

CITY OF OLATHE, KANSAS
MUNICIPAL SERVICES DEPARTMENT

2010 BUSINESS PLAN

FEBRUARY 2009



City of Olathe, Kansas
Municipal Services Department
2010 Business Plan

Vision for Olathe Public Services

The strategy for 2023 is for a full-service City that is recognized for customer service (responsiveness) and service delivery excellence. Residents receive and enjoy quality services in all areas of City service delivery. All basic service responsibilities such as water, wastewater, solid waste, stormwater management, snow removal, and environmental health are supported by a professional, customer-focused and efficient cadre of public servants. Infrastructure needed to support those services is consistent with and reflective of development and redevelopment demands by citizens. Costs of those services are borne by users and competitive with other regional service providers. These services are fully integrated with, supported by, and coordinated with other City services and other governmental service providers.

Guided by the above vision statement from the Olathe Strategic Plan, the Olathe Municipal Services Department (OMS) strives to excel in providing quality water, wastewater, solid waste, and vehicle maintenance services and associated customer support to the citizens of Olathe and internal departments. The utility services provided by the city to more than 35,000 customers are what makes Olathe a full service community and unique in Johnson County. The purpose of this document is to assess the department's past year's performance, discuss issues and challenges in the next 5 years, and provide a foundation for future staffing and budget requests.

EXECUTIVE SUMMARY

The OMS business plan continues to be shaped by five key influences: 1) Olathe's continued rapid growth driving an increase in customers; 2) increased regulatory requirements; 3) technology enhancements; 4) aging infrastructure; and 5) providing excellent customer service, all bounded by the department's financial capacity. The following paragraphs will describe these influences in more detail.

The department's 200 employees provide services from seven locations in the community: the Municipal Services Center, two water treatment plants, two wastewater treatment facilities, a solid waste transfer station, and the Hedge Lane facility on the site of the closed municipal landfill.

Growth. As 2008 begins, the city served more than 34,000 water customers, nearly 28,000 wastewater customers, approximately 36,000 solid waste customers, and 125,000 residents. These figures make Olathe the 5th largest city, 5th largest water utility, and largest municipal solid waste utility in the state. In addition, OMS provides monthly billing and collection services for nearly 38,000 stormwater customers. Olathe's growth rate slowed during 2008, but is expected to resume historical patterns during this five-year planning cycle.

Although service boundaries may dictate differing growth rates, in general the city's residential and commercial growth translates into increased needs for water supply, treatment, and transmission capacity, route coverage, meter reading, fleet maintenance, phone calls, plan reviews, and service requests. To maintain service levels, this plan forecasts additional investments in staff, technology, and equipment driven by new customers. Growth

will also drive significant capital expenditures for increased blocks of utility capacity. The city's challenge is to make these necessary investments while maintaining reasonable annual utility rate adjustments.

The department's most pressing growth related issue is meeting the peak summer water demands for consumption and outdoor irrigation of the expanding customer base. Pursuant to the water master plan, this requires significant capital investments in raw water supply, treatment and transmission main capacity, and storage. Investments in water supply and storage will be particularly critical during this planning cycle. In combination with recent investments in treatment and transmission, during this five year period the foundation for achieving long term self-sufficiency in water needs will be completed.

In wastewater, growth and development in the Cedar Creek basin has pushed the Cedar Creek Wastewater Treatment Plant to its capacity. Based on the master plan completed in 2006 for this facility, preliminary design services were completed in 2008, final design is currently underway, and a major construction at this facility is scheduled for 2010-2011.

In solid waste, the city is more than halfway through a 20 year operating agreement with Hamm Industries for disposal services. Transfer station tonnage has doubled since inception of operations in 1995. During 2008, studies were underway on how to extend the life of the transfer station, and how it fits into the overall solid waste management plan of Johnson County. In a growing community, the short answer to extending its life is to encourage more recycling.

The economic downturn in 2008 dramatically affected the price of many commodities, including recyclable materials. In the final months of the year, the market collapse removed approximately 25% of the revenue stream supporting the city's curbside recycling program. The current subscription system based curbside sorting of materials has served the city well since 1996, but may no longer be sustainable. To maintain financial viability and improve the overall diversion rate, during this planning cycle alternative recycling options for citywide recycling were presented to the City Council and will be implemented in 2010.

Regulation and Environmental Leadership. Local, state, and federal authorities heavily regulate all OMS operations to protect public health, security, and the environment. With the change in administration in Washington, regulatory agencies are expected to be even more active. For the most part, regulatory mandates are unfunded. Water infrastructure spending is a relatively miniscule part of the recent economic stimulus plan. The days of direct federal environmental grant funding are long gone. There is talk, but little action, in Washington of establishing a dedicated federal trust fund for water infrastructure similar to highways and airports. Thus, the financial burden of compliance with state and federal requirements will generally remain the responsibility of local ratepayers. The metro area response to the regional decline of air quality will also be critical to the economic health of this region. Olathe has exercised leadership in this area, and will continue to have a significant role with its fleet management practices.

The sustainability movement is engaging local government across the nation. Sustainability is one of the city's priorities, and the City Council has conducted several recent discussions about what sustainability means in Olathe, Kansas. In addition to responding to regulatory demands, this five year plan maintains the department's commitment to environmental stewardship and leadership in the community. OMS will continue to lead the implementation of the Council's priority to pursue environmental and economic sustainability.

Technology. The city of Olathe takes great pride in using technology to help its employees provide quality services to the community. Municipal Services has long been a leader in embracing technology to allow its employees to work more efficiently in service delivery. This trend will continue during this planning cycle as

the department completes implementation of automation in residential solid waste collection and continues deployment of new water meters with drive-by reading capability. OMS has recently partnered with an energy service contractor (ESCO) to explore the possibility of accelerating water meter replacement, as well as many other energy and fuel conserving measures throughout the department.

Advances in process technology have also enabled increased capacity, efficiency, and regulatory compliance at water and wastewater treatment facilities. Automation at both water and wastewater treatment plants is a key design requirement in all capital projects. More sophisticated modeling software allows the department to make more informed system improvements. Digital archiving of plans in GIS enabled format allows OMS staff to provide better service to the development community. Wireless technology will continue to enhance staff's field access to the existing GIS databases and the City network through the use of field computers.

Aging Infrastructure. Olathe is a diverse community, with numerous developing subdivisions, as well as a core community that was 150 years old in 2007. The face of Olathe today can be traced to an explosive growth period beginning in the 1960's and 1970's that has continued with little interruption. With the passing of time, a significant portion of the city's underground infrastructure has aged to a point when problems are more likely to occur. By the year 2010, 65% of the sewer collection system and 36% of the water distribution system will be between 30 and 75 years old. Maintenance costs increase significantly as the infrastructure ages beyond 35 years old; therefore, funds need to be proactively and wisely invested in rehabilitation and replacement to insure the integrity of our underground utilities.

The city's utility system is an asset worth hundreds of millions of dollars. To insure its viability, within this five-year cycle additional resources must be devoted to enhanced maintenance of underground infrastructure as well as older treatment plant facilities and equipment. The new water and sewer rate model presented to the Council in January 2009 will provide a tool for quantifying and establishing financial reserves for these future replacement costs.

Customer Service. All work within OMS is driven by the city's core value of customer service. All departments in the city are either engaged in directly serving customers or serving other departments that provide direct service. The same is true of all divisions within OMS. OMS is proud that utility services provided by the department have contributed to the city's high customer satisfaction ratings for city services in the last five years and the record high overall "satisfaction index" contained in the 2008 annual Direction Finder survey. Indeed, the overall satisfaction rating for Olathe water and sewer services in 2008 "set the standard" for all other communities surveyed in the metropolitan area, as it did in the previous four years of 2004-2007.

Likewise, overall satisfaction with solid waste services increased between 2006 and 2007, and remained at a high level in the 2008 survey. OMS is equally pleased with continuous improvements in vehicle maintenance satisfaction from the 2003, 2005, and 2007 employee surveys. In 2007, city employees ranked vehicle maintenance the highest rated city internal service.

In the past year, the department's customer information system was upgraded to provide a foundation for continuing enhancements and online capabilities expected by utility customers. Continued enhancement of the system will continue during 2009 and beyond.

Financial Capacity. During this planning cycle, financing major capital improvements while maintaining high performing operations will continue to pressure the department's resources. There are no taxes supporting OMS utility operations. Therefore, user rates alone must provide the foundation for providing excellent customer service and meeting the challenges of growth, regulatory demands, technology, and aging

infrastructure. In this period, the financial goal of OMS operations is to insure that the service demands driven by these challenges are reasonably balanced with the ability of Olathe customers to meet those demands through their utility rates.

