

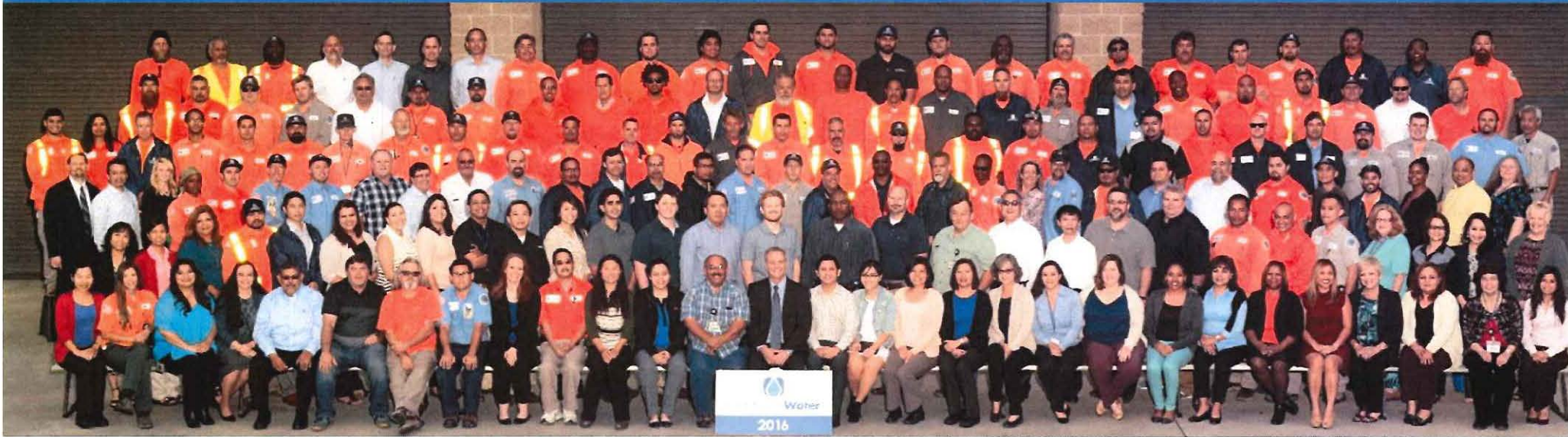
FY 2017 Budget Presentation



Presented by
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General Manager

September 6, 2016

Exceptional Customer Service



- 90,000 Long Beach residential and business accounts
- Staffed 24/7 for water and sewer emergencies
- Handle 10,000 water emergency service calls a year

Exceptional Water Quality

- LBWWD's skilled scientists, engineers, technicians perform 57,000 water quality tests annually
- Long Beach's water meets or exceeds ALL federal and state water quality standards



