

Long Beach Water Department 2003-2004 Budget Briefing

Tuesday, September 9, 2003



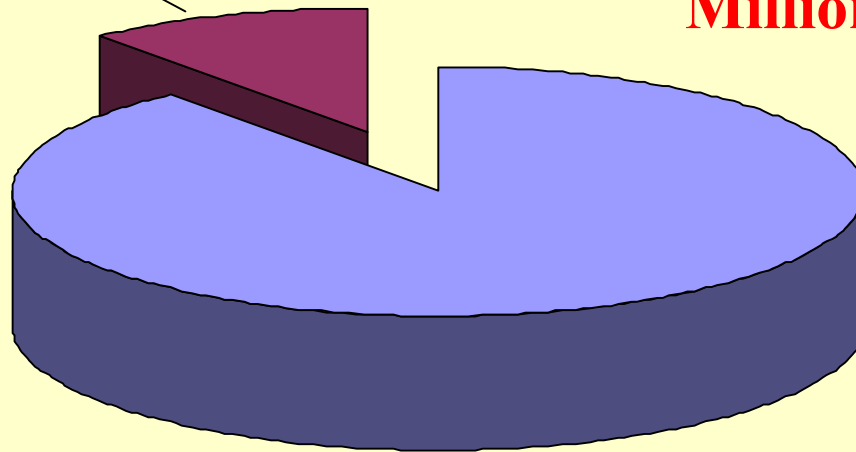
Kevin L. Wattier, P.E.
General Manager
www.lbwater.org

Total Water Department Budget

Sewer Fund
\$10.8 Million

(+12.8% from
\$9.6 million)