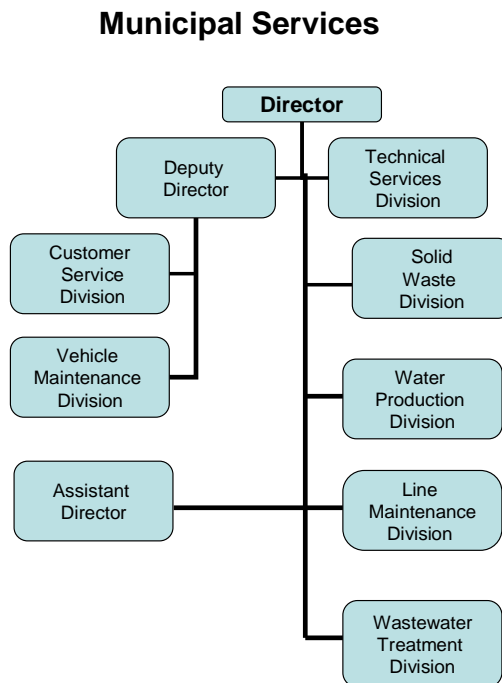
MISSION STATEMENT

The core functions of the Municipal Services Department are the delivery of potable water, treatment of wastewater, collection and disposal of solid waste, and fleet and equipment support. In support of the strategic plan vision noted earlier, the mission of the Municipal Services Department is:

“To serve the citizens of our community by providing customers with the very best municipal services through a continuing partnership of residents and employees, promoting public health while protecting and conserving our environmental resources for current and future generations.”

ORGANIZATION CHART

In support of this mission, the department is organized in the following operating divisions depicted in the following chart. It is anticipated this basic organizational structure will continue to serve the department’s needs during the 5-year planning period. Any staffing increases are expected to be driven by growth and regulatory pressures, and occur primarily in direct operations, not administrative areas.



The following paragraphs provide a brief overview of the operating divisions shown on the chart and how they relate to the department's program areas.

Customer Service-- The Customer Service division serves as an initial point of contact for all customer inquiries and service requests for the department. The functions of billing, collection, cash handling, and accounting for all city utility and miscellaneous billings are also performed within the division.

Technical Support-- The Technical Support division provides in-house civil and process engineering support for all Municipal Services operating divisions. The division also reviews development plans and permits for compliance with local codes, ordinances, and technical specifications. The division also provides the water and wastewater treatment programs with laboratory services to meet process requirements and federal regulations.

Utilities Maintenance-- The Utilities Maintenance division operates and maintains the water distribution system and the wastewater collection system. The division manages private connections to the public infrastructure, installs and repairs water meters, provides meter reading services that support water and wastewater billings, and operates a construction crew for water and sewer repair and rehabilitation projects.

Water Production-- The Water Production Division provides citizens and businesses in Olathe with a satisfactory quantity of potable water for consumption, irrigation, and fire protection that meets all state and federal water quality standards.

Wastewater Treatment-- The Wastewater Division operates and maintains the city's three wastewater treatment facilities to meet NPDES permit limits and other guidelines of the Kansas Department of Health and Environment to assure the quality of the effluent discharged into the receiving streams. Wastewater staff also process and handle residuals from the wastewater treatment process for reuse.

Solid Waste-- The Solid Waste Division provides an integrated approach to solid waste management which includes the efficient and economical collection of municipal solid waste; collection of yard waste and composting; public drop-off and curbside recycling; operation of an approved disposal facility; and a household hazardous waste collection site, all supported by educational efforts toward source reduction.

Vehicle Maintenance-- The Vehicle Maintenance Division provides economical and efficient service, preventative maintenance, and overhaul repair for all city-owned vehicles and equipment. Additionally, the division provides emergency road service, tire repairs, and snow event support to city vehicles after normal working hours.

Administration-- Administration provides management oversight, financial analysis, and clerical support to all department operations, as well as public education and outreach to the community.

DEPARTMENT PROGRAMS AND CITY COUNCIL PRIORITY

OMS Administration	Customer Service	Sanitation Administration
Vehicle Maintenance	Collection & Billing	Residential
Utilities Technical Support	Water Distribution	Commercial
Water & Wastewater Lab	Wastewater Collection	Disposal
Meter Services	Water Production	Curbside Recycling
Utilities Construction	Wastewater Treatment	

Since these programs all operate within enterprise or internal service funds, they were excluded from the City Council program prioritization exercise in 2008.

KEY RESULT AREAS SUPPORTED

Public Services

Service Delivery Support

STRATEGIC ALIGNMENT

As shown in the following templates, OMS continues to align its performance measures and balanced scorecard efforts with the priorities and measures endorsed by the City Council in 2006. In 2008, the Council selected 14 “key indicators,” including two from OMS, from the entire scorecard list of measures to focus efforts on the most important priorities. This effort will help the city organization measure and manage its efforts and better report the outcomes of service delivery to its citizens.

PERSPECTIVE	ORGANIZATIONAL OBJECTIVES	DEPARTMENT OBJECTIVES	KEY RESULT INDICATORS	ACTUAL 2008	PROJECTED 2009	TARGET 2010	3-5 YEAR GOAL
Customer	<ul style="list-style-type: none"> ▪ Improve/Protect the environment (air, water, & land) ▪ Promote community health, safety, & welfare 	<ul style="list-style-type: none"> ▪ Increase solid waste diversion rate ▪ Improve/Protect the environment (air, water, & land) ▪ Meet all regulatory standards for water and wastewater ▪ Promote community health, safety, & welfare 	Solid waste diversion rate	26.81%	>26%	>32%	>35%
			% of time water meets regulatory standards	100%	100%	100%	100%
			% of time wastewater meets effluent standards	100%	100%	100%	100%
			Composite index for overall quality of water services	106	106	106	106
			Composite index for overall quality of wastewater services	100	101	102	102
			Composite index for overall quality of customer service	104	104	105	105
			Composite index for overall quality of residential trash service	104	104	104	105
			Composite index for overall quality of recycling service	103	103	103	104
			Composite index for overall quality of yard waste service	106	106	106	106

PERSPECTIVE	ORGANIZATIONAL OBJECTIVES	DEPARTMENT OBJECTIVES	KEY RESULT INDICATORS	ACTUAL 2008	PROJECTED 2009	TARGET 2010	3-5 YEAR GOAL	
Financial	Deliver high quality, efficient, & affordable City services	<ul style="list-style-type: none"> ▪ Deliver high quality, efficient, & affordable City services 						
			Provide needed infrastructure improvements and maintain existing public facilities	<ul style="list-style-type: none"> ▪ Develop and maintain an effective asset management program 	# of sewer back-ups	3	<5	<5
	Maintain/improve bond rating		<ul style="list-style-type: none"> ▪ Maintain/improve bond rating 	Cumulative water system loss	12.2%	< 13%	<12 %	<10%
				S & P and Moody's water and sewer revenue bond ratings	AA-A1	AA A1	AA A1	AA Aa3
				Expenditure Rate	88%	98%	100%	100%
				Debt Ratio	14.88%	<20%	<20%	<30%
				W&S Fund Debt Service Ratio	19.56%	20.5%	<25%	<25%
				Fund balance as a % of total expenditures				
				Water & Sewer	25%	25%	25%	25%
				Solid Waste	4%	7%	10%	16.6%

PERSPECTIVE	ORGANIZATIONAL OBJECTIVES	DEPARTMENT OBJECTIVES	KEY RESULT INDICATORS	ACTUAL 2008	PROJECTED 2009	TARGET 2010	3-5 YEAR GOAL
Internal	Maximize the efficiency & effectiveness of internal business processes	<ul style="list-style-type: none"> ▪ Maximize the efficiency & effectiveness of internal business processes 	Fleet availability of critical vehicles				
			Police	95.35%	95%	95%	95%
			Fire	91.44%	95%	95%	95%
			Solid Waste	86.96%	85%	87%	87%
		Internal customer satisfaction with service by vehicle maintenance employees	2007 survey	90%	90%	90%	90%
		<ul style="list-style-type: none"> ▪ Manage capital projects efficiently 	% of CIP dollar value completed within the CIP budget	100%	100%	95 -100%	95 - 100%
			% of CIP projects completed within the CIP dollar value	100%	100%	90%	90%
% of CIP projects completed within the contract schedule	80%		90%	90%	90%		

PERSPECTIVE	ORGANIZATIONAL OBJECTIVES	DEPARTMENT OBJECTIVES	KEY RESULT INDICATORS	ACTUAL 2008	PROJECTED 2009	TARGET 2010	3-5 YEAR GOAL
Employee	Increase employee engagement & satisfaction	Foster a positive work environment	Employee engagement & satisfaction index		3.99	4.17	≥ 4.17
	Recruit, develop, & retain productive quality staff	Develop and retain high performing leaders, teams, and employees	Employee turnover rate	12.37%	<10%	<10%	<10%
			Voluntary Termination Retirement	5.67% 4.63% 2.06%			
			Average hours of operational training per employee	27 hours	TBD	TBD	TBD
	Average hours of supervisory training per employee	8 hours	TBD	TBD	TBD		

DEPARTMENT CHALLENGES AND OPPORTUNITIES

As indicated earlier, most OMS activities directly or indirectly support the public services section of the city's strategic plan. During the next five years, the OMS business plan will continue to be shaped by five key influences on the department: 1) Olathe's continued rapid growth driving an increase in customers; 2) increased federal, state, and local regulatory requirements; 3) technology enhancements; 4) aging infrastructure; and 5) providing excellent customer service. Of course, the department's ability to respond to these influences is framed by the financial position of its three utility and internal service funds. In particular, the financial position of enterprise funds is determined largely by customer rates and revenue streams that are influenced by weather.