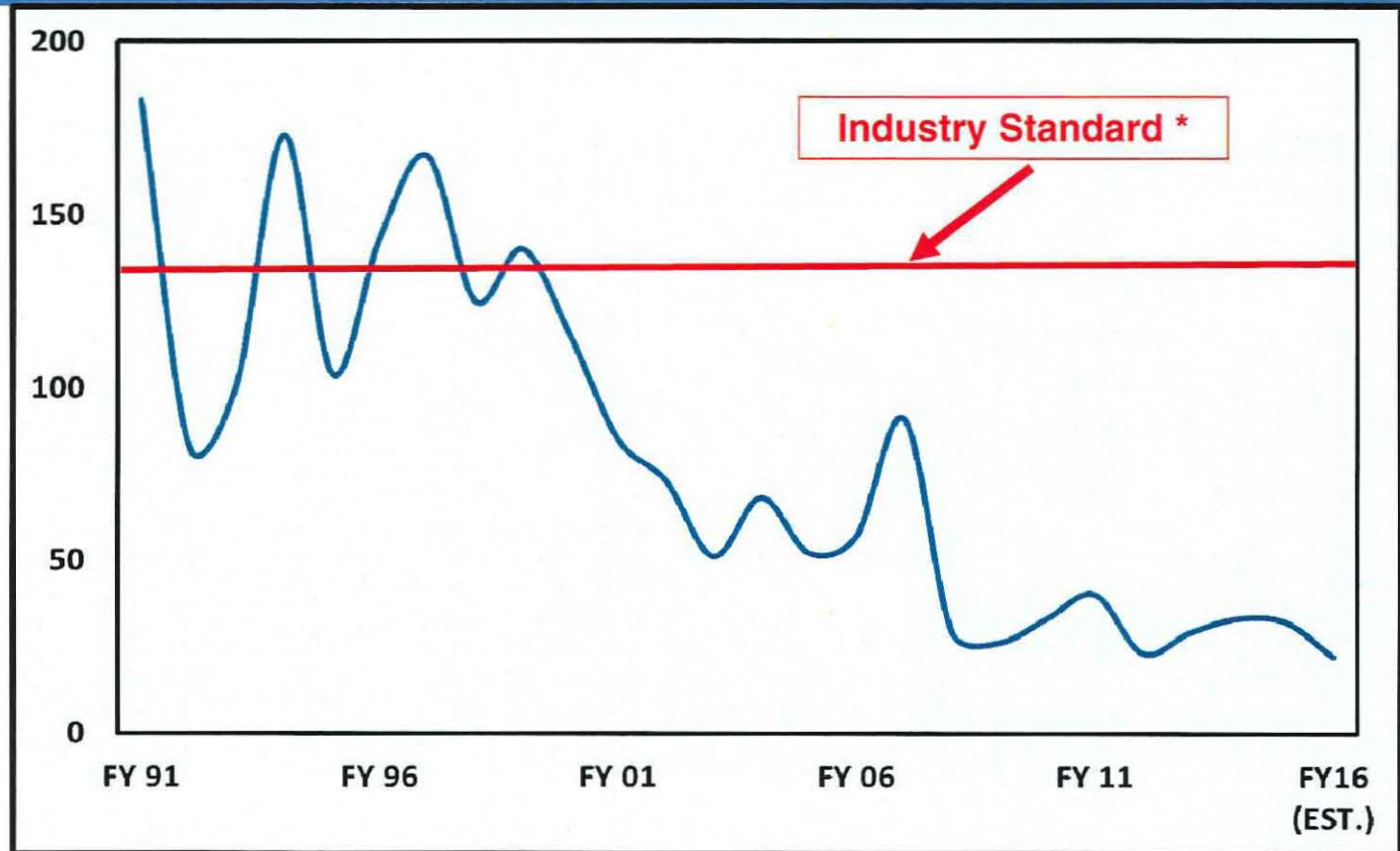
Reinvestment in Infrastructure



- Maintain 2,500 miles of water main pipeline, service lines, and sewer pipeline
- Over 220 miles of water main pipeline replaced since 1991
- \$16 million to be reinvested in pipeline replacement and other CIP
- Targeted replacement of most vulnerable cast iron water mains

Annual Water Main Breaks

About an 80% drop in number of main breaks in past 25 years



Sustainability – Long Beach Style



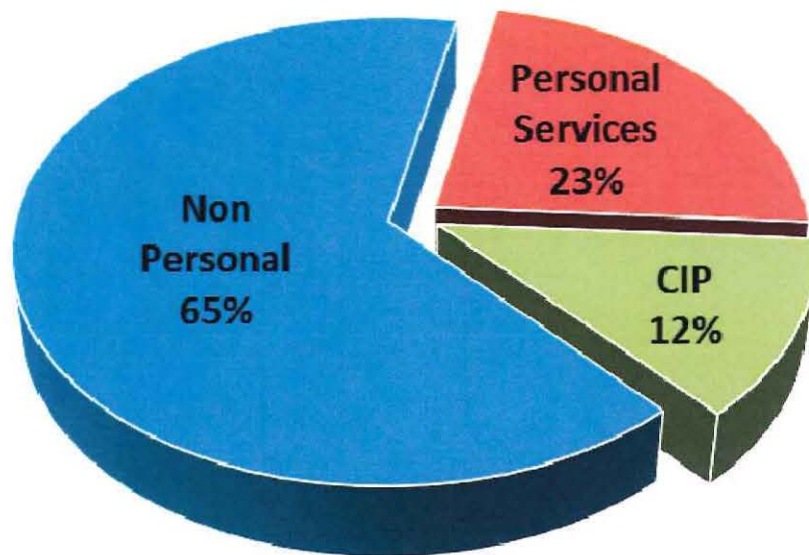
- Water use efficiency is our way of life
- Long Beach is using no more water than it did in the 1950s (despite a 40% population increase)
- Double digit water use reductions every month this summer



