

# FY 2018 Budget Presentation



*Presented by*  
**Chris Garner**  
*General Manager*

*September 5, 2017*

# Exceptional Customer Service



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

# Exceptional Water Quality

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



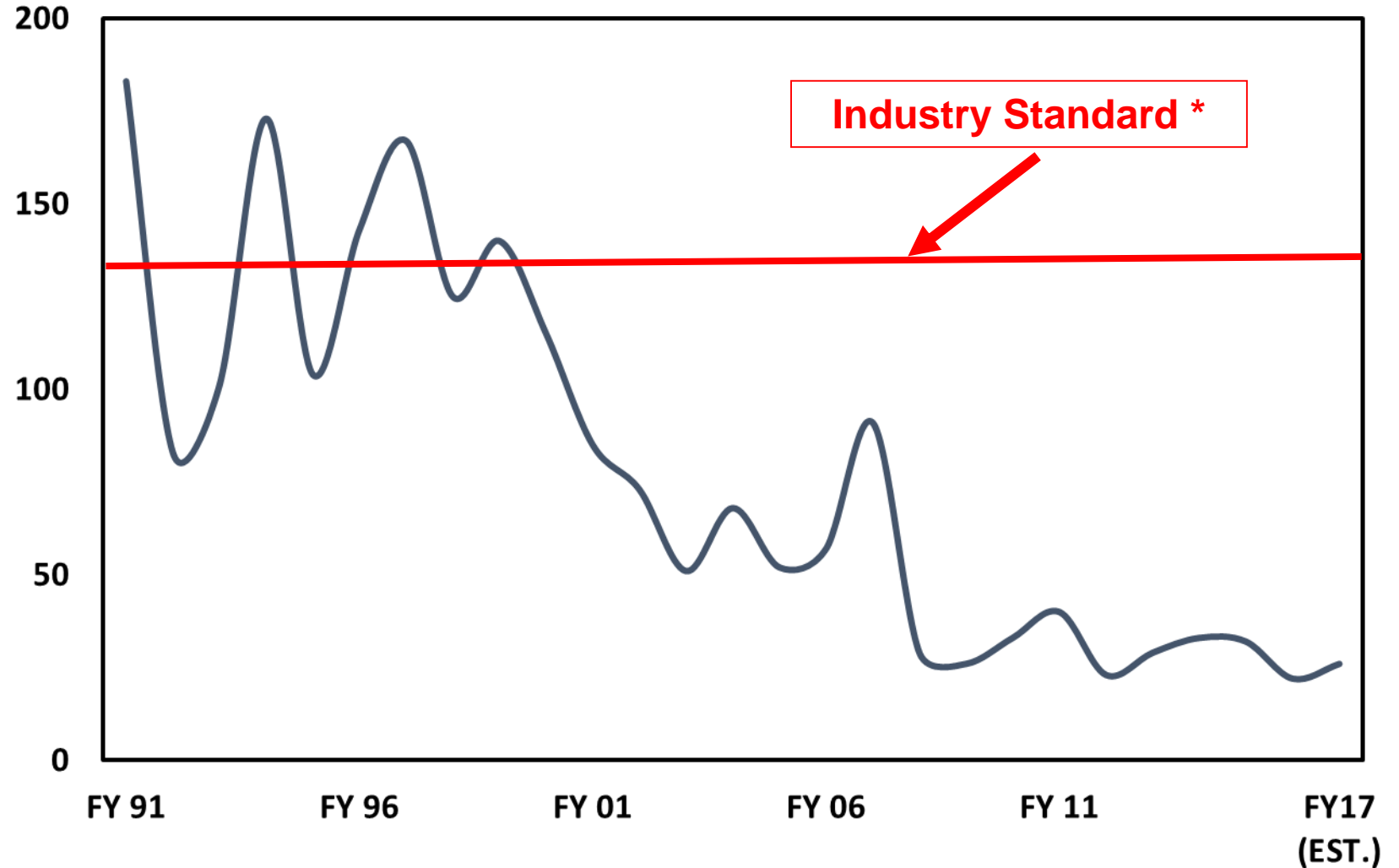
# Reinvestment in Infrastructure



- **Maintain 2,500 miles of underground water/sewer pipelines**
- **Over 225 miles of water main pipeline replaced since 1991**
- **Reinvesting \$17.5 million in pipeline replacement and other CIP work**

