

WaterOne Governing Board

Terry Frederick, Chairman
Rob Olson, Vice Chairman
Dick Noon, Member
Bob Reese, Member
Jim Vader, Member
Joe Vaughan, Member
Dick Weisser, Member

The *Pipeline* is published for our business and community partners. Email questions about the WaterOne Pipeline to ekoutelas@waterone.org or call (913) 895-5540.



Water District No. 1
 of Johnson County
 10747 Renner Boulevard
 Lenexa, KS 66219

Setting the Standard for Utility Excellence

The Water Board meets the second Tuesday of each month at 7:00 p.m. at the Byron N. Johnson Administrative Headquarters and Service Center, 10747 Renner Boulevard, Lenexa. The meeting agenda can be accessed at: www.waterone.org. If you have questions about the Board agenda, please call Jill Bell, Board Secretary, at (913) 895-5513.

PIPELINE



Chairman's Corner

Building for the Future

Terry Frederick The year is off and running and the Board Chairman months of January and February are already history. It is a pleasure to continue to serve as WaterOne Board Chairman along with the Board Vice-Chairman, Rob Olson.

We, along with our fellow Board members, look forward to a challenging year ahead. One of the major projects the utility has underway is Phase V of our Master Expansion Plan. Design work has begun on this project and construction will begin late this year on a new treatment plant and installation of a 60" water main in Wyandotte County to ensure availability of our future water supply. This project is scheduled to be on-line in 2009.

Many other projects and decisions will be coming before the Board and its committees in the months ahead. I would like to remind you of the various Board committees and committee chairs:

Administrative Committee
 Dick Weisser, Chairman
Finance Committee
 Bob Reese, Chairman
Governmental/Community Relations Committee
 Joe Vaughan, Chairman
Operations Committee
 Jim Vader, Chairman
Retirement Committee
 Dick Noon, Chairman.

These committee assignments run for two years. This term began in 2005 and will run through April, 2007.

If there is anything we can do to be of service, please don't hesitate to let us know.

Water Rate Increase Implemented January 1, 2006

A 4.3% water rate increase was implemented on January 1, 2006 for all residential and commercials customers of WaterOne. The increase impacts a typical residential customer's water bill by an average of \$1.20 per month (or \$2.40 per bi-monthly bill.)

WaterOne has only had three rates increases since 1998 as shown on the graph below. Funding to pay for capital projects was the primary driver for the increase in 2006. It was also needed to meet inflationary increases in operating costs, such as power and chemicals.

WaterOne's Governing Board approved the water rate increase at its December 13, 2005 monthly meeting. Prior to that, two budget work sessions and a public hearing were held with the Board to discuss the proposed 2006 Budget.

The utility continues to look for efficiencies to keep rates as low as possible. Only one new position was approved in the 2006 Budget and more customers per WaterOne employee are served this year than in any previous year.

WaterOne also continues to receive ongoing savings from innovative programs previously implemented, such as an Automated Meter Reading (AMR) on commercial accounts, installation of a new computer system, and implementation of an energy savings program to cut operating costs associated with water treatment.



System Development Charge (SDC) Increased Implemented in 2006 3-Year Phase-in Approved

On January 1, 2006, an increase to WaterOne's System Development Charge (SDC) was implemented. The increase was necessary to fund future expansion. It supports the utility's philosophy that new customers to the water system should fund increasing capacity needs rather than existing customers.

The SDC was first implemented in 1978. The 2006 increase in the amount of \$630 was the first increase to the charge since 1999. Additional increases are scheduled in 2007 and 2008. The current SDC for a 5/8" meter is \$2,980.

WaterOne Appreciates Wyandotte County Support for Phase V

Phase V of WaterOne's Master Plan calls for construction of a new treatment facility near the Missouri River, and installation of a 60" pipeline through Wyandotte County. Last year, a series of public informational meetings were held to discuss these projects. Meetings were held in Kansas City, Kansas, as well as, Bonner Springs.

WaterOne is appreciative of the cooperation they have received from landowners along the proposed pipeline route, as well as from the staff at Unified Government and elected officials. WaterOne's General Manager, Mike Armstrong, stated, "We expected the citizens of Wyandotte County to have questions about the project and how it would impact them. It has been our desire from the beginning to make sure those questions are answered to their satisfaction and to forge a positive relationship with them. The cooperation we have received has been extremely gratifying."

The new facilities are needed to meet projected growth and future customer demand within WaterOne's service area. Design work on the project has already begun and construction is scheduled to begin in the spring of 2007. When completed in 2009, Phase V will increase WaterOne's system capacity by an additional 30 million gallons per day (mgd), bringing its total system capacity to 210 mgd.