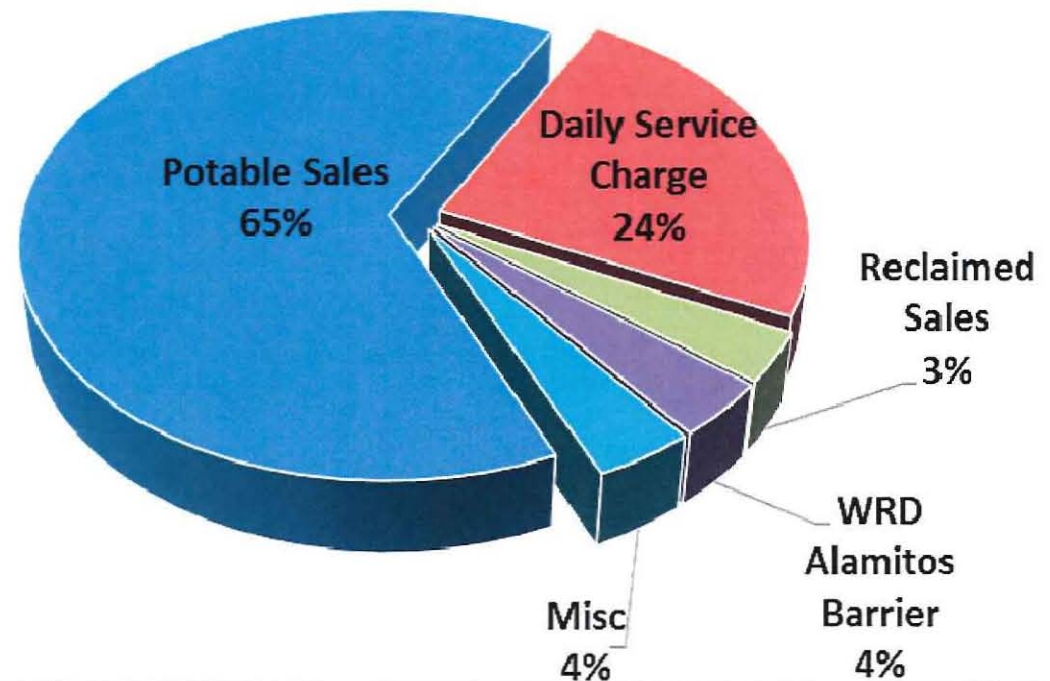
- 65% of a single family home's water use is for outside irrigation
- L2G incentives up to \$3,750 for eligible customers
- 6 million square feet of thirsty turf replaced through incentives

