.

Who will pay for the new operations/service center? Will this new facility require a rate increase?

LES customers, inside and outside of the city limits, will pay for this construction like all other system improvements as part of the electric rates. However, while rates may increase in future years, other factors will more likely be the major drivers of any proposed increase.

This location is outside the city limits. What does this mean as far as the customer city dividend charge and the payment in lieu of taxes?

The LES Operations Center will have no effect on the city dividend payment or the in-lieu-of-tax payment. LES pays a city dividend to the city of Lincoln that is collected from all customers of LES whether they are in or outside the city limits. LES pays an amount in lieu of taxes that is calculated from the gross revenues of LES. The second location will have no effect on the amount of this payment.

When will the project be completed?

LES will complete the project in two phases rather than a full build out, addressing critical needs first, such as securing a co-location to house LES equipment and materials outside of the flood plain. The first phase of the project is scheduled for completion in spring 2019. Phase 2 is anticipated to be complete in spring 2021.



As a customer/owner, will there be opportunities for customer input at public meetings?

Yes. LES will host an open house, allowing employees and customer/owners to discuss the project and view more details as the project progresses.

Who is going to build the new operations/service center? How was this determined?

A construction manager at risk (CM@R), a similar process to one used to build the Pinnacle Bank Arena and West Haymarket improvements, will be used for the actual construction. A formal process for selection of a CM@R is outlined in the Political Subdivisions Construction Alternatives Act and will be followed by LES.

What criteria did LES use to determine its land purchase?

- Future proximity to major paved roadway
- Future access to city utilities
- Dependence on off-site aspects
- Proximity to LES' desired target area
- Adjacent land uses
- Topography
- Visibility
- Environmental
- Developable acres
- Dimensional compatibility with site layout
- Grading
- Off-site development costs

Will I still be able to pay my electric bill at a downtown location?

We are working on determining the location for bill-payment services to best serve our customers. No decision on an exact location has been made yet.

What does LES plan to do with its downtown building?

LES will formally surplus and sell the six-story downtown building. Money from the sale of the building will go to offset some of the costs of the new operations/service center. LES believes in responsible fiscal management and wants to ensure that customers do not pay for the ownership of three buildings when two will do.

Will LES keep its 27th & Fairfield location?

Yes. To serve and protect our customers, and mitigate risk, LES will continue to house some equipment, personnel and vehicles at this location.

How many employees will be located in the new operations/service center?

After Phase 1 construction is completed, approximately 80 employees will be located at the new site. Upon completion of the second and final phase of the project, approximately 250 additional employees will be at the new site.



What does LES plan to do in regards to fire and rescue?

The safety and wellness of LES employees is a priority. LES has reached an agreement with Lincoln Fire and Rescue to provide primary fire and rescue services to the new site. The Bennet Fire District and the Southeast Rural District also will be responding agencies, if needed.

Will LES use sustainability measures when building the new facility? Solar, heat pumps, lighting, etc.?

Yes. As good environmental stewards, LES is looking at various sustainability efforts in both construction and in the operation of the second facility.