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Walter Scott Midlander of the Year He Gives Time, Money And 'Seal of Approval' Previous World-Herald Midlanders of the Year

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Where horse racing once flourished in Omaha, 2,000 students now study to become engineers and computer scientists.

These students attend classes at the Peter Kiewit Institute, which combines the resources of the University of Nebraska-Lincoln's engineering college and the University of Nebraska at Omaha's technology education program.

To no one's surprise, the man most responsible for Ak-Sar-Ben's new high-tech role is Walter Scott Jr., retired chief executive of Peter Kiewit Sons' Inc., the Omaha-based construction giant.

When visionary community leaders such as Scott join forces with higher education and work vigorously, great things can happen, UNO Chancellor Nancy Belck said.

"The Peter Kiewit Institute, which he conceived and made happen, is an excellent example," she said.

With many other projects as well, Scott has given the money, raised the money and provided the leadership that have enabled them to move ahead. He made large contributions, for example, to help build the Omaha convention center-arena and the aquarium at the Henry Doorly Zoo.

Today, Scott is honored as The World-Herald's Midlander of the Year.

While Scott and his wife, Suzanne, have stayed low key about their philanthropy, their gifts over the years have totaled between \$ 90 million and \$ 100 million, their charitable foundation's records and interviews with people close to the Scotts indicate.

But what sets Scott apart isn't so much the money that he has given personally as it is his ability to raise money, said C.R. "Bob" Bell, president of the Greater Omaha Chamber of Commerce.

For almost any major project proposed in Omaha, Bell said, "Walter has become the certified, credible seal of approval."

Scott said he gets genuine enjoyment from his involvement in projects that improve quality of life, make the city and the state better for businesses or provide new opportunities for young people.

"I feel good about the community and a lot of the people I have the opportunity to be with," Scott said.

Investor Warren Buffett, a close friend of Scott's, said, "Walter gets excited about things that will help the city and state."

Scott's contributions of money and leadership include these:

Over his 16 years as chairman of the Henry Doorly Zoo board, Scott joined Dr. Lee Simmons, the zoo director, in transforming the zoo into one of the nation's best. There is an unusually effective collaboration between an innovative zoo leader with an endless stream of ideas and a man who finds the resources to support that creativity.

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At a critical time for Joslyn Art Museum, when the museum was struggling to make its budget in 1987, the museum's chairman asked Scott to form a new, more powerful board. Scott persuaded the city's top private-sector leaders to join the board. The museum gained new momentum and its addition was named for Scott and his wife. Scott and others led an \$ 80 million campaign to expand Joslyn and refurbish the Durham Western Heritage Museum.

The Scotts finance 150 full-ride scholarships for students at the Peter Kiewit Institute. That number will increase to at least 200 next fall. In all, the Scotts are responsible for 300 to 350 scholarships at several colleges. They include 100 scholarships a year under a new program with the Horatio Alger Association for Nebraska high school graduates who have overcome adversity, achieved some success and want to attend college but need financial help.

Along with retired Valmont Chairman Robert Daugherty, Scott led a drive that raised \$ 30 million to build the Strategic Air Command Museum at the Mahoney State Park interchange on Interstate 80 between Omaha and Lincoln.

Walter and Suzanne Scott established the Omaha Award for great ideas that improve the community, with an annual grant of \$ 1 million to carry out the winning idea. This year's prize went to a collaborative neighborhood development project.

When the Triple A baseball team now called the Omaha Golden Spikes was about to be sold in 1991, Scott joined an investment group that included Buffett and the Union Pacific Railroad to buy the team for \$ 5million, keeping it in Omaha.

Scott's gifts outside the Omaha area have included \$ 100,000 toward the Great Platte River Road Archway Monument over Interstate 80 at Kearney and \$ 250,000 to Hastings College during the past three years.

Scott made a substantial gift this year toward the \$ 75 million private contribution to Omaha's planned \$ 290million convention center-arena northeast of downtown. Drive leader Ken Stinson declined to disclose the size of Scott's gift but said it trailed only the \$ 25 million donated by the Peter Kiewit Foundation.

After being asked to lead the private drive, Stinson went to Scott for his reaction. "If he had said, 'You're nuts,' I wouldn't have done it," said Stinson, who succeeded Scott as Kiewit's chief executive.

At that point, Scott had some reservations, although he said he would support the convention center project if Omaha voters approved it. But he was wary of city government involvement and wanted it built and run by a business-oriented board similar to the Omaha Airport Authority's board.

