

WaterOne CURRENT

Winter 2017

We believe in the meaningful work of producing clean water.



CELEBRATING 60 Years of Great Water!

The history of WaterOne and the growth and prosperity of Johnson County over the last 60 years are intertwined success stories. In the early 1950s, residents of Mission, Kansas were unsatisfied with the value of their privately-held water utility. These Johnson County residents saw the potential for growth and development in their neighborhoods, but knew that it depended on safe, reliable water. In 1957, they overwhelmingly voted to buy out the water company and re-establish it as an independent, non-profit public water utility – Water District No. 1 of Johnson County.

Today, we go by WaterOne and we've proudly supported the growth and expansion

of the county, laying water mains and expanding our production capacity to anticipate the needs of local homes and businesses. As our customer base doubled and then doubled again, WaterOne's dedicated employees always kept an eye on the horizon and carefully grew the district with future generations in mind.

Over the years, solid leadership has made WaterOne an award-winning, nationally-recognized water provider. We believe in the meaningful work of producing clean water, which is essential to the communities we're a part of.

With a grateful heart, we thank you for your support and trust in the water system we all share. 💧

WaterOne
Water District No. 1 of Johnson County



Sale of Bonds Will Finance Ozone Project



Following through on its long-range planning, WaterOne held a competitive public sale of bonds on October 10th. The sale refunds remaining bonds for additional savings, and also funds \$37 million in major capital projects. But the main project the bond sale will be funding is a new ozone treatment facility for enhanced water treatment.

The ozone treatment process will replace the use of chlorine dioxide for primary disinfection at WaterOne's Hansen Treatment Plant. Ozone is a powerful oxidant that has numerous water quality benefits, and will simplify the treatment process by eliminating or reducing certain chemicals and processes. Construction on the ozone facilities will begin in early 2018.

INVESTMENT FUNDED BY TOP BOND RATINGS

WaterOne's funding strategy for planned capital improvements uses a responsible mix of reserved cash and bonds in order to achieve intergenerational equity

across the life of the asset, linking those who use it over the years with those who pay for it. The sale of the bonds was awarded by the WaterOne Board to Wells Fargo Bank, National Association, Charlotte, North Carolina, who submitted the best bid with a combined effective interest rate of 2.68%.

WaterOne pays lower interest rates on its bonds thanks to its exceptionally high bond ratings. Standard & Poor's (S&P) rated the bonds "AAA" and Moody's Investors Service rated the bonds "Aaa," which is the highest rating possible. As a utility, WaterOne's qualifications have been so strong that S&P actually presented WaterOne as a "case study" in the recent past.

"A bond rating is a mix of factors both in our control and out of our control," said Director of Finance Darin Kamradt. "S&P has offered WaterOne as an example to other utilities of what it takes to earn an AAA rating. They look very favorably on things like our fiscal policies, long-tenured board, strong management, effective communication, and the affluence of our service area."

"They have told us that WaterOne sets the standard for a AAA-rated organization," Darin said. 💧

WaterOne Passes Savings On To Customers

As a public, not-for-profit water utility, WaterOne has a special relationship with its ratepayers. Keeping within this spirit, the organization will be passing interest savings on to its customers in next year's budget by maintaining water rates at their current level through 2018. This decision was possible thanks to savings coming from WaterOne's bond refinancing at very low interest rates due to current market conditions, in addition to WaterOne's excellent bond ratings.

Rate stability matters at WaterOne. Small, stable rate increases offer predictability for neighborhoods and businesses, and has an impact on everything from commercial development to the local cost of living. Over the years, WaterOne has practiced careful financial planning and reserve funding in order to avoid reactive rate hikes. This means that even during years of low revenue or emergency expenses, the district can keep investing in our area's water infrastructure and continue to offer the best service possible to our customers. It also means that when the opportunity arises,



WaterOne is able to share cost savings with our ratepayers.

To learn more about how WaterOne customers get the best value possible for their ratepayer dollar, visit waterone.org/value. 💧

WaterOne Techs Take Top Honors at KsAWWA Competitions

WaterOne Technicians swept the competition in several events at the Kansas American Water Works Association conference in Wichita, KS on August 31st.