# Annual Water Main Breaks

**80% drop in  
main breaks  
in past  
25 years**



# Technology

**Assisting Parks/Rec by installing 20 smart meters to locate leaks in irrigation system**



**Trenchless technology for sewer line repairs**



**Sonar technology provides advanced warning of rising sewer levels**



# Reorg Focus on Quality Control

- **New Director of Field Ops to oversee both Water & Sewer field work**
- **New Supt of Water Construction to focus on all water pipeline work**
- **Increased Inspection team to 8 inspectors (contracted in)**



# Reorg Focus on Quality Control

- **All pipeline street work now treated as one project at a time from start to finish, under one field Supervisor**
- **All work is now reviewed by an Inspector to ensure quality control**
- **Fully in compliance with Public Works specs, NO exceptions**





# Sustainability – Long Beach Style



- **Water use efficiency is our way of life**
- **Double digit water use reductions this summer**
- **Long Beach is using about same volume of water as it did in 1950s**  
(despite 40% population increase)

# Sustainability – Long Beach Style



- 65% of a home's water use is for outside irrigation
- L2G incentives of up to \$3,750 for eligible customers
- 6 million sq ft of thirsty turf replaced thru LBWD incentives

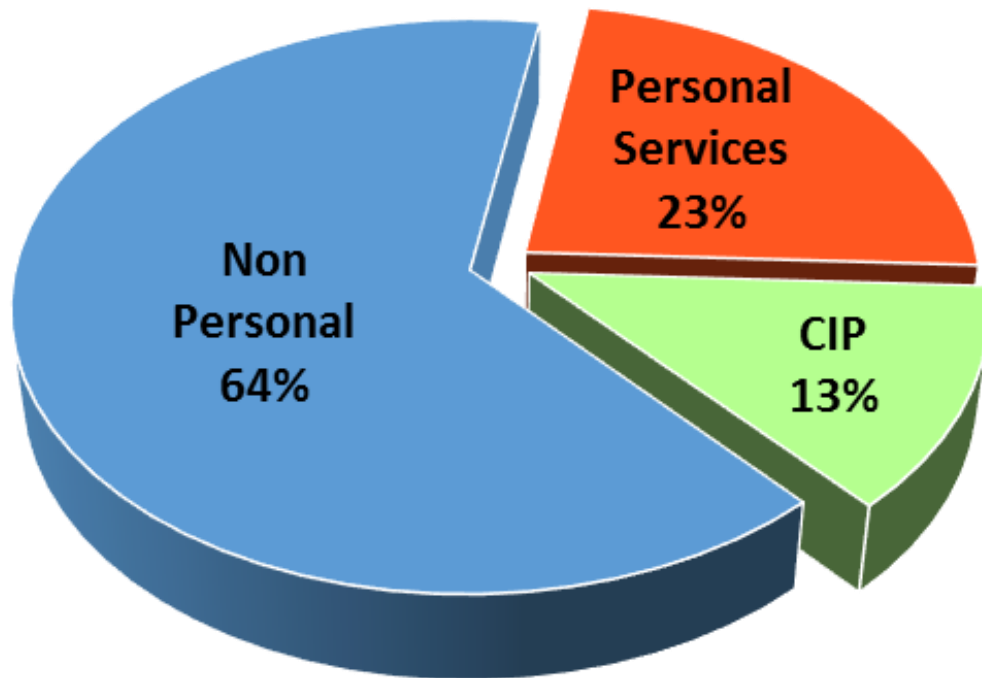
# Future Capital Needs



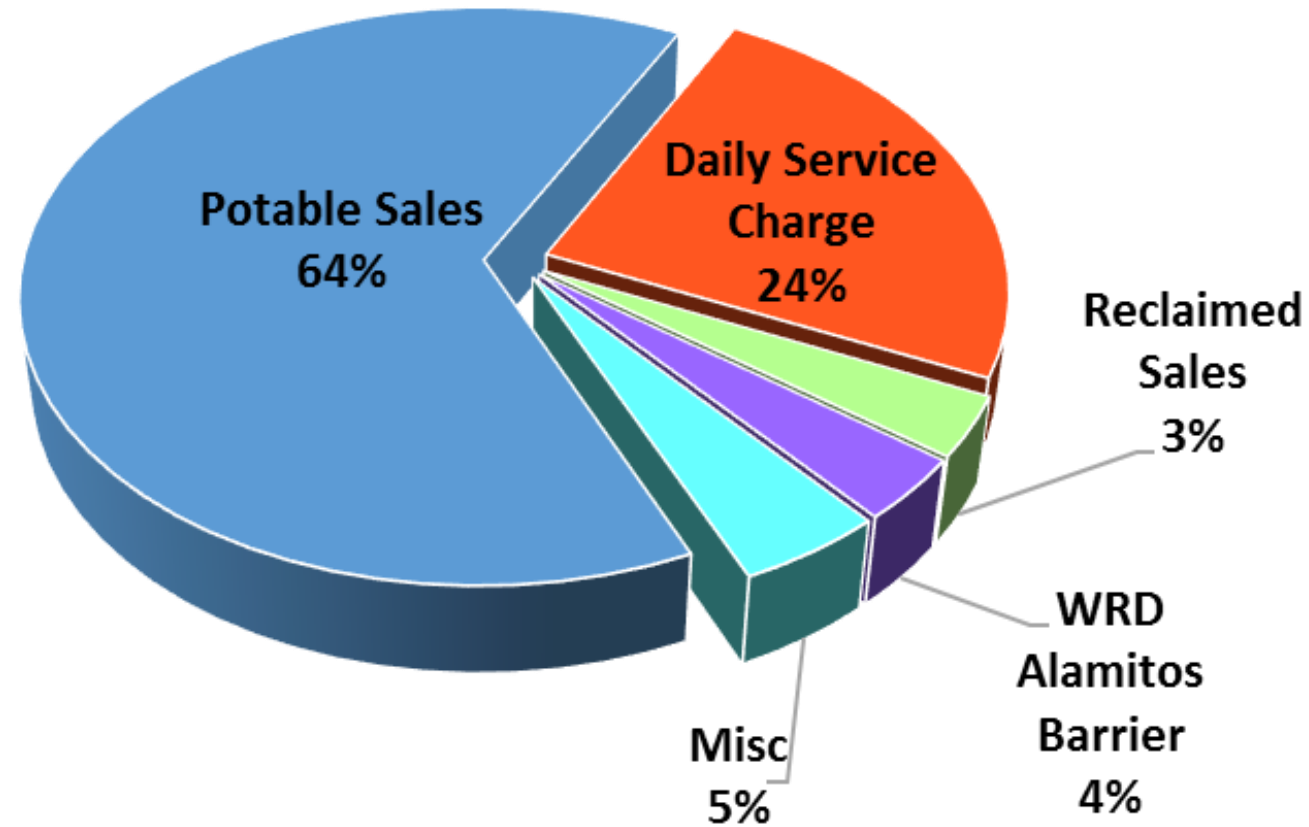
- **Development of new local water wells and storage**
- **Expansion of reclaimed water**
- **Greatly increase the number of valve replacements**
- **Possible transition of 90,000 water meters to smart meters**