Business leaders pressed the City Council to give voters that choice. The council agreed, and so did the city's voters.

The semi-independent Metropolitan Entertainment and Convention Authority will build and run the center.

Scott, 69, brings a steady, methodical, no-nonsense approach to his tasks. "I've never seen him get angry," his wife said.

He gives money and raises money, then dives into the nitty-gritty of planning the project. He travels to other cities to bring back the best ideas. He works with others to find answers.

"People talk about Peter Kiewit being a common man," Suzanne Scott said. "Walter is the second common man. He's as ordinary as an old shoe."

Walter Scott reads three newspapers each day and several business and engineering magazines. Sometimes he just sits and thinks.

He retired as Kiewit's chief executive in 1998 but never slowed down, his wife said. He arises at 5:10 a.m., exercises and usually is in his Kiewit Plaza office by 7:30 a.m.

Scott lost one battle. He was a behind-the-scenes force along with other business leaders in 1998 in proposing Initiative 413, which was intended to constitutionally limit state and local tax collections. Voters soundly defeated the proposal.

Walter Scott never worked for any company other than Peter Kiewit Sons' Inc. The Omaha native joined Kiewit after earning an engineering degree from Colorado State University. It was a logical decision. His father was a close associate of Peter Kiewit.

Scott rose through the ranks as an engineer and a manager of Kiewit projects at scattered locations, moving 17 times and once living with his young family over a neighborhood bar.

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When Peter Kiewit died in 1979, Scott became the firm's chief executive. The construction company then ranked among the nation's dozen or so largest, winning a reputation as a builder of huge underwater tunnels, power plants and Interstate projects.

Scott kept Kiewit at the high level of building activity achieved by Peter Kiewit. In the latter part of his career, Scott used the firm's huge resources to get the company in on the ground floor of a communications explosion.

Kiewit formed MFS Communications and, later, Level 3 Communications. Both companies produced large stock gains for many of Kiewit's 1,400 employee shareholders and made hundreds of them millionaires after the companies were spun off as separate entities.

Scott's own wealth soared to \$ 3.5billion, as estimated by Forbes Magazine in September. However, the stock price of his large Level 3 holdings has dropped by 60 percent since Aug.31.

Scott's first wife, Carolyn, died in 1983. He married Suzanne in 1987. He has four grown children; his wife has two grown sons.

Scott led Kiewit for 19 years before retiring.

Omaha suffered a setback when it lost Level 3, which is building a worldwide communications network. Level 3 needed 4,000 or 5,000 new high-tech employees within its first few years and decided it must locate its headquarters in a place perceived by potential employees as highly attractive.

A national survey indicated that the Denver area would offer the biggest edge, so Level 3 moved there two years ago.

Scott, Level 3's board chairman, agreed with the company's decision to move but hated to see the loss to Omaha. Ten years from now, given all that is happening, Omaha might have much of what it needs to hold and even attract high-tech companies, he said.

The city already has the Peter Kiewit Institute, and Scott expects the institute to gain stature over time as a leader in high-tech education.

The story of how the institute came to be established is a story of Scott's determination to bring about a change that he saw as essential.

Five years ago Scott stood in the forefront of Omaha business leaders who contended that the University of Nebraska system offered too little engineering education in Omaha. After months of behind-the-scenes talk, nothing seemed to be happening. Proposals for improvement were bogged down in academic bureaucracy, or so it seemed to Omaha's business community.

One hundred members of Omaha's business community, sensing that dramatic action was necessary, signed a letter saying they would withhold further financial support to NU until they saw evidence of a commitment for change.

"We needed to get somebody's attention," Scott said in a recent interview.

They got attention and, together with NU's planners, administrators and regents, they got results. The vision, originally focusing solely on engineering, expanded to include cutting-edge computer technology.

The Peter Kiewit Institute for Information Science, Technology and Engineering has risen southeast of 68th and Pacific Streets. It combines the resources of UNO's College of Information Science and Technology and UNL's College of Engineering and Technology.

Scott easily ranks as the No. 1 supporter.

Of the \$ 70 million to establish the institute, \$ 47 million came from a private drive led by Scott. The Nebraska Legislature provided the other \$ 23 million.

Personally, Scott has given more than \$ 25 million - including \$ 4million for the start-up drive, \$ 15million to build a student dormitory and a conference center and \$ 7million to construct a business and technology research center, as well as \$ 1million a year for scholarships.