METER MADNESS

Operations Tech I and former Meter Reader Rudy Holden took first place in the statewide Meter Madness competition for the second year in a row. Meter Madness is a race against the clock to reassemble a functional water meter from a bucket of parts in the fastest time. Rudy competed at the National Competition in July representing Kansas after winning Meter Madness at KsAWWA in 2016, and his recent victory means he'll be returning to the 2018 national AWWA conference to compete against the world's fastest meter assemblers.

HYDRANT HYSTERIA

A team from WaterOne also took first place in the Hydrant Hysteria competition, a new addition to the conference competition. Similar to Meter Madness, Hydrant Hysteria is a timed contest that has teams of two reassembling a fire hydrant. WaterOne's team consisted of Marcus Cook, Distribution Tech 2-3, and Spencer Plush, Distribution Tech 1-3. The team practiced building it over and over, working out strategies for the most effective way to quickly assemble it at the competition.

BACKHOE RODEO

With Hydrant Hysteria in the bag, Spencer Plush followed up the victory by making a spur of the moment choice to compete in - and unexpectedly win - the Backhoe Rodeo competition. In Backhoe Rodeo, a tennis ball is hung from the bucket of a backhoe by a string and placed on top of a traffic cone. The operator is timed on how fast they can precisely move and set the tennis ball on a different cone by controlling the backhoe bucket.

"I don't actually use a backhoe at WaterOne, so it was pretty funny," Spencer said.

Spencer went up against more than a dozen utility professionals and scored first place with a time of 26.67 seconds, beating the second-fastest by a full second. 💧



Marcus Cook, Distribution Tech 2-3, & Spencer Plush, Distribution Tech 1-3.

Communications, Finance Wins Awards



WaterOne's Communications and Finance staff received recognition for their work recently.

WaterOne's Communications Department has been presented with a City-County Communications & Marketing Association (3CMA) "Savvy Award"

for graphic design. The first-place award recognizes WaterOne's 60th Anniversary T-Shirt featuring the retro "Water Willy" mascot. The Communications Department also received 3CMA Awards of Excellence for our Tower 2 Tower 5K and I Love Tap Educational Program.

"I Love Tap is very simple and to the point. Great use of existing resources to boost knowledge and pride of

ownership in kids pummeled by external marketing messages," wrote the judges.

Learn more about I Love Tap at www.ilovetap.org.

WaterOne's Finance Division has been recognized with the Government Finance Officers' Association's Distinguished Budget Presentation Award for WaterOne's 2017 Budget. This achievement is the highest form of recognition in governmental budgeting and reflects the commitment from WaterOne's Board and staff to meeting the highest principles of governmental budgeting.

"This award and recognition reflects the hard work and effort of our Financial Analysts, Accounting staff, and the many people across the organization who help us compile the information required to produce the highest quality Budget Book and KPI Reports," said Manager of Financial Planning & Analysis Natalie Morrison. 💧

WaterOne

Water District No. 1 of Johnson County

10747 Renner Blvd | Lenexa, KS 66219

Setting the Standard for Utility Excellence

GOVERNING BOARD

Robert Olson, Chairman

Bob Reese, Vice Chairman

Brenda Cherpitel

Terry Frederick

Mark Parkins

Jim Vader

Dennis Wilson

Mike Armstrong,
General Manager

Media Contact

Mandy Cawby

Customer Relations Director

mcawby@waterone.org

(913) 895-5546

Stay CURRENT

Subscribe at

www.waterone.org/subscribe

Customer Service

913/895-1800

24-Hour Emergency Contact



In an emergency,
would we reach you?

Notify JoCo

Sign up for emergency alerts at
www.notifyjoco.org



WINTER IS COMING

**PROTECT
YOUR PIPES
THIS WINTER!**

Your home plumbing (and your pets) need
to be kept warm during the cold months.
Learn how to prevent frozen pipes at
waterone.org/NoFrozenPipes

4

#MyWaterOne

Facebook | Twitter | YouTube | LinkedIn | WaterOne.org