Through this five year plan, the Municipal Services Department remains committed to its role in supporting the city's overall vision, mission, and strategic plan and continuing to provide basic city services needed and appreciated by all citizens.

GROWTH

Based on population and customer counts, at the beginning of 2008, the city is the 5th largest municipal water and wastewater utility in the state. Following rapid residential and commercial building activity, new customers have grown at a rate of 800-1000 annually in recent years. Although currently experiencing a slower period, Olathe's overall growth is anticipated to resume historical patterns during this five-year planning cycle. At the beginning of 2008, the city adopted a new, more aggressive annexation policy, signaling its intention to initiate annexation of areas in south and west Olathe. In anticipation of a multiyear, multiphase annexation plan, OMS engaged our neighboring rural water districts in discussions on transitioning water service areas. As 2008 ended, the annexation plans stagnated, but the work on future boundary lines will not be wasted. Over time, there is little doubt that the city will ultimately expand to its agreed to boundary lines with Gardner, De Soto, Spring Hill, Overland Park, and Lenexa. Indeed, growth to the southwest is already happening in the Olathe/Gardner boundary area, requiring close coordination in providing sanitary sewer service. During this planning horizon, the build out study and comprehensive plan update currently underway will help guide land use and service delivery in these growth areas. OMS staff has provided support to both these efforts.

Existing areas in east Olathe and the K-7 corridor are also forecast to continue rapid growth. In particular, the Coffee Creek area is expected to have significant residential growth, leading over time to thousands of new solid waste customers. Water and sewer customer growth will occur primarily in the Cedar Creek watershed as public sewers are extended into proposed commercial areas around the Lone Elm interchange and new subdivisions proposed south and west of Lake Olathe near the future site of a fifth Olathe high school. A ninth junior high school in west Olathe is also under construction and scheduled to open in 2010. Although currently delayed to the economy and regulatory hurdles, the BNSF intermodal transportation project near Gardner will have significant spillover effects in southern and western Olathe.

The city's growth translates into increased demands for all the department's programs: water and sewer capacity, solid waste route coverage, meter reading, fleet maintenance, phone response, plan reviews, and service requests. To maintain service levels, additional resources driven by growth will be required.

Water. The department's most immediate growth related issue is meeting the peak summer water demands for consumption and outdoor irrigation of the expanding customer base. Achieving the city's strategic direction for self-sufficiency in its water needs will continue to be a prime focus of the department during the

next five years. By 2011-2012, the city anticipates reaching this goal, culminating a process begun in 2004 to upsize all essential components of the water system: supply, treatment, transmission, and storage. Guided by an updated water master plan, the water system investments completed in the past five years and proposed in the next five year cycle are intended to provide the foundation for Olathe's ultimate demands, including those of its wholesale water customers.

The block of capacity added to the water system in 1998 was insufficient to meet the city's peak demand experienced in the unseasonably dry and hot years of 2002-2003. In response, construction of third and fourth horizontal collector wells was completed in 2005, and a \$22 million, 13 MGD expansion of Water Plant No. 2 was completed in 2006. During 2007-2008, alternatives were investigated for the best location along the Kansas River aquifer for future collector well #5. A decision on the best location was reached in 2008, so that regulatory hurdles and acquisition of property can be completed in 2009. A new well field will likely be some distance from the existing location; meaning that the next increment of raw water capacity will require more infrastructure and be more expensive than prior increments. As new collector wells are added, OMS has developed a vertical well retirement schedule, allowing maintenance resources over time to be diverted to the newer collector wells.

A related major CIP project within this planning period is an additional finished water transmission main from Plant 2 through a portion of the city of Lenexa to the Olathe distribution network. This project is scheduled for completion by summer, 2009. Based on the water master plan, in 2007 the city also acquired a site for a future water storage tower in southeast Olathe to be constructed after 2012. Keeping these water system projects on time, within budget, ahead of growth, and financed within the city's ability to pay is a vital part of the OMS capital improvement plan.

Water is a precious resource that society has generally under priced and taken for granted. Nationally, water conservation and reuse are receiving increasing attention. In addition to adding capacity, it is critical for the city to also engage the public in the wise use and conservation of water, particularly its use in outdoor irrigation. To help build awareness, the city initiated a water conservation campaign termed WOW (Wise Outdoor Watering) in 2004. It is also vital that the water quality in Lake Olathe be protected from the negative impacts of urban development to sustain the long-term health of the lake as a drinking water source for peak demand periods.

Wastewater. On the wastewater side of OMS, growth pressures are generally in the western part of the Cedar Creek watershed where additional development is projected. The other two principal watersheds, Mill Creek and Indian Creek, are largely developed. Currently, sewer facilities in this part of Cedar Creek are limited to the Prairie Highlands facilities, and the Lakestone lagoons. These facilities are considered "temporary" until gravity sewers are available. In 2004, announcement of a future Olathe high school site on 80 acres near 143rd and Cedar Niles Road stimulated a great deal of residential development interest. Coordinating city and private interests so not to overtax the interim sewer facilities in this area continues to require a considerable amount of OMS staff time.

To address this situation, a master plan was presented to the City Council in 2004 to provide interceptor sewer capacity throughout the entire western part of the Cedar Creek watershed, the last major "frontier" in Olathe without access to public sewers. Envisioned to be constructed in segments as warranted by development, the plan ultimately includes building a gravity sewer between Cedar Lake and Lake Olathe, a pump station and force main around Lake Olathe and a large diameter gravity sewer to the Cedar Creek treatment plant. In the meantime, the OMS business plan forecasts the construction of additional interim wastewater facilities in the area (more lift stations), with attendant impacts on the department's operating costs and emphasizing the

importance of development planning so that additional lift station facilities work in harmony without overtaxing critical components.

In 2006, the first segment of this interceptor sewer system was completed to serve an 800+ acre area around the proposed Lone Elm interchange at I-35. This interceptor sewer construction is already stimulating desired economic development activity in the Lone Elm Road corridor. Currently, a ½ mile interceptor segment is under construction west of Lake Olathe. Engineering work will soon be underway to establish an alignment for the remaining interceptor sewers in the watershed. This alignment will help guide future development and allow the city to acquire easements. Of particular importance is an interceptor segment in the upper reaches of the watershed between 167th and 159th where a benefit district is planned to serve warehouse/distribution development.

To handle ultimate growth in this watershed, in 2006 the department completed a master plan for improvements and expanded capacity at the Cedar Creek wastewater treatment plant. Cedar Creek is currently operating close to and at times over its designed dry weather flow capacity of 3.0 MGD. In 2007, a \$5 million KDHE loan was obtained for design of the plant expansion. Preliminary design was completed in 2008, and final design is currently underway. The expansion is expected to be constructed during 2010-2011 and be operational in 2012. To meet higher effluent quality standards, the plant will have an entirely new wastewater treatment process. Financing this \$40 million project within an affordable rate structure represents a significant challenge during this planning period.

Solid Waste. Over the last 25 years, customer growth in residential solid waste has averaged approximately 800-1000 new accounts per year. Despite the slower economy in 2008, residential solid waste still increased by 650 accounts. This plan envisions continuation of this trend. Unconstrained by geographical or watershed boundaries, residential solid waste growth occurs in all parts of the community.

During 2005, the city completed conversion of its residential waste collection system from plastic bags to wheeled containers. By increasing efficiency, and reducing risk of worker injury, this change has helped the department address the demands of residential growth. As fully automated trucks replace older sideloaders in the solid waste fleet, the rate at which expensive new routes, trucks, and drivers are needed has slowed. Instead of a new truck and driver every other year under the old system, this plan does not foresee a new residential collection truck until 2012.

In 2007, the department conducted its first ever cost of service rate study for the solid waste system. The information gained during the study and the rate model provides an excellent planning and budgeting tool, and is expected to serve OMS well into the future.

In 2008 the department implemented changes in residential and yard waste collection to better balance route growth and manage peak yard waste periods in spring and fall. Instead of collecting yard waste on only one day, the department moved to a 5 day consolidated collection schedule where all residential waste, including regular waste, bulk waste, yard waste, and recyclables is collected on the customer's trash day.

Growth is also placing demands on the city's transfer station facility operated under contract by Hamm Industries. The city is past the halfway point in its 20 year operating agreement with Hamm. During 2008 an analysis was completed on this facility with the intent of reviewing options to extend the life of the facility. As Johnson County looks to the future in its updated solid waste management plan, the Olathe transfer station is a strategic asset.

One of the City Council's Key Result Indicators (KRI) for the community is increasing the solid waste diversion (recycling) rate. Recycling is also critical in extending the life of transfer station and landfill facilities. During this planning period, the City Council approved changes to the subscription based curbside recycling program that will extend recycling services to all households. Volume based pricing for trash service will also be considered, which encourages more recycling. The economic downturn in late 2008 also has forced all recycling operations to become more efficient, since the market for materials has crashed along with many other raw materials commodities. Late in the year, the market for recyclables nearly reached zero, meaning that approximately 25% of the revenue stream supporting the recycling program vanished. To address this, in 2009 OMS changed recycling collection from curbside sorting to "single stream" to save costs. When the market recovers, the city will explore enhanced partnerships with private industry for processing recyclables, just as it has enjoyed a strong public/private partnership on waste disposal for many years. All these changes on the horizon for recycling—single stream, volume based pricing, material recovery facilities—are where the industry is headed. Olathe must keep pace to maintain high service and satisfaction.