**Total FY'04
Budget: \$84.4
Million**

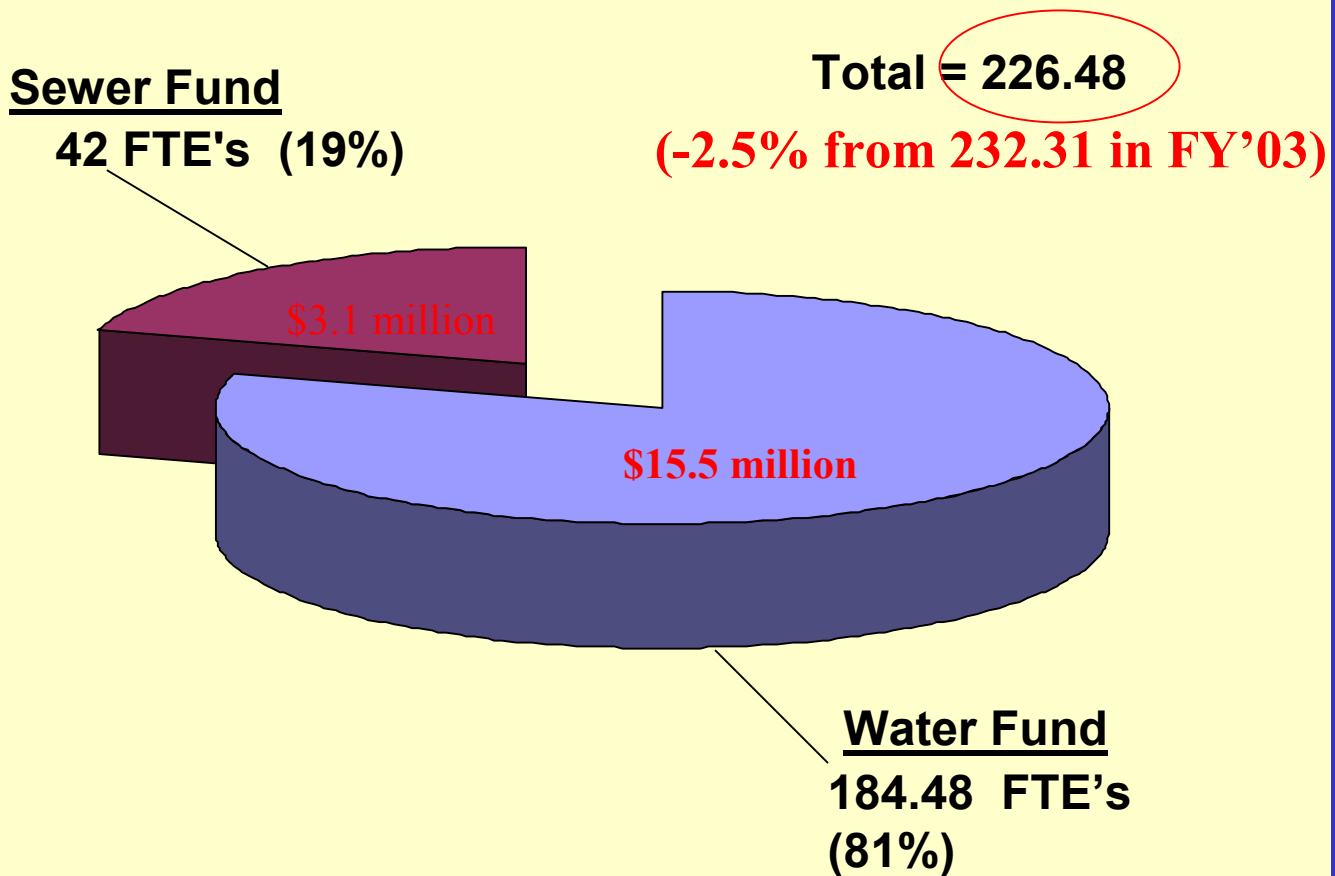


Water Fund
\$73.6 Million

(-7.3% from \$79.4
million)

Water Department Personnel

Full Time Equivalent Employees (FTE)



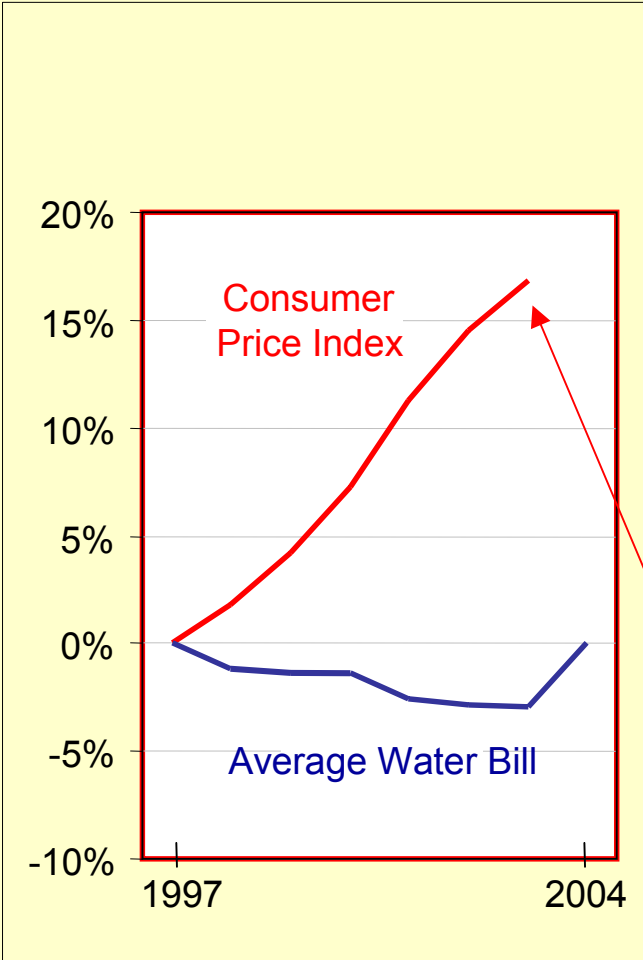
Goal to Reduce Number of Employees by Five for Each of the Next Few Years

Water Rate Increase

- **Operation and Maintenance \$58.3 million +6.3%**
 - **MWD Imported Water Rate +2.5% per acre-foot**
 - LBWD's largest expenditure (avg. 35,000 acre-ft. per year)
 - **Labor; Workers' Compensation; Water Treatment and Distribution Fees**

