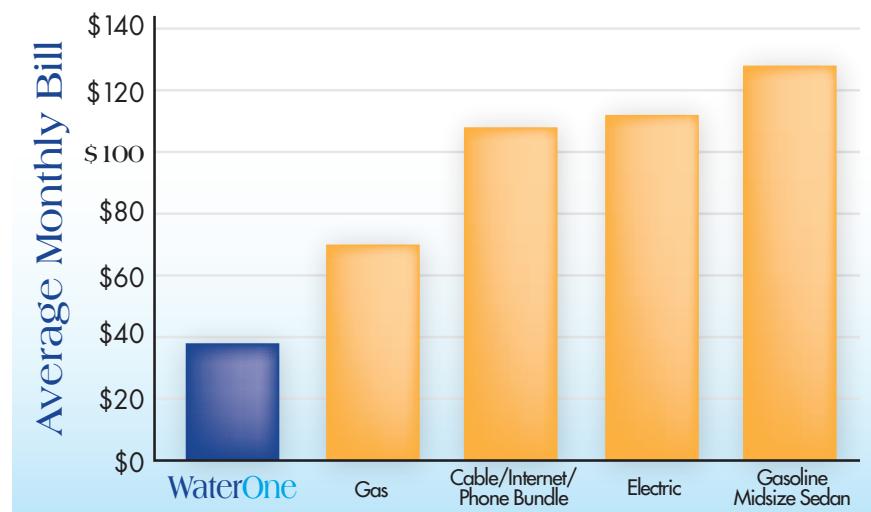


2011 Budget Approved

The WaterOne Board approved the utility's 2011 Budget at its December Board meeting. Factors impacting the budget include increasing capital expenditures for infrastructure replacement, increased energy costs, reduced water consumption patterns, and a scheduled increase in debt payments.

The 2011 Budget requires a rate increase of 4.4%, which translates into an increase of \$1.53 per month for a typical residential customer. In spite of rising costs, water remains a very good value. The following graph illustrates the cost of water compared to other basic services, products and utility costs. More information on the 2011 Budget can be viewed at www.waterone.org.



WaterOne Conducts Unique Inspection on Large Transmission Main

WaterOne had a unique opportunity recently to conduct an inspection of its large 60"/66" settled water transmission main that runs 9.5 miles from the Missouri River through Wyandotte County to the utility's Hansen Treatment Plant on Holliday Drive. The water transmission main has not been inspected since it was constructed in 1983. A unique aspect of the transmission main is that it also runs under the Kansas River.

A contractor was hired for the inspection. The large main, comprised of prestressed concrete cylinder pipe, required an electromagnetic inspection to identify any defects. A visual inspection was also performed to look at every section of more than 3,000 sections of pipe. Because the main is normally shut down during the winter months, no customers were impacted by the inspection process.



Descending down into the Kansas River Tunnel to inspect the main.

WaterOne Recognizes Long Time Consulting Engineer



WaterOne Board Chairman Bob Reese, congratulates Mike B. Horsley, P.E., Black & Veatch upon his retirement.

At its December Board Meeting, the WaterOne Board recognized Mike Horsley, P.E., Black & Veatch for his 30 years of service as a consulting engineer to WaterOne.

The WaterOne Board passed a resolution citing Horsley's achievements throughout his career with the utility. During Horsley's tenure, water and treatment capacity at the utility grew from 55 to more than 200 million gallons per day.

WaterOne Receives Awards for Wolcott Treatment Plant

WaterOne was recently recognized with two awards for its new Wolcott Treatment Plant in Wyandotte County, completed in 2010. The new plant added 30 million gallons per day (mgd) to the utility's overall treatment and pumping capacity.

The American Council of Engineering Companies (ACEC) of Kansas awarded WaterOne the County Public Improvement Award. This award is based upon the benefits of an engineering project to the citizens of the community. ACEC also awarded its Engineering Excellence Award for innovation and outstanding examples of engineering that were incorporated into the new facility.

Nall Avenue Pumping Station and Reservoir Under Construction

WaterOne is in the process of building a new pumping station and reservoir at 14601 Nall Avenue, Leawood, KS. The pumping station and 6 million gallon underground reservoir are expected to be operational by March 2012. The new pumping station will help increase pressures and ensure adequate fire protection throughout the area.



New Laboratory Expands and Enhances Testing Services

In September 2010, WaterOne held a dedication in celebration of its new state-of-the-art laboratory. New features of the laboratory allow more on-site testing that was previously outsourced; better emergency response; and more rapid response to taste and odor issues. The new facility is approximately 20,000 square feet.



WaterOne Announces Consolidated Billing

WaterOne is enhancing its billing options to enable customers having more than one water account to consolidate their bills into a single e-bill. This enhancement will begin during the first quarter of 2011. The e-bill will itemize all bills issued on a given day and consolidate the total amount due for all accounts. This will result in greater convenience for WaterOne customers who receive multiple bills.

In addition to consolidated billing, WaterOne has added payment features to give customers more flexibility making online payments without a processing fee. WaterOne is also planning to implement an SMS text payment option later this year.

WaterOne Committed to Energy Savings and Green Initiatives

WaterOne has always had a strong commitment to sustainability, even before the concept became popular. From creating a conservation program in the early nineties to teach customers efficient outdoor watering practices, to implementing energy savings software, WaterOne has demonstrated its commitment to green solutions.

In 2010, WaterOne received the Green Business Recognition Award from the Johnson County Environmental Department for its firm commitment to green initiatives. These include saving more than \$1 million in annual energy costs by using energy software in the treatment process; using equipment that optimizes operational processes related to river flows and treatment; and reducing chemical usage. The utility has also implemented an aggressive inhouse recycling program. WaterOne will continue to evaluate ways to reduce energy and minimize activities that have an environmental impact.

Electronic Delivery of PipeLine

As part of WaterOne's commitment to green initiatives, we will begin sending out future issues of the *Pipeline* newsletter electronically to those who would like to receive it in that format. Please send your email address to: ekoutelas@waterone.org.

WaterOne Governing Board

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Jim Vader, Member

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Brenda Cherpitel, Member

Mike Armstrong,

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General Manager

Setting the Standard for Utility Excellence

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Water District No. 1 of Johnson County