Vehicle Maintenance. Currently, the vehicle maintenance division maintains 1100+ vehicles and pieces of equipment and three fueling sites. As the municipal workforce grows to meet the demands of a city population reaching an estimated 140,000 persons by 2011, new vehicles and state of the art equipment will be needed to equip the staff for service. During this planning period, OMS projects the fleet to grow at a rate of approximately 1%-2% yearly. Depending on its financial position, this growth rate could be reduced if the city holds onto vehicles and equipment for longer intervals before replacement. In either case, internal service functions like vehicle maintenance will need to keep pace insuring adequate support so frontline core services can be delivered. There is no question that strong internal service is critical in the city's outstanding Direction Finder ratings.

INCREASED REGULATORY REQUIREMENTS.

As part of its mission, OMS has an obvious environmental stewardship role in the community. In addition, a number of local, state, and federal authorities heavily regulate department operations to protect public health, security, and the environment. Regulatory agencies are key stakeholders of OMS and will continue to impact local decision-making. Regulatory parameters drive both capital improvements and operations.

The most regulated branch of the department is the water production process. New regulations are being promulgated every year requiring more stringent testing and processing. The department will continue to monitor new regulations, including the Stage 2 Disinfectants and Disinfection Byproducts Rule (DBP) and the Long Term 2 Enhanced Surface Water Treatment Rule (LT2ESWTR). Staff will continue to determine the best available technique to meet those regulations.

During this 5 year planning period, it is anticipated that NPDES permits for both the City's wastewater treatment plants will contain stricter effluent limits for monitoring and/or reduction of nutrients. Stricter limits have already been established for the Cedar Creek plant expansion, and are being incorporated in the final design. Similar goals or limits are also expected for Harold Street when its permit expires in 2011. Replacement of the aging ultraviolet disinfection system at the Harold Street plant, completed in 2008, was driven by regulatory compliance.

In addition to effluent standards, a national debate is currently underway on expensive changes to regulations on handling wet weather sewage flows before discharge. This issue has tremendous implications on the capital cost of sewage treatment facilities. It also underscores the importance of removing stormwater infiltration and inflow (I&I) from the collection system before it reaches the treatment plant.

Another example of combining environmental leadership with preparation for increased regulation was Olathe's research and investment in understanding the dynamics of the Lake Olathe watershed. This effort, begun in 2002, is at the forefront of the watershed approach to national water policy. In 2004, the Lake Olathe Watershed Protection Advisory Board (LOWPAB) completed an analysis of the watershed and recommended various measures to insure the viability of the lake for drinking water and recreational use. 2005 marked the first year of the city's new stormwater requirements under its Phase II stormwater permit from KDHE. During 2008, OMS assisted the Public Works department, consultants, and stakeholders in developing updated ordinances and best practices to address both the volume and quality of stormwater runoff entering water bodies in the community. Recommended changes will be considered by the Council in 2009. Water quality issues will also have a more visible place in the comprehensive plan update.

During the next five years, it is anticipated additional staff and more space will be required in the Water/Wastewater Laboratory to maintain compliance with National Environmental Laboratory Accreditation (NELAC) requirements. To maintain certification and avoid an inherent conflict of interest, moving lab supervision out of the water production division was completed in 2007. During 2009, a study of lab space needs will be completed for future consideration in the department's CIP.

Regulatory issues also greatly affect the city's solid waste operations, particularly the closed landfill site on Hedge Lane. This facility is critical to the city's overall operations. In addition to a C&D landfill, recycling, and yard waste operations, Hedge Lane is also home to a water storage facility and a composting area for wastewater biosolids. All operate under regulatory permits from KDHE, and finding another suitable location in an urbanizing environment would be prohibitively expensive, if not impossible. As the city grows in the general vicinity of 127th and Hedge Lane, it is vitally important for property owners, developers, planners, and residents to be aware of this critical facility used on a daily basis by OMS and other city departments. OMS expects future KDHE regulations on construction and demolition (C&D) landfills to be prohibitively expensive, eventually requiring the city's C&D landfill to accept clean rubble only. This will have an adverse impact on the Public Works Department, in that street sweepings and stream channel debris would have to be handled elsewhere.

Johnson County completed an update to its solid waste management plan in late 2007. The plan relies heavily on waste reduction strategies for the county so that limited landfill space can be preserved. The plan seeks to achieve the national waste diversion rate of 32%. The county is beginning to consider major policy changes recommended by the plan. Because of its experience with recycling, yard waste diversion, and e-waste programs, Olathe is in a strong position to respond to new policy directives, and be part of the solution, not the problem.

Finally, through its fleet management operations, OMS also exercises leadership in air quality initiatives involving the entire Kansas City region. Federal regulations requiring low sulfur diesel fuel and emissions equipment on diesel engines have increased vehicle cost and present new challenges to the vehicle maintenance division. The city received federal funds in 2007 through MARC to begin retrofitting its diesel fleet with emissions equipment. During 2008, all eligible trucks in the fleet have been retrofitted. The next retrofit push will be for diesel powered construction equipment. In 2005, the city began a commitment to purchase more fuel-efficient hybrid vehicles when possible. Despite much promise, there still is a limited variety of hybrid vehicles offered by manufacturers suitable for city use, and the purchase price differential remains an obstacle without grant funding.

TECHNOLOGY ENHANCEMENTS.

The city of Olathe takes great pride in using technology to help its employees provide quality services to the community. Municipal Services has long been a leader in embracing technology to allow its employees to work more efficiently in service delivery. In 2008, progress continued in two functional areas where use of technology has proven to improve efficiency: residential solid waste collection and meter reading. Historically, the city added staff in these areas on a regular basis as dictated by customer growth and the need for additional routes. Through enhanced technology, OMS has demonstrated these functions can be performed more cost effectively, safer, and with no loss of customer satisfaction, while also lengthening the time between the addition of new routes and equipment.

Water meters are essentially the “cash register” of the water and sewer fund. As water meters age, they typically slow down and cost any utility valuable revenue. The American Water Works Association (AWWA) recommends replacing water meters after 10 years of service. Currently, approximately 60% of the water meters in Olathe are older than this standard, and 33% are older than 15 years. This equates to less accuracy, reduced metered volumes, an increase in unaccounted for water, and ultimately less revenue. In 2005 the city began implementation of new radio read meters for all new construction and replacements. Since then, approximately 25% of the city’s residential meters have been replaced. OMS intends to continue a meter replacement schedule to bring the meter age into compliance with AWWA standards by 2015. This will be funded in part by increased revenue generated by improved accuracy of the meters, by re-deploying meter reading staff to meter replacement, and possibly through partnership with a private contractor through the Kansas Facility Conservation Improvement Program (FCIP).

Automating the residential solid waste operation also presented a long term opportunity for enhanced efficiency and a safer work environment. Technology has changed the face of nearly all city services in the last 25 years, but until late 2005, the city still picked up trash at the curbside the same way as in 1980. In April 2005 the City Council approved replacement of the plastic bag system with new carts for all residential customers. The transition to fully automated collection vehicles began in 2006, and will continue through 2009 with replacement of all existing sideloaders. A new residential route and driver is not foreseen until 2012. Since deployment of carts, the department has been pleased at the overwhelmingly positive public response to the new system, and the steady decrease in worker’s compensation costs. In 2008, specially designed carts for yard waste only were offered to our customers. Response has also been positive, and the department expects to have approximately 1500 yard waste carts deployed by the end of 2009. To maintain high levels of public satisfaction, the department anticipates the future need for a cart management position to handle the process of delivery, repair, exchange, and general follow up on all cart issues.

AGING INFRASTRUCTURE.

Olathe is a diverse community, with numerous developing subdivisions, as well as a core community that was 150 years old in 2007. The face of today’s Olathe can be traced to an explosive growth period in the 1960’s and 1970’s, which has continued to the present. With the passing of time, a significant portion of the city’s underground water and sewer infrastructure is aging. By the year 2010, 65% of the sewer collection system and 36% of the water distribution system will be greater than 30 years old. More specifically, the amount of water pipe more than 30 years old will grow from 109 miles to 177 miles, nearly a 70% increase. As these pipelines enter the second half of their design life, breaks and problems are much more likely to occur.

To continue meeting customer expectations for reliable service, additional resources need to be programmed for rehabilitation, repair, and maintenance of aging lines. Historically, waterline replacement efforts have been driven by the city’s street rehabilitation schedule. This coordination will continue, but OMS staff continues to

gain more experience in the use of asset management programs that help municipalities stay proactive in evaluating asset inventory, condition, and risk in order to prioritize available project funding.

In 2008, a utilities construction crew was established. The crew completed several water and sewer line projects at substantial savings compared to an outside general contractor. Looking forward, this crew will play a significant role in addressing a variety of asset management projects.

During the next five years the city should also invest resources in other areas of maintenance and operation to more proactively address its aging underground infrastructure. These include hydrant inspections on an annual basis to insure satisfactory operation, a scheduled valve exercise program so valves can always be located and operated in an emergency, and accelerated replacement of older and undersized water mains.