Additional information about Phase V can be accessed at www.waterone.org.

Population projections indicate additional capacity will be needed by 2009. The phased-in increases will offset construction costs for Phase V of WaterOne's Master Plan which includes building a new treatment plant and 60" main in Wyandotte County.

A series of informational meetings were held in the fall of 2005 with local developers, builders, and area Chamber of Commerce leaders. Feedback from these groups resulted in the 3-year phased-in approach to SDC increases that was ultimately adopted by WaterOne's Governing Board.

Low Water Weir to be Built on Kansas River

The WaterOne Board has approved a proposal to build a low water weir on the Kansas River as a long-term solution to problems that have occurred along the utility's Kansas River jetty. The jetty is a low water rock structure that is critical for diverting water into the utility's Kansas River intake. The Kansas River is one of two primary water sources of water for the utility.

In March of 2004, a significant breach occurred in the jetty causing the loss of the surface water intake as a source of supply. Fortunately, drinking water demands at the time were such that WaterOne was able to adequately supply the water needs of its customers completely from the Missouri River. The cost of the jetty repairs in 2004 exceeded \$1.7 million, and additional dollars have been spent since then to maintain the structure and keep it in working order.

Because of the March 2004 breach, WaterOne commissioned consulting engineers Black & Veatch to evaluate the conditions that caused the breach and make recommendations regarding a long-term solution. They found that river degradation had made the existing jetty unstable. Multiple options were evaluated and their recommendation was to construct a new low water weir upstream of the current rock jetty.

A new, permanent weir was determined to be a much more reliable structure that would be unaffected by continued river bed degradation and not be susceptible

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WaterOne Hosts Municipal Information Breakfast

On March 3, 2006, WaterOne hosted a Municipal Information Breakfast for local municipalities served by WaterOne. Attending were administrators, attorneys and public works personnel from area municipal governments.

The purpose of the meeting was to introduce WaterOne's engineering staff to the various municipality staffs, as well as, brief them on mutual issues of importance.

Among topics covered during the presentation were WaterOne's history, its finances, legal authority, master planning and main relocation considerations.



Lenexa City Attorney, Cindy Harmison, and City Administrator, Eric Wade, were among approximately 35 attendees at the breakfast meeting.

Low Water Weir to be Built on Kansas River continued...

to breaches like the one in 2004. The low water weir will also help prevent bank erosion by preventing down cutting of the river channel, and protect important environmental habitats along the Kansas River from Lawrence to the WaterOne intake site.

Construction of the weir is expected to begin in the fall of 2006 and be completed by summer of 2008 at an estimated cost of \$15.2 million. Some federal funding has been made available for the Kansas River reconstruction project. In 2005, \$500,000 was earmarked by Congress for an EPA State and Tribal Assistance Grant (STAG) as part of an Interior Appropriations Bill. WaterOne anticipates asking for additional assistance this year.

Project Update

WaterOne has several major construction projects in progress around its service area. Following is a brief highlight of some of these projects.

Shawnee Area

36" Transmission Main, 77th Street & Monticello Road to Johnson Drive & Renner Road

Cost Estimate: \$5.3 million

Contractor: Beemer Construction Co. Inc.

Status: Contractor has installed all the piping for the project and is working with the pipe supplier to make necessary modifications and replacements before WaterOne accepts the work. Project completion is anticipated to be late spring of 2006.

Project Manager: Brian Schade, 913-895-5766

Shawnee - Lenexa Areas

30" transmission main along K-7, from Prairie Star Parkway to KCPL easement; **54" transmission main** along K-7, from KCPL easement to 77th Street; **36" transmission main** along 77th Street, from K-7 to Monticello; **48" transmission main** along KCPL easement, from K-7 to Monticello

Cost Estimate: \$4.1 million

Contractor: Garney Companies

Status: Tunnels under Prairie Star Parkway and under 83rd Street have been completed. Contractor has begun installation of 30" water main along K-7. Blasting for rock excavation is nearing completion. Completion anticipated summer of 2006.

Project Manager: Gordon Rames, 913-895-5767

Overland Park - Leawood Areas

36" transmission main, 135th Street, Metcalf Avenue to Nall Avenue; **30" transmission main**, Nall Avenue, 135th Street to 151st Street

Cost Estimate: \$1 million.

Contractor: Garney Companies

Status: Installation of the 36" main has been completed and is being pressure tested. The 30" main along Nall Avenue is being installed and construction is anticipated to be complete by summer of 2006.

Project Manager: Matt Carter, 913-895-5776



30" transmission main along K-7