# Water Fund

**Expenditures \$106,381,569**



**Revenues \$ 103,031,369**



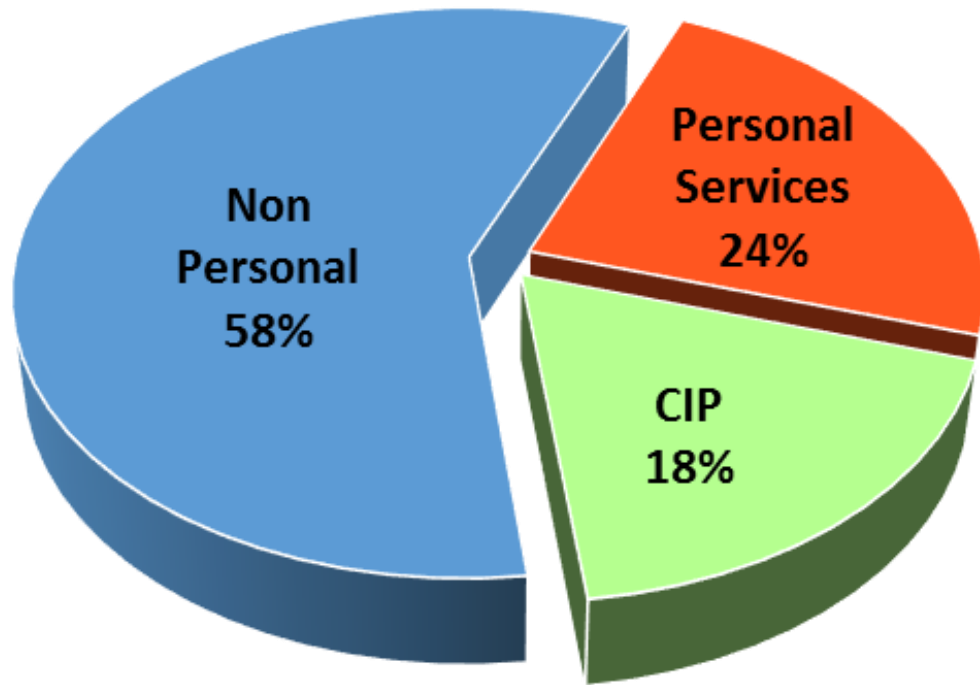
# Water Supply Cost Increases



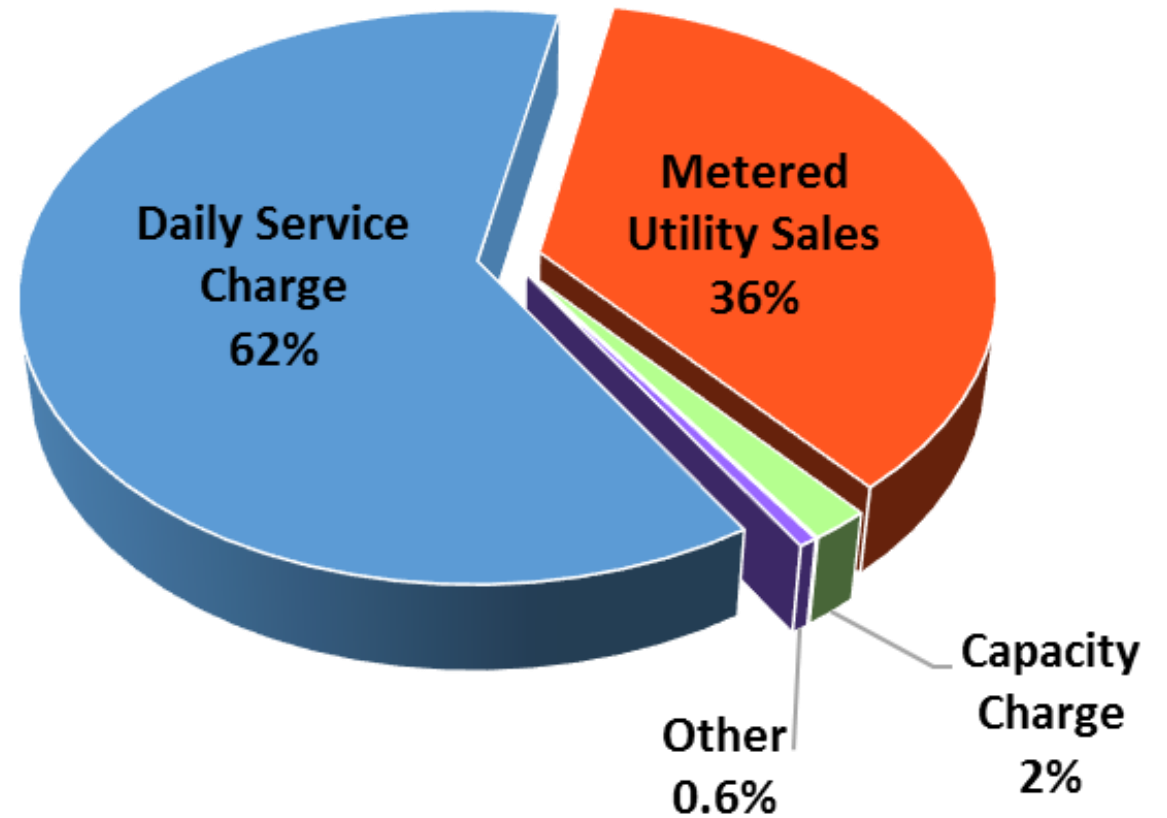
- **4% cost increase for water imported from Northern California and from Colorado River**
- **5% increase in pumping costs for local groundwater supplies**