Average monthly water bill will increase from \$29.50 to \$30.42 or 3.1%

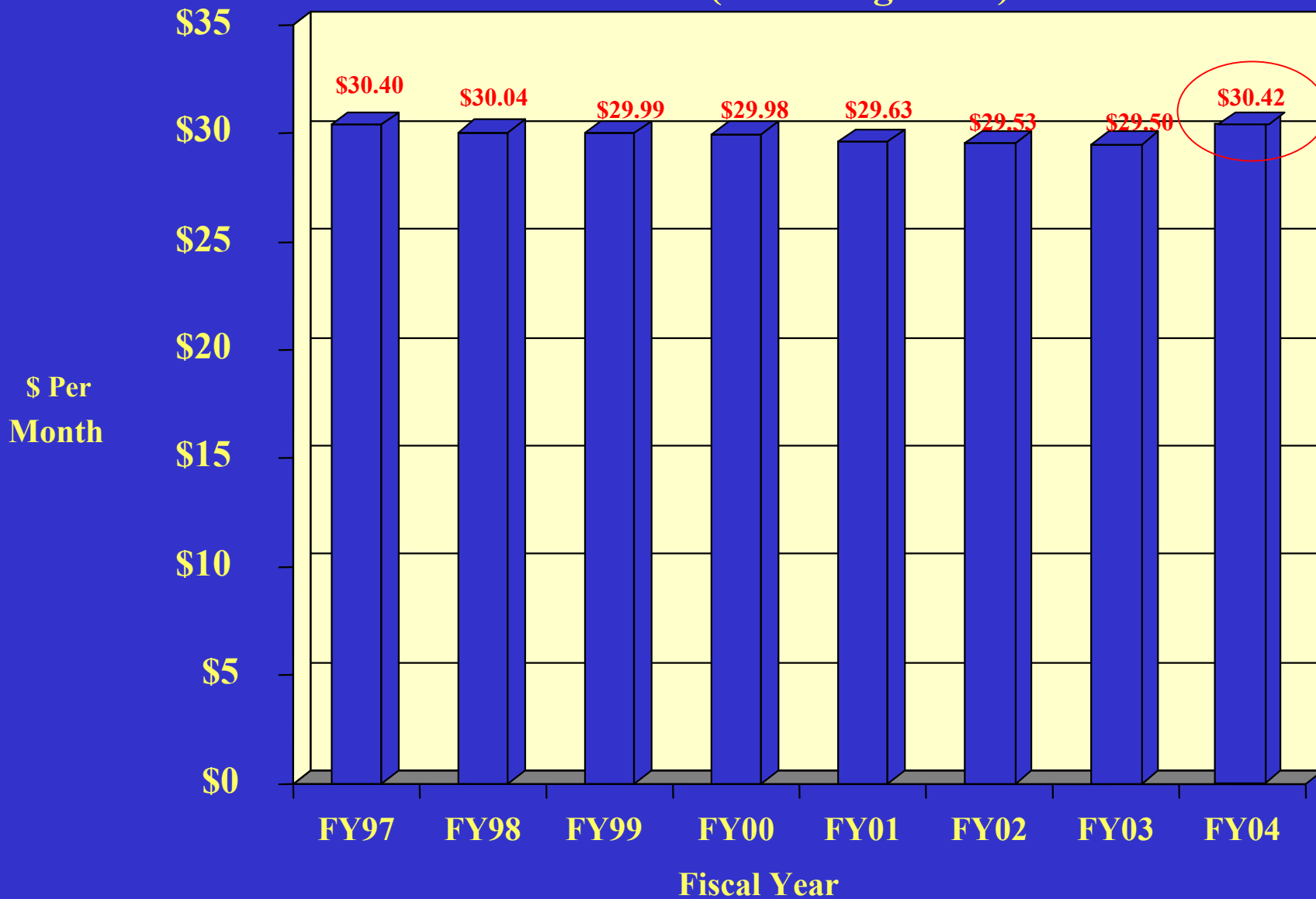
Water Rate Affordability Indicator



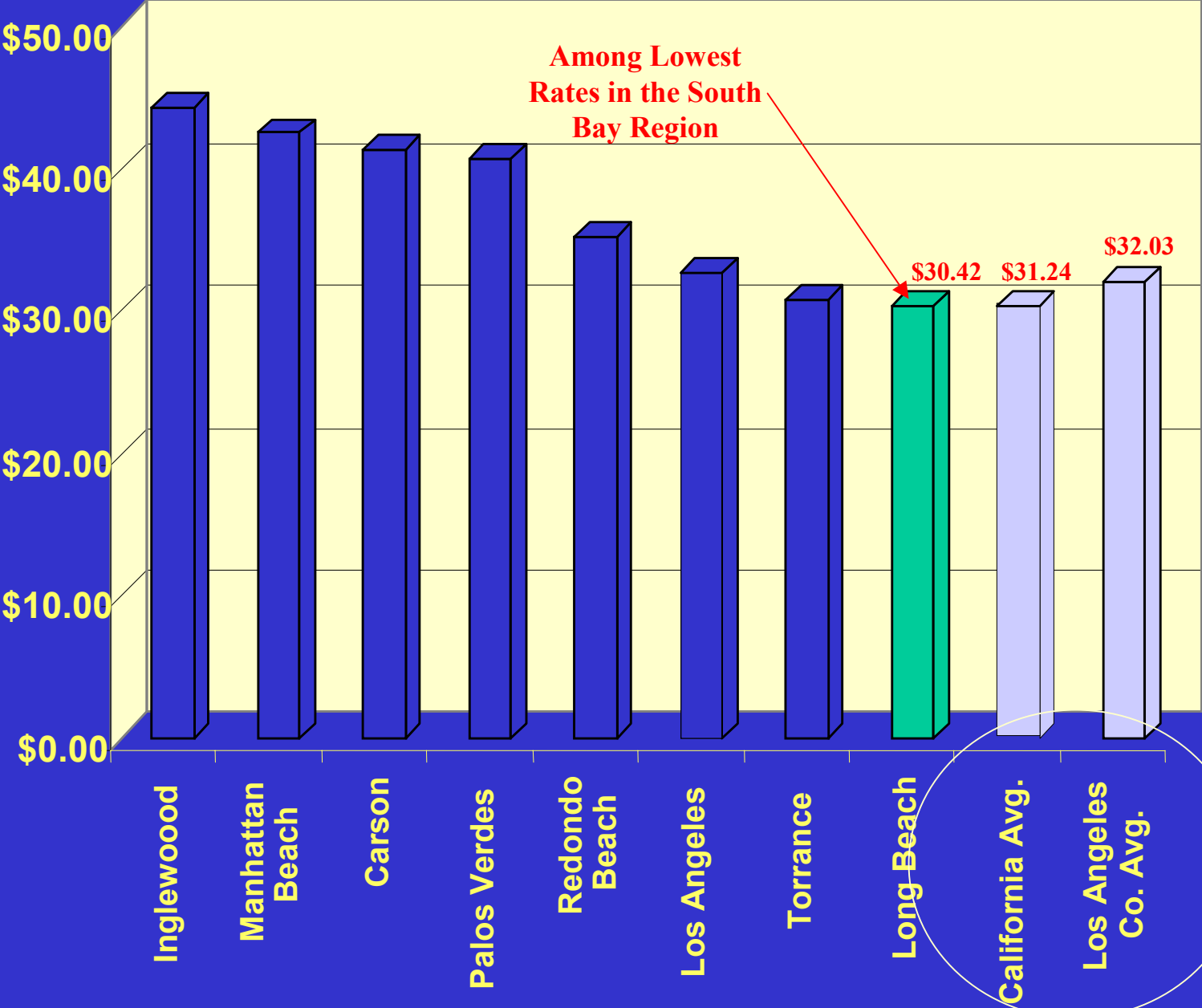
**Rates Have Decreased
Each Year Since 1997**

**Even though the
Consumer Price Index
(CPI) increased 17%
over that same period**

Affordability History - Average Monthly Water Bill (15-Billing Units)