On the wastewater side, OMS has an award winning maintenance program for the wastewater collection system. Since 1999, sewer blockages in the system have dramatically decreased as the footage of lines cleaned has increased to greater than 1 million feet annually. During this planning period, the department needs to identify those line segments most in need of regular cleaning, and direct resources to prevention of problems through I&I reduction, grease management, root treatment, and TV inspection. OMS will also continue to work with the city's federal CDBG program to continue eliminating "bootleg" sewer lines in older neighborhoods.

In addition to underground infrastructure, the city also needs to continue addressing deferred maintenance, security, and regulatory enhancements at its water and wastewater treatment facilities. Many such items were addressed in the recent water plant expansion and others will be completed with the Cedar Creek wastewater project.

How much should a utility invest in maintenance? One commonly used measure for infrastructure rehabilitation is to invest an amount equal to annual depreciation of the system. Based on estimated asset values and age, the city should be investing approximately \$2.5 to \$3.0 million annually in repair and rehabilitation projects. Due to financial constraints, the department has typically budgeted far less than this target. This plan anticipates a gradually increasing investment in infrastructure rehabilitation over time. To help fund the plan, asset management data will be entered into the new water and sewer rate model to quantify reserves needed to fund future asset replacement costs.

CUSTOMER SERVICE.

As noted throughout this plan, all work within Municipal Services continues to be driven by the city's core value of customer service. A common expression is that "all employees of the city either directly serve customers or serve other departments that do." This statement is certainly true within Municipal Services. This 5-year plan proposes continued investment of OMS resources to meet the high expectations of Olathe citizens for basic services, and to continue listening and learning from customers and employees to improve how core services are delivered.

The city and the department survey its customers frequently. OMS is proud that utility services provided by the department contribute to the city's high ratings for city services and the record high overall "satisfaction index" contained in the 2008 annual Direction Finder surveys. Indeed, for the past five years, the overall satisfaction rating for Olathe utility services has annually "set the standard" for other communities surveyed in the metropolitan area. OMS is equally pleased with continuous improvements in vehicle maintenance satisfaction rating from our internal customers as reported in the 2003, 2005, and 2007 employee surveys.

By 2014, the city is expected to have 37,500 water customers, 40,000 solid waste customers, and more than 41,000 stormwater accounts. Handling the wide variety of questions and service requests from these customers often begins and ends with contact with the customer service division. This division has the unique task of providing both internal and external customer service by functioning as the initial point of contact for the department as well as performing billing, collection, cash concentration, compliance, and accounting functions for all utility services. OMS is the only city fund/department that relies on an internal customer service staff to collect the revenue needed for its existence. As the city grows during this planning period, additional resources and investment in technology will be required to maintain current service levels.

As in all other areas of the department, using information technology efficiently and effectively is a critical component in making employees more productive and able to deliver valued services expected by customers in the future. Examples of this in customer service are online utility bill presentment and credit card payment, which were made available in the last half of 2006. In 2008, the department completed a project to migrate its legacy utility billing system to an updated operating platform. This project extended the life of the current system at far less cost than a total replacement. The new platform provides tools and features that enable ongoing support and enhancements such as pay by phone. Last year, the customer service division acquired automated remittance processing equipment to provide faster and more accurate processing of customer check payments. To better serve and inform our customers of utility and citywide issues, the department anticipates moving to a one-page bill format during this planning period.

Customer service in OMS is not limited to our external utility customers. To better serve internal city departments, customer enhancements within the vehicle maintenance division are foreseen. These include installation of an automated vehicle wash system at the OMS complex and consideration of a fourth fueling station in the southeast part of the city. With the increasing amount and complexity of electronic equipment deployed on public safety vehicles, dedicating a relatively “clean” location within the OMS facility for IT installation, diagnostics, and service is desirable. Alternatively, it may be preferable to relocate these functions, including warm storage space for police vehicles, to the new police facility.

FINANCIAL CAPACITY

The department cannot address the five drivers of its business operations without adequate financial resources. It is important to note that resources necessary to operate the department are derived exclusively from customer user charges, not taxes. User charges in the largest fund, water and sewer, are volatile depending on weather conditions. In addition, the water and sewer fund not only supports utility operations, but also capital improvements and debt service.

The department prepares long term financial forecasts by fund to estimate resources needed to provide excellent customer service and meet the above noted challenges driven by growth, regulatory demands, technology, and aging infrastructure. The department’s five-year financial forecasts are prepared being mindful of the city’s debt management policy, the retention of adequate levels of reserves, the outputs of its rate models, and the historical perspective of annual rate adjustments. Through this plan, the financial goal of OMS operations is to insure that the service demands driven by the five key business drivers are balanced with the ability of Olathe customers to meet those demands through their utility rates.

The major improvements currently underway to provide the next foundational blocks of water and sewer capacity described earlier in this plan will require significant borrowing for a utility of Olathe’s size. The department’s financial challenge is to handle future debt service in a manner that does not “crowd out” other

basic operations. Future debt requirements are discussed regularly with the city's bond rating agencies, and the city received a revenue bond rating upgrade from Standard & Poors in January 2009.

One caveat to the water and sewer fund projections is always the wastewater treatment contract with Johnson County Wastewater. Covering a significant portion of Olathe east of I-35, this contract is subject to annual rate adjustments outside the control of the city. The annual payment for this contract is the largest line item expense in the department budget. Staff is closely watching the Kansas City, Missouri combined sewer repair project, as the ultimate resolution of that issue has the potential to add significant wastewater treatment cost increases on Johnson County, and therefore on Olathe.

Based on re-engineering the recycling operations and continued increase in commercial collection, financial forecasts indicate the solid waste fund is headed toward increased financial stability, a build up of reserves, and moderating residential rate increases. In solid waste, the greatest uncertainty in forecasting is always fuel cost.

Through this five year plan, the Municipal Services Department remains committed to its role in supporting the city's overall vision, mission, and strategic plan, and continuing to provide basic services needed and appreciated by all citizens.

Respectfully submitted,

Don Seifert
Municipal Services Director
February, 2009

SUPPORTING DATA

Growth Trends

As shown in the table below, the trend in **utility customer growth** has been constant, mirroring the overall rapid growth of Olathe. Customer growth is the primary driver of the department's activities, averaging roughly 7% annually for the last generation.

Year	Water	Wastewater	Solid Waste	Stormwater
1980	11,926	11,384	10,291	
1985	15,617	14,605	13,697	
1990	20,211	17,608	17,755	
1995	24,016	19,910	21,371	23,484
2000	29,596	23,421	27,406	30,279
2001	30,442	24,031	28,625	31,747
2002	31,412	24,799	29,834	33,069
2003	32,086	25,323	30,998	34,026
2004	32,615	25,883	31,998	34,949
2005	33,070	26,463	32,899	35,968
2006	33,534	27,228	33,841	36,910
2007	33,974	27,775	34,808	37,645
2008	34,150	27,972	35,342	37,906

In the vehicle maintenance operation, from 1997 through 2000 the fleet was growing at an average annual rate of 5%. During the next 4 year period, the number of additions to the fleet fell to 1-2% annually due to the downturn in revenues. Projections for 2010-2014 remain at 1-2% annual fleet growth with the return of better economic times and the continued growth of the city nearer the end of the 5 year cycle.

The chart below illustrates the growth in the **VERF Fleet** the past 12 years:

Year	Vehicle Growth
1997	397
1998	379
1999	414
2000	478
2001	513
2002	543
2003	557
2004	588
2005	578
2006	582
2007	588
2008	594