Of the \$ 70 million in startup money, about half paid for the classroom structure and equipment, and the other half financed endowments for faculty, student scholarships and program improvements.

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"Walter builds beyond the brick and mortar," said John Gottschalk, chairman of the Omaha World-Herald Co. and publisher of the newspaper. "He builds people."

As chairman of the institute's Board of Policy Advisers, made up of business executives, Scott helps make sure the curriculum keeps pace with technological change.

Scott likes to move quickly. In 1999, just four years after he led the complaints about Omaha's engineering education, the Peter Kiewit Institute's classroom building opened.

Sometimes Scott's involvement with community organizations stretches over decades. He joined the Henry Doorly Zoo board in 1975. Nine years later he became board chairman, a position he still holds.

Among all his community endeavors, Scott says, the zoo has given him the most fun.

There has been a string of impressive projects. They include the Lied Jungle, the Scott Aquarium, the Lozier IMAX Theater, a Wildlife Safari Park on the Platte River 23 miles west of the main zoo and a \$ 30 million Desert Biome under construction.

The zoo drew a record 1.1 million visitors last year, ranking as the state's leading tourist attraction, and it has exceeded that number this year.

At the zoo, at the Peter Kiewit Institute and in all of his endeavors, what Scott is really interested in achieving is excellence, said Del Weber, a former UNO chancellor and now president of the Omaha Community Foundation.

"The Kiewit Institute wouldn't have happened without him," Weber said, "and it wouldn't have worked without him."

Previous World-Herald Midlanders of the Year

1999 - Volunteers

1998 - Nebraska Gov. Ben Nelson and Iowa Gov. Terry Branstad

1997 - Tom and Nancy Osborne

1996 - Sen. J.J. Exon

1995 - The Lied Foundation and its trustee, Christina Hixson.

1994 - Jack Diesing Sr. and Jack Diesing Jr., College World Series service.

1993 - Teachers.

1992 - Foster-care families.

1991 - Dr. Lee Simmons, Henry Doorly Zoo director.

1990 - Men and women in Operation Desert Shield.

1989 - Harold W. Andersen, retired World-Herald publisher.

1988 - Sen.-elect Bob Kerrey.

1987 - Northwestern Bell President Jan Stoney.

1986 - Governor candidates Kay Orr and Helen Boosalis.

1985 - State Sen. Jerome Warner.

1984 - Families of the Land (farmers, ranchers and their families).

1983 - Nebraska football backfield: Irving Fryar, Turner Gill, Mike Rozier, Mark Schellen.

1982 - UNL Chancellor Martin A. Massengale.

1981 - Eugene T. Mahoney, Nebraska Game and Parks director.

1980 - Builder Peter Kiewit and Creighton President Carl M. Reinert.

1979 - Nebraska Football Coach Tom Osborne.

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1978 - Nebraska Sen. J.J. Exon and Iowa Gov. Robert Ray.

1977 - Year of the Educator: Omaha Superintendent of Schools Owen Knutzen, classroom teacher Sammy Jackson, Creighton President Joseph Labaj and UNO Chancellor Ronald Roskens.

1976 - University of Nebraska President D.B. Varner.

1975 - Year of All the People: survivors of drought, blizzards and the Omaha tornado.

1974 - Nebraska Gov. J.J. Exon.

1973 - Educator Anne Campbell and Omaha Councilwoman Betty Abbott.

1972 - Omaha Mayor Eugene Leahy.

1971 - Environmentalists James Malkowski and Deanie Anderson.

1970 - Nebraska Football Coach Bob Devaney.

1969 - Youth of the Midlands.

1968 - Clifford Hardin, NU chancellor and U.S. secretary of agriculture-designate.

1967 - Nebraska Gov. Norbert Tiemann.

1966 - Midlands farmers.

1965 - Omaha Mayor A.V. Sorensen.

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GRAPHIC: Color Photo/1 **FUN PLACE:** Walter Scott Jr. inside the skeleton of the Henry Doorly Zoo's Desert Biome, still under construction. Among Scott's community endeavors, the zoo gives him the most fun. **B&W Photo/1 WALTER SCOTT:** He retired as chief executive of Peter **Kiewit** Sons' Inc. in 1998, but he hasn't slowed down, says his wife. He arises at 5:10 a.m., exercises and usually is in his **Kiewit** Plaza office by 7:30 a.m.; **BILL BATSON/WORLD-HERALD/1sf/1**

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