South Bay Water Rate Comparison



Average Monthly Sewer Bill Comparison



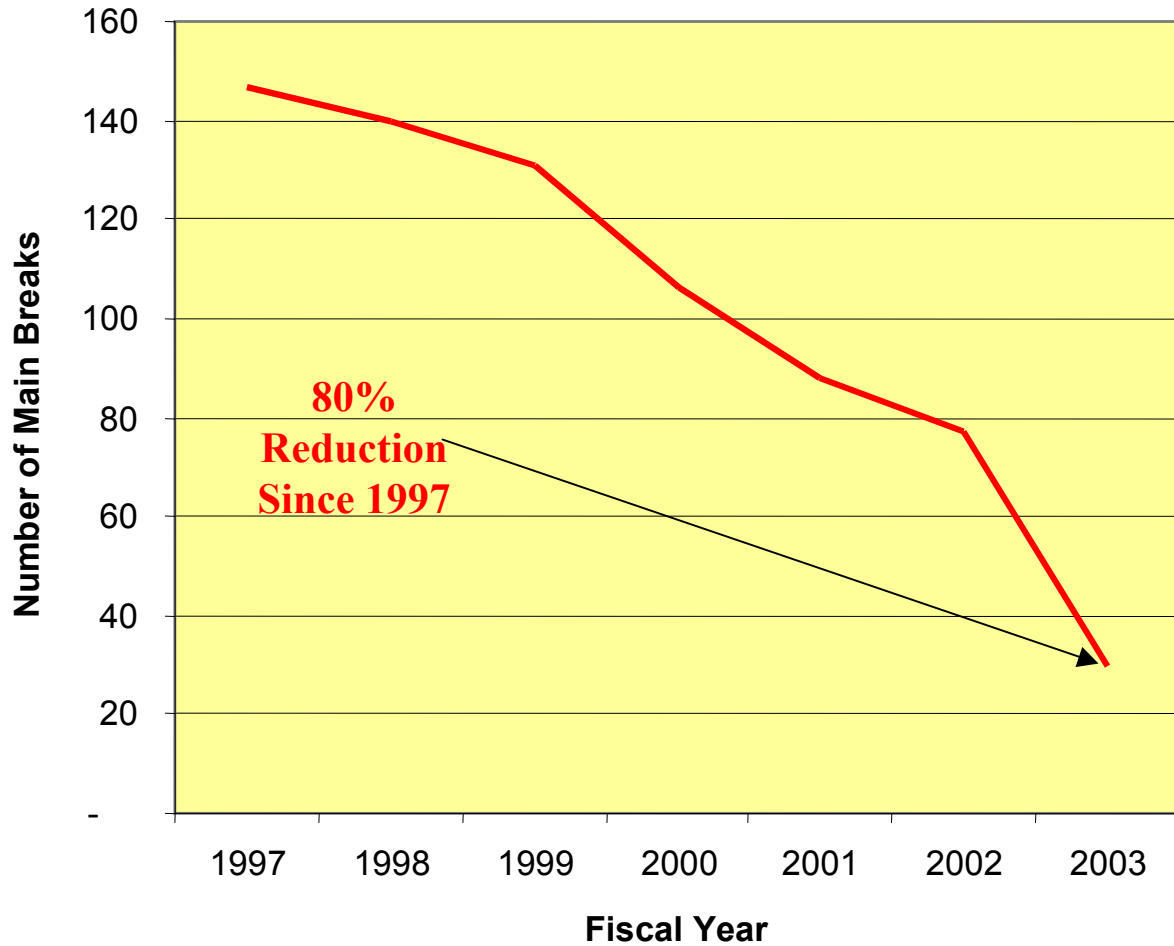
Capital Improvement Program (CIP)



One of the most aggressive water main replacement programs in the United States

100,000 linear ft. or 18 miles per year

Effectiveness Indicator Dramatic Reduction in Main Breaks



**Savings in
Overtime Costs
Passed on to Our
Customers**

**Reactive
Maintenance is
Expensive and
Disruptive**

FY'04 Capital Improvement Program

**\$15.3 Million (-37% from
\$24.6 million in FY'03)**

•\$5.7 million, 85,000 Lineal Feet

•\$1.2 million, Reclaimed Water
Expansion

•\$1 million, Seawater Desalination

•\$3.7 million, Conjunctive Use Water
Storage

•\$3.7 million, Misc. Projects

- \$1 million, Preventative Maintenance
- \$1 million