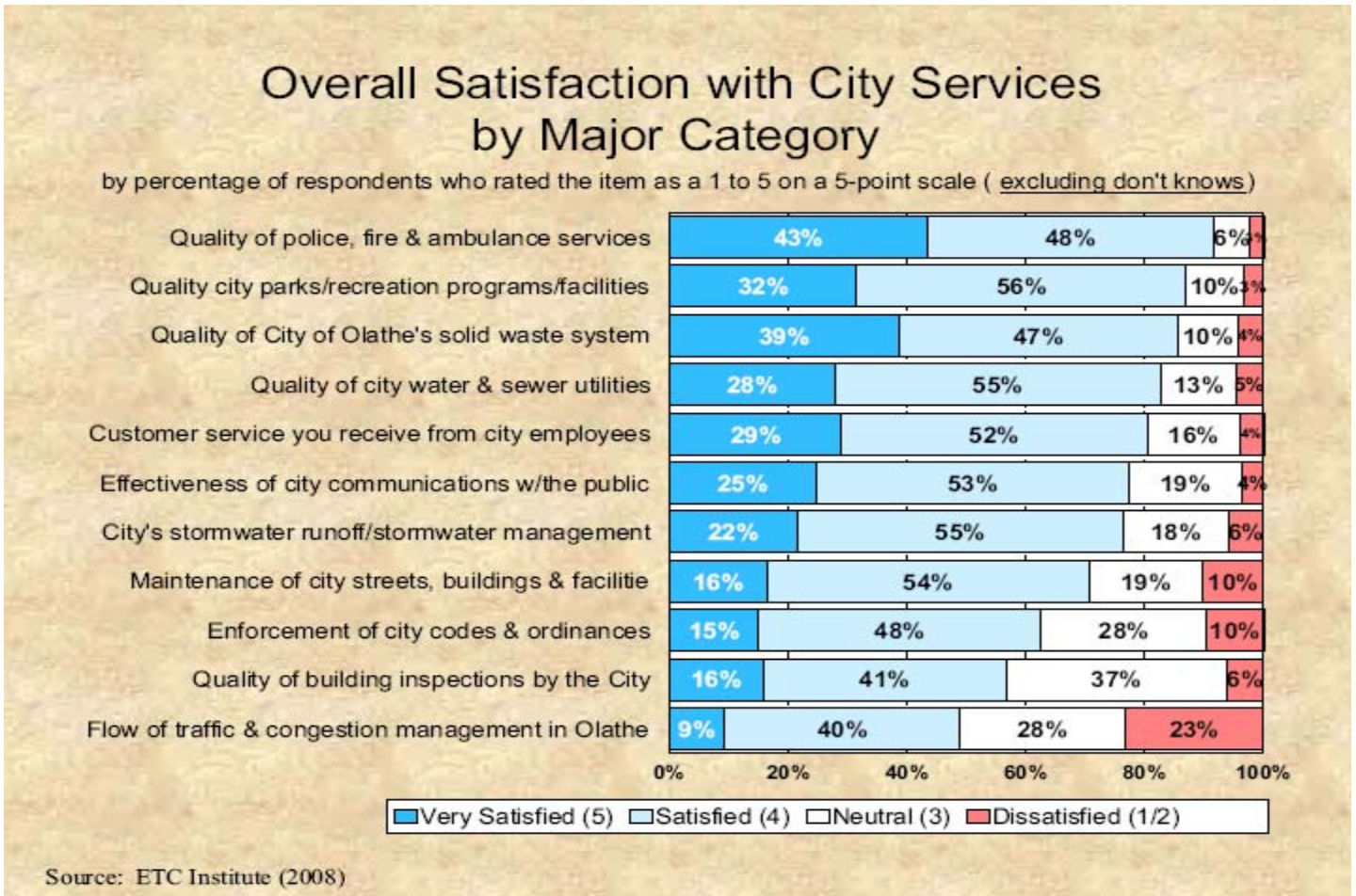
Survey Results: Direction Finder, Department Quarterlies, and Internal Service Surveys

Periodic surveys conducted by the city pertaining to Municipal Services operations include the citywide annual **Direction Finder** survey, bi-annual employee **internal services satisfaction survey**, and the department's **quarterly customer satisfaction surveys**. The department is proud of its consistent performance and generally high marks on these surveys.

In particular, in the first and third quarters of 2007 the department's overall customer satisfaction index reached all time highs of 84.2 and 83.4, respectively. The most recent 3rd and 4th quarters of 2008 were only slightly below these figures. In addition, in the 2004 Direction Finder survey conducted by ETC Institute, the overall satisfaction (76%) with the quality of utility services was rated highest in Olathe among all metropolitan area cities surveyed. In subsequent years, this rating has improved, and has now led the metropolitan area for five consecutive surveys 2004-2008. These utility ratings have contributed significantly to the increase in the city's overall citizen satisfaction index, which now stands at 123 compared to a baseline 100 in the year 2000.

The department is equally proud of continuous improvements in vehicle maintenance satisfaction ratings from the internal surveys. Since the internal survey was initiated in 2001, satisfaction levels with vehicle maintenance services have shown steady improvement in 2003, 2005, and 2007. Vehicle maintenance was the most highly rated internal city service in 2007. All these surveys are vitally linked to many of our department and citywide performance measures. In visual form, recent highlights from these surveys:

2008 Direction Finder Survey



This chart shows the overall citizen satisfaction rating with various city services in Direction Finder 2008. 83% of respondents were satisfied or very satisfied with city water/sewer utility services. 86% were satisfied or very satisfied with the overall quality of the city's solid waste system.

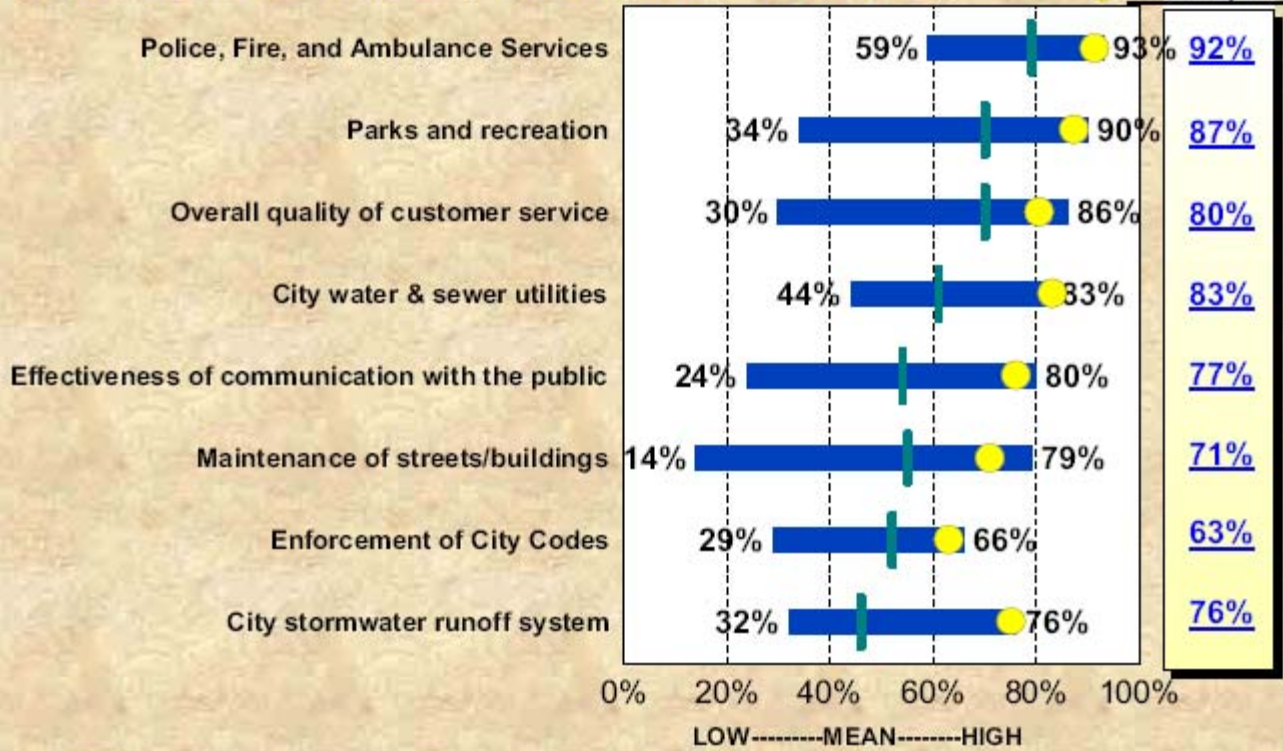
As shown in the following chart, in 2008, Olathe services all ranked above the median satisfaction level. The 83% rating for city water and sewer utilities continued to rank highest among cities in the survey, as it has for five consecutive years.