# Sewer Fund

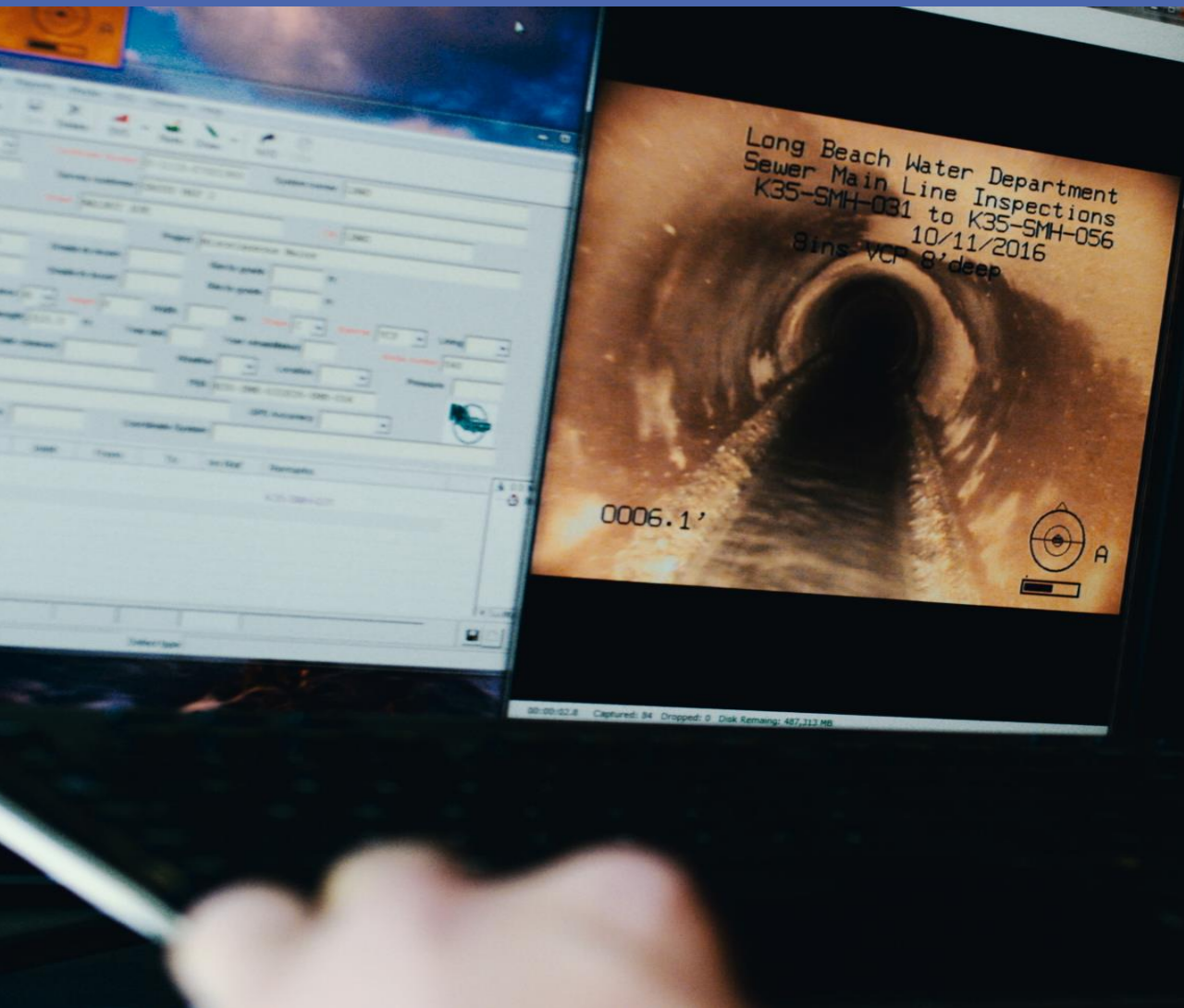
**Expenditures \$22,024,667**



**Revenues \$19,000,546**



# Sewer Cost Increases



- **Regulations increasing costs for inspecting and maintaining LBWD sewer system**
- **Paying down Sewer Fund's outstanding debt**