Water Fund

Expenditures \$102,320,154

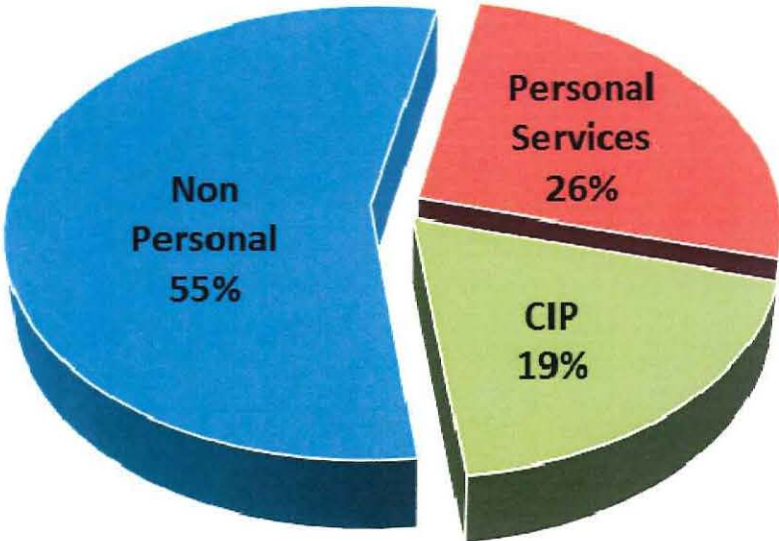


Revenues \$ 98,512,616

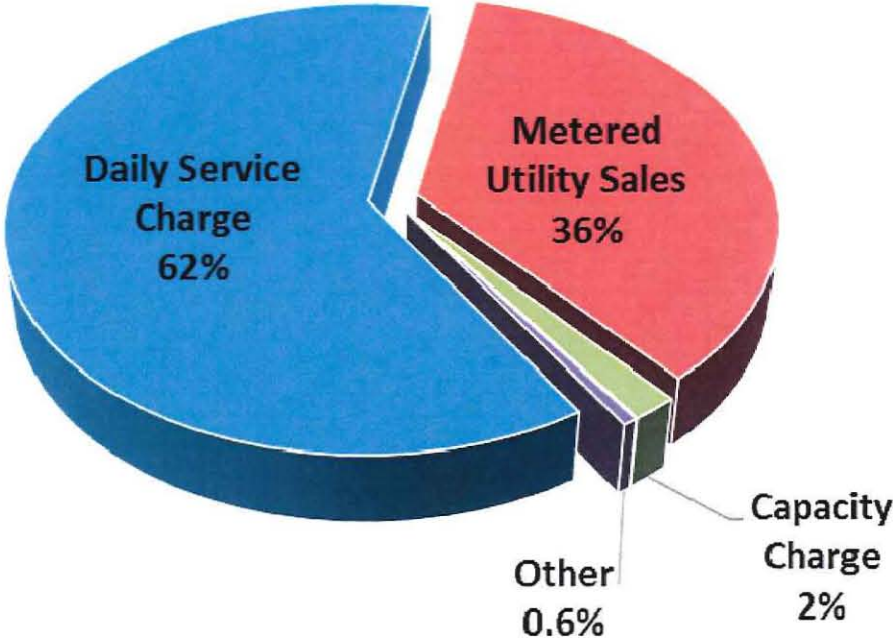


Sewer Fund

Expenditures \$20,228,985



Revenues \$19,050,805



Rate Adjustment

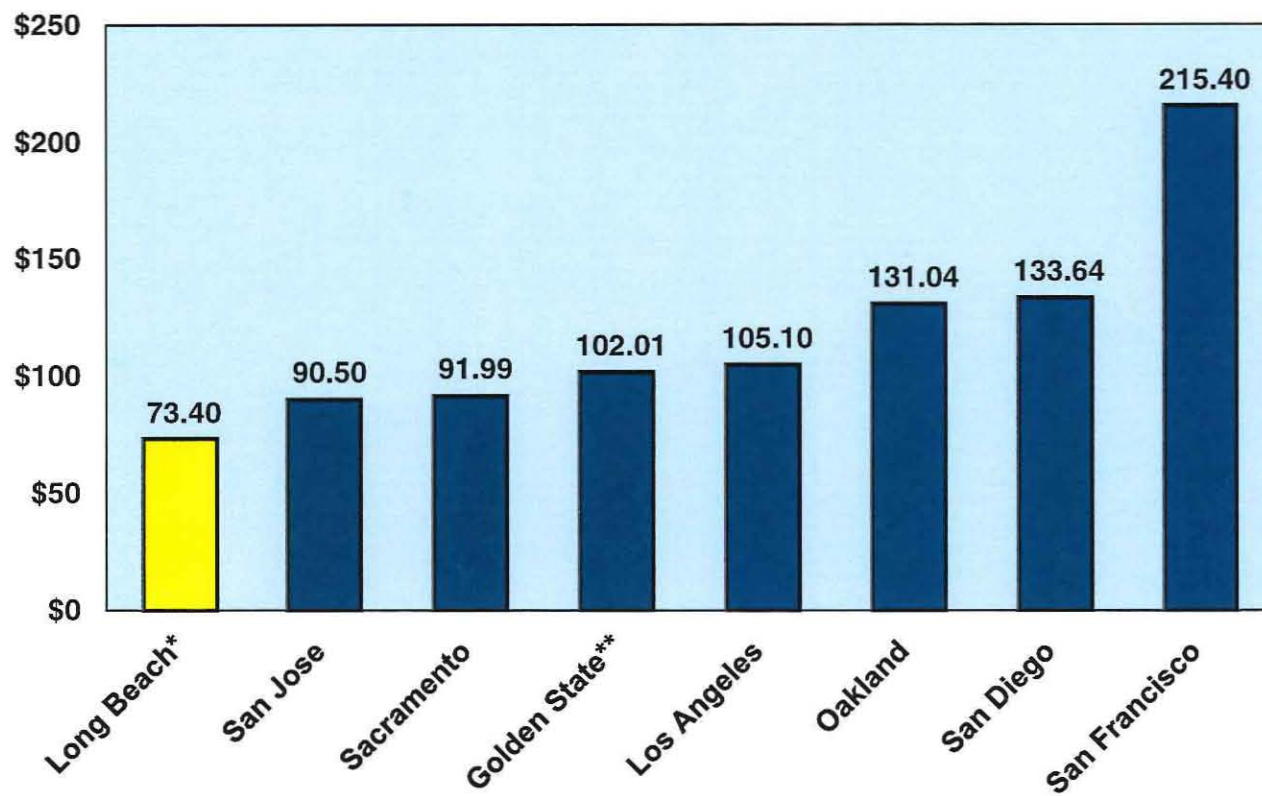
- Proposed 4% increase for both water and sewer rates
- Draw down \$3.8 million on water reserves and \$1.2 million on sewer reserves to keep increase moderate

Rate Increase Effect on Typical Monthly Bill*

	<u>FY 16</u>	<u>FY 17</u>	<u>Increase</u>
Water Bill	\$45.66	\$47.49	\$1.83
Sewer Bill	\$11.85	\$12.33	\$0.48
	<u>\$57.51</u>	<u>\$59.82</u>	<u>\$2.31</u>

* 12 water billing units, 10 sewer billing units

Combined Water/Sewer Bill Comparison



Rationale - Water



- 4% increased in costs for purchasing water imported from Northern Calif and the Colorado River
- 5% increase in pumping costs for local groundwater supplies

Rationale - Sewer



- State regulations have increased the ongoing inspection and maintenance of the sewer system
- Payback of outstanding debt in the Sewer Fund

Working Together for a Better Quality of Life

Gas and Oil - Call Center, turn-ons, meter reading, billing, asset sharing

Parks - Irrigation improvements and increased reclaimed water availability

Public Works - Coordinate pipeline projects with Measure A street work

Health - Transfer restaurant sewer inspections to improve customer service

Teamwork

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