Overall Satisfaction With City Services 2008

by percentage of respondents who rated the item as a 4 or 5 on a 5-point scale

Underlined items Rated Among the Top 25% of Cities in the Metro Kansas City

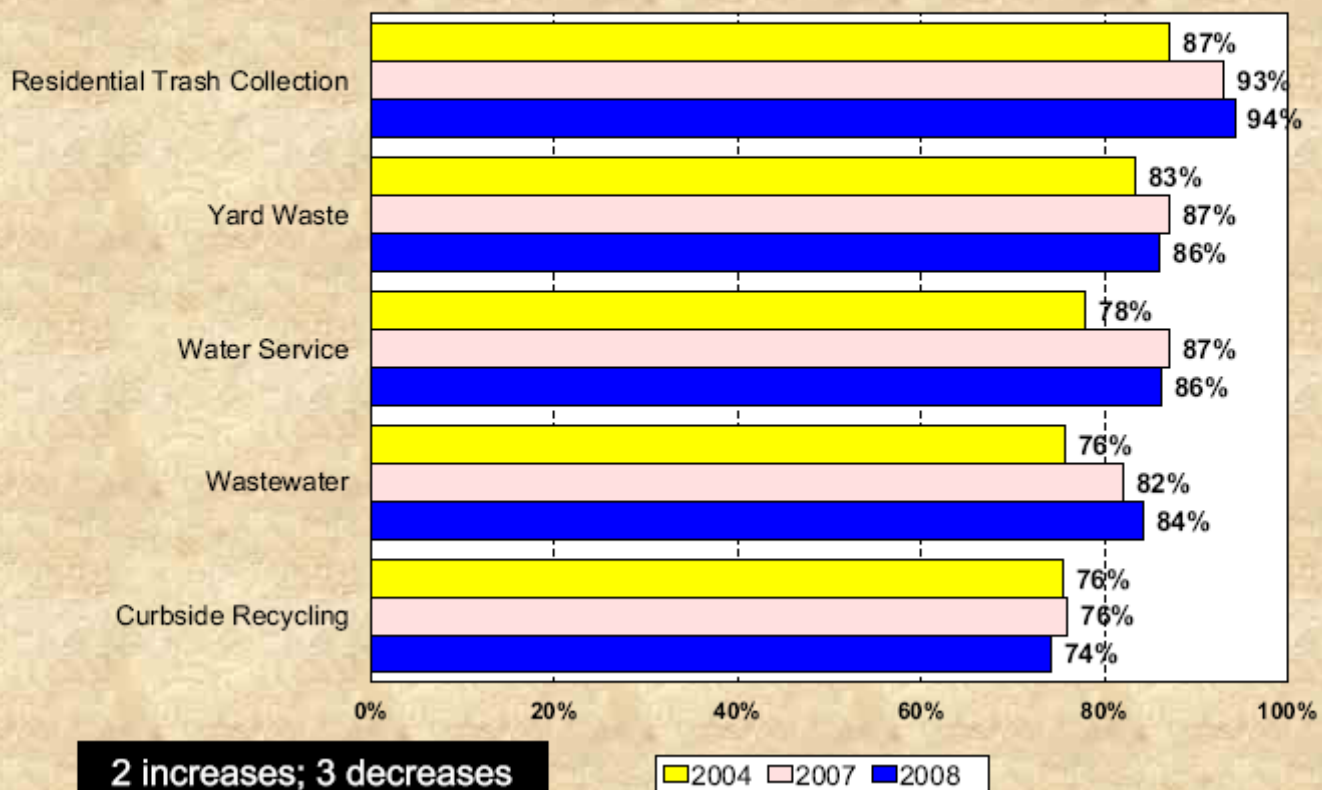
● Olathe, KS



Source: ETC Institute DirectionFinder (2008)

TRENDS: Satisfaction with Various Aspects of Utility Services - (2004, 2007, 2008)

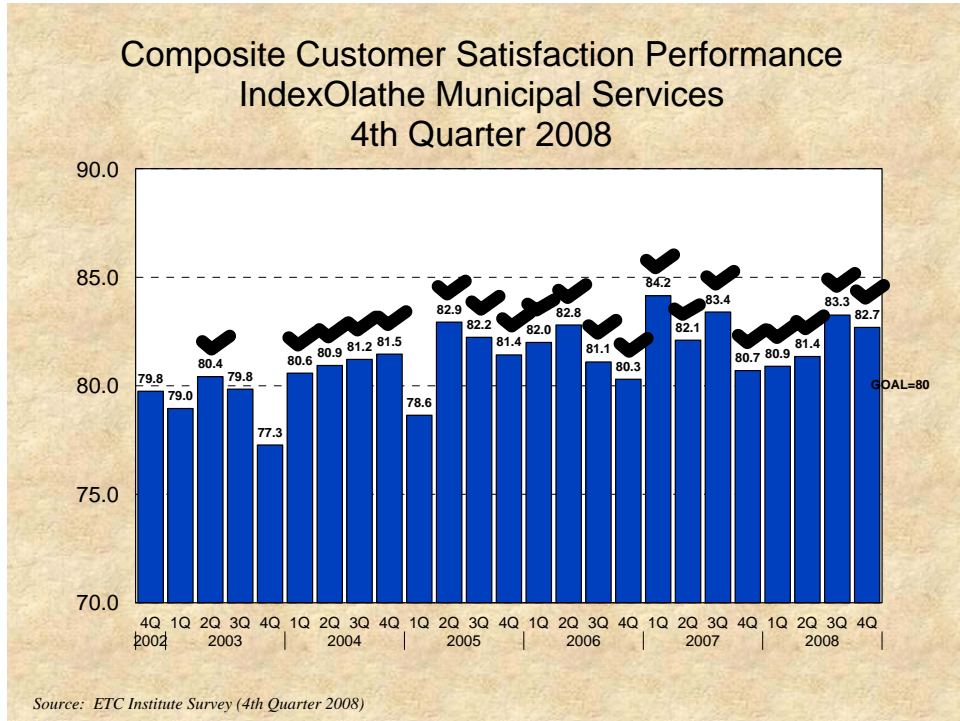
by percentage of respondents who rated the item as a 4 or 5 on a 5-point scale (excluding don't knows)



Source: ETC Institute (2008)

This chart presents in more detail the 2008 Direction Finder customer satisfaction ratings for specific OMS services. For example, 94% of those surveyed were satisfied or very satisfied with the city's solid waste residential trash collection. In this survey, the 2008 decreases were not considered statistically significant.

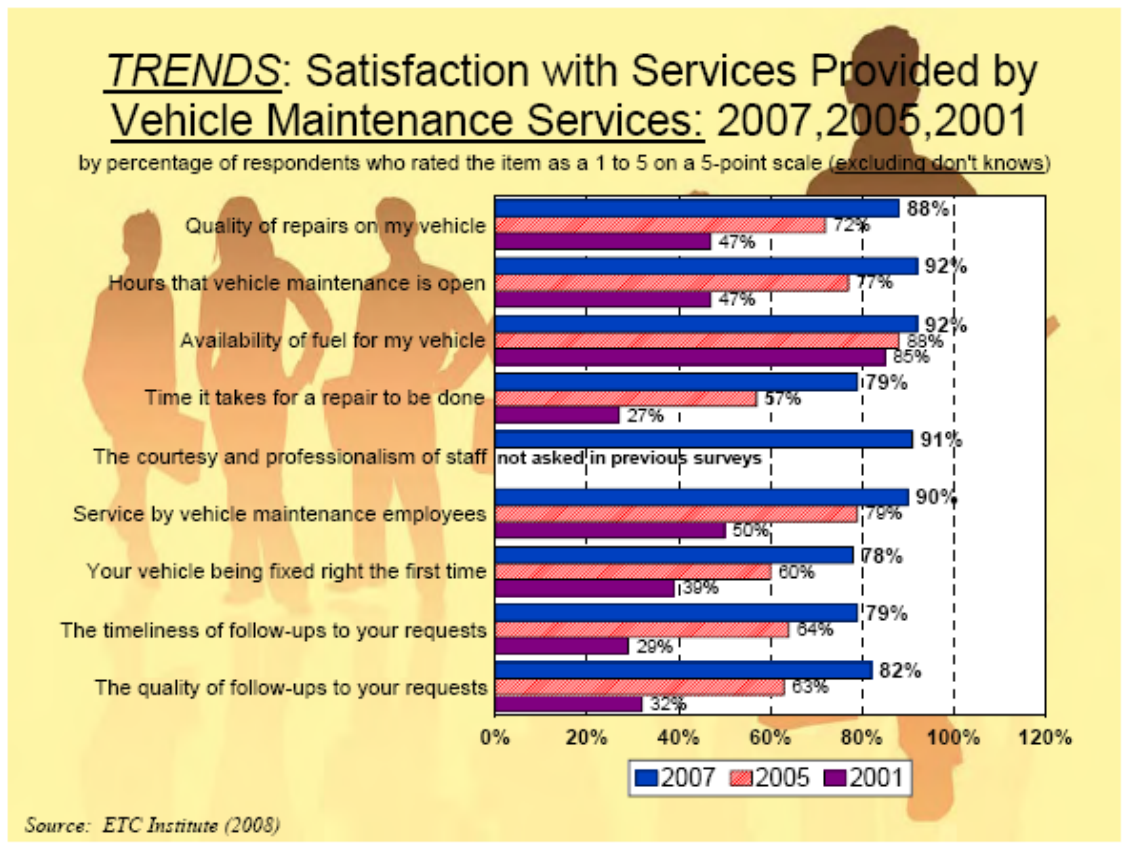
OMS Quarterly Survey, 4th Quarter, 2008



From the department's quarterly surveys, the overall composite customer satisfaction performance index in 2008 was sustained at a high level.

2007 Employee Survey

In the internal 2007 city employee survey, satisfaction with vehicle maintenance services provided by OMS exhibited generally high ratings.



In the 2007 city employee survey, satisfaction with vehicle maintenance services provided by OMS dramatically improved over 2005 and in some measures doubled compared to the first survey conducted in 2001. Compared to a year ago, respondents in the 2007 survey indicated greater satisfaction with vehicle maintenance than with any other internal city service.

2008 Accomplishments

Department:

- Attained the highest overall customer satisfaction level (83%) for city water and sewer utilities in the metro area as reported in the 2007 Direction Finder Survey. This was the 4th consecutive year that Olathe set the metro area standard. 2008 results are soon to be available.
- Achieved the highest overall satisfaction level (86%) ever for trash collection service as reported in the 2007 Direction Finder Survey. 2008 results are soon to be available.
- Participated actively in city safety committee; frequency and severity of department injury accidents continue to be significantly lower than 2004-2006.
- Provided leadership and coordination of annual Aquafest event at Cedar Lake.
- Hosted 2008 Civic Academy session and presented on OMS operations.
- Assisted with 3rd grade government program by providing OMS tour to approximately 700 Olathe students.
- Prepared Council “white papers” on “Sustainability and Local Government” and “Sustainability Best Practices.”
- Continued updated contract negotiations with wholesale water customers.
- Completed wholesale treatment agreement with Johnson County Wastewater for area north of Cedar Creek subdivision across K-10.
- Initiated cost of service study and update to water and sewer rate model.
- Partnered with ITS to provide enhanced city web site.
- Initiated a Facilities Conservation Improvement Program (FCIP) with State of Kansas; selected a performance contractor to review energy conservation measures at water and sewer facilities.
- Developed water and sewer infrastructure proposals for proposed federal economic stimulus program.