# Proposed Rate Adjustment

**4% water rate increase**

**2% sewer rate increase**

**Draw down on reserves to  
keep increases moderate:**

**\$3.4 million – Water**

**\$3.0 million – Sewer**

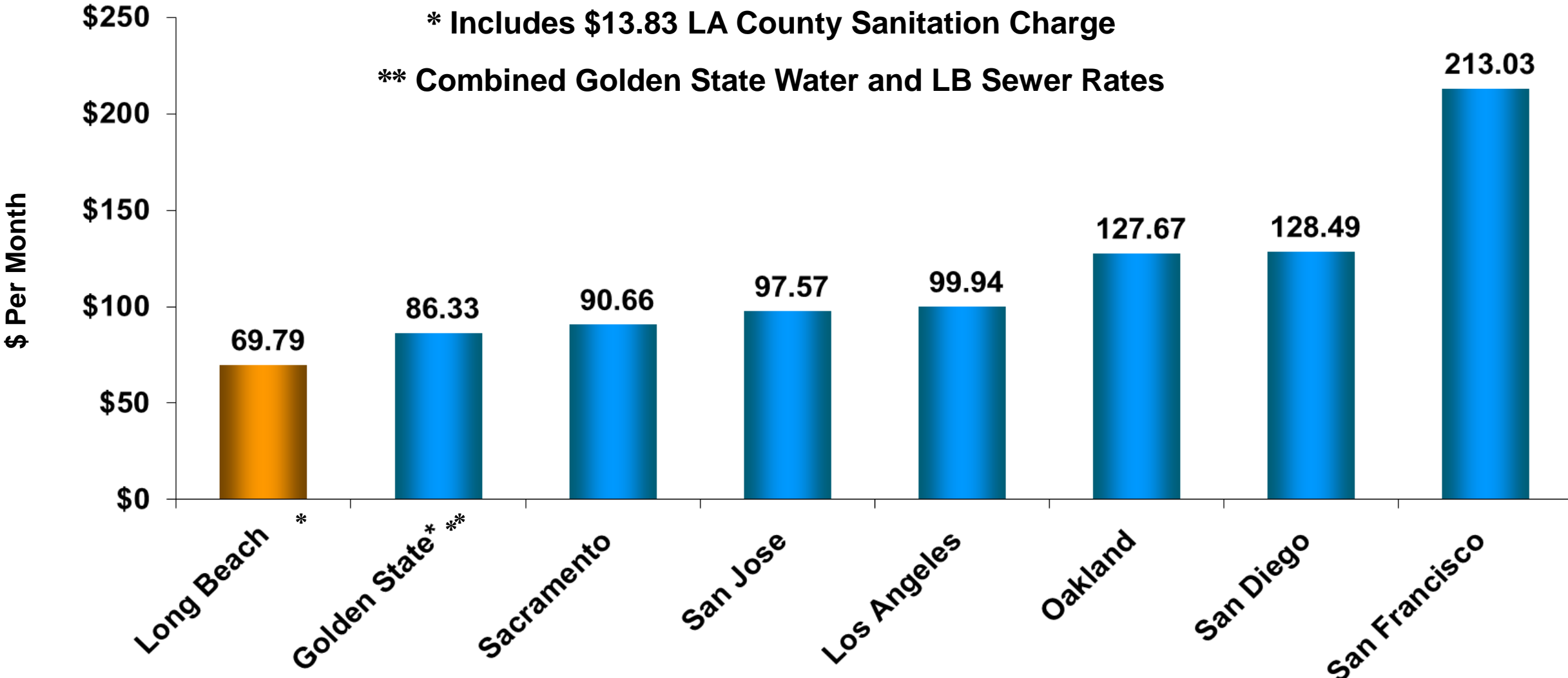
## Rate Increase Effect on Typical Monthly Bill\*

	<u>FY 17</u>	<u>FY 18</u>	<u>Increase</u>
<b>Water Bill</b>	<b>\$42.74</b>	<b>\$44.45</b>	<b>\$1.71</b>
<b>Sewer Bill</b>	<b>\$11.28</b>	<b>\$11.51</b>	<b>\$0.23</b>
	<b>\$54.02</b>	<b>\$55.96</b>	<b>\$1.94</b>

\* 10 water billing units, 10 sewer billing units



# Combined Water/Sewer Bill Comparison



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# Stay Young, Healthy, and Wise



I don't always  
drink water, but  
when I do, I drink  
**Long Beach water!**

\*Doctor recommended