Customer Service Division:

- Met all deadlines in billing, collecting and accounting for water, sewer, solid waste and stormwater plus city-wide miscellaneous accounts receivable. Processed and accurately posted over 446,000 payments to utility accounts for a total of over \$34,700,000.
- Exceeded 80% benchmark based upon the ETC model for overall quality of Customer Service.
- Exceeded the Telephone Service Factor (TSF) goal of 80% of calls answered in the first 20 seconds or less by achieving 82.85% calls answered in 30 seconds or less. The average delay is 16 seconds.
- Exceeded the call abandoned target of $\leq 15\%$ with an abandon rate of calls > 30 seconds of 11%.
- Partnered with ITS to successfully migrate the old billing system to new platform.
- Implemented an automated remittance processing system that improves productivity and timeliness of deposits.
- Researched and developed policy and legislation changes to comply with the Red Flag Rule as a deterrent to identity theft.
- Revised the new customer deposit structure and gained approval from the council to implement in 2009.
- Submitted bad debts to the State of Kansas Debt Setoff Program and recovered more than \$48,000. Determined that the Debt Setoff Program is not bound by the statute of limitations so assigned \$163k of bad debt from 1980-1996.
- Celebrated National Customer Service Week and received a Mayoral proclamation.
- Staffed a booth at the annual Aquafest event.

- Assisted Solid Waste Division with the initiation of new yard cart program by providing billing and order requests.

Solid Waste Division:

- Operated solid waste facilities in compliance with all rules and regulations of KDHE and Johnson County Environmental Department.
- Exceeded 85% satisfaction in customer survey for overall quality of solid waste services on ETC quarterly customer satisfaction surveys.
- Implemented 5 day consolidated residential collection services for improved route efficiency and deployment of vehicles.
- Implemented residential YARDCART collection program to provide improved customer service for yard waste customers and to reduce employee injuries.
- Increased the number of commercial solid waste accounts by 5% over 2007.
- Received Council approval for two significant program changes beginning in 2009: mandatory participation in curbside recycling for all newly constructed single family dwellings; and inclusion of all Olathe multifamily residential properties into the city solid waste system.
- Provided recycling opportunities for various public events including Old Settlers, Aquafest, and Mahaffie Farmstead special events.
- Established new drop-off recycling sites at both Wal-Mart stores.
- Conducted year-round monthly countywide HHW collection events in conjunction with Johnson County Stormwater Planning Committee and Johnson County Environmental Department.
- Hosted a SWANA Kansas Chapter roundtable session concerning solid waste management issues in Kansas.
- Received the “Excellence in Operations Program Award” from the Kansas City Metro Chapter of APWA for the SmartCarts program, recognizing outstanding Public Works programs which improve the efficiency and effectiveness of governmental operations.
- Initiated a review of transfer station operations and recycling program alternatives with R.W. Beck, Inc.

Vehicle Maintenance Division:

- Promoted environmental stewardship by expanding gas gap testing to include all city vehicles during PM's and all HHW events.
- Began “Spare the Air” decal campaign to place anti-idling decals on all city vehicles.
- Completed retrofits of 51 city trucks with diesel oxidation catalyst (DOC) kits for improved air quality funded by MARC grant.
- Presented to KC Metro Air Quality members on diesel oxidation catalyst retrofits.
- Exceeded targets of 90% fleet availability for both police and fire emergency vehicles and 85% for solid waste vehicles.
- Held monthly sensing sessions with Fire Department, and began weekly systematic 2nd shift coverage of Fire Department service calls.
- Finished #1 out of all city internal services in the Internal Direction Finder survey for employees who were more satisfied with services than the previous year.
- Extended service hours for city vehicle maintenance during storm events.
- Entered five participants (most of any metro city) in the APWA Rodeo Mechanics Competition, placing 2nd and 4th in 2008.
- Initiated a new on-line virtual college training program for mechanics thru Cummins Mid America.

- Assisted with update of Vehicle & Equipment Replacement Fund (VERF) administrative guidelines.
- Frankie Doles, administrative support, won the 2008 STREAM customer service award for the City.

Utilities Technical Support Division:

- Provided in-house design and project management services for CIP projects.
- Received EPA approval on the City's Initial Distribution System Evaluation System Specific Study Plan.
- Received EPA approval of two year's of grandfathered plant sampled data for enhanced LT2 regulatory compliance.
- Selected, purchased and completed training for the new XPSWMM sewer model.
- Negotiated engineering design of 42" waterline crossing with Lenexa at K-10 and Lone Elm.
- Completed dam breach analysis and Emergency Action Plan for Lake Olathe.
- Updated water and sewer technical specifications for engineering design.
- Developed strategic interim and long term sewer infrastructure initiatives for south Cedar Creek Basin.
- Completed over 400 utility plan reviews for planning, utilities and building codes.
- Completed 100% engineering design of the 42 inch water main project; completed Phase 1 construction from 119th street to College Boulevard.
- Completed all necessary performance evaluation samples to maintained NELAC certification for the water and wastewater laboratory parameter analyses.
- Maintained 100% compliance with EPA/State water monitoring and reporting requirements.
- Completed RFP for Lab Space Needs Assessment
- Submitted Water Rights application and modeling for CW5.
- Completed 100% of all 2008 Water and Sewer projects within 95% of budgeted CIP amount and within contract schedule.
- Completed RFP for Raw Water Transmission Main from CW5 to WTP2, including Kansas River crossing.
- Completed preliminary design study for Cedar Creek Wastewater Treatment Plant expansion; negotiated final design agreement.
- Prepared 2009-2013 CIP project updates.
- Completed all water and sewer locates with 100% accuracy.

Wastewater Treatment Division:

- Received awards from National Association of Clean Water Agencies (NACWA) for outstanding 2007 compliance records at both wastewater plants. Harold Street received a Gold Award for no regulatory violations, and Cedar Creek received a Silver Award. Both plant were violation free in 2008, and will be recognized with Gold awards later this year.
- Completed the ultraviolet (UV) disinfection system upgrade at the Harold Street plant.
- Received the ABC Excellence in Construction award for Harold Street UV enhancement project built by Grimm Construction, City of Olathe and Black & Veatch.
- Expanded the SCADA system at the facilities to include lift station control and monitoring.
- Completed a lift station at Lakestone Estates lagoon system to eliminate runoff discharges.
- Installed fiber to Harold Street Treatment facility for network connectivity and upgraded telephone system.

- Completed various equipment replacement/rehabilitation projects through asset management program
- Completed the Cedar Creek preliminary design study in cooperation with Technical Support staff and Black & Veatch and initiated final design.
- Completed implementation of a common maintenance management software program with Water Production and Utilities Maintenance divisions.
- Hosted 13 plant tours with a total of 200 participants for various community organizations including the Olathe School District and Johnson County Community College.

Water Production Division:

- Produced the quality and quantity of water to meet all customer demands and all Federal and State regulatory requirements
- Exceeded an 80% benchmark on the ETC model for overall quality of water service
- Produced and mailed the annual Consumer Confidence Report (CCR) for 2007 to all customers with discussion narrative and values for applicable contaminants prior to July deadline.
- Completed 2008 with no reporting or monitoring violations.
- Prepared and submitted all monthly, quarterly and annual reports to KDHE by appropriate deadlines.
- Prepared specifications and removed one sludge lagoon.
- Assisted technical support in preparing updated monofill assurance plan to KDHE.
- Provided assistance to the annual Aquafest event at Cedar Lake.
- Received the 2008 Best Tasting Water Award from the Kansas Section of the American Water Works Association (AWWA).
- Provided assistance and information for completion of several water plant projects: basin 1 rehab and repainting, clear well painting, grit classifier, and waste force main.
- Conducted tours of Water Plant #2 for schools and the governing bodies of the city's wholesale customers.
- Completed implementation of a common maintenance management software program with Wastewater and Utilities Maintenance divisions.

Utilities Maintenance Division:

- Cleaned over 500,000 feet of sewer system, limiting sewer backups and overflows to 4 events in 2008.
- Identified and grouted 45 severely leaking manholes with city crews, and contracted for repairs to 13 manholes with severe hydrogen sulfide deterioration.
- Responded to 39 main breaks in a timely manner, limiting the un-metered water to 12.3%, lower than previous years due to wet weather, and effects of corrosion control program implementation.
- Replaced or installed 2,959 water meters with new radio-read technology meters, increasing metering accuracy and reducing meter reading time. Current number of radio-read meters is >8,600, about 25% of the total.
- Created a construction crew for responsiveness and cost savings on water and sewer rehabilitation projects.
- Installed over 2,000 feet of waterline on S. Ridgeview Road to upgrade distribution system and to minimize conflicts with street reconstruction project.
- Installed over 1,200 feet of waterline on 151st Street and in Santa Barbara to complete loops for dead-end water mains.

- Completed pipe bursting of nearly 1,000 feet of 10 inch sewer main with 14 inch sewer main in the Frisco Lake area.
- Wastewater Collection was awarded the Kansas Water Environment Association (KWEA) Class 3 Collection System Award for the sixth out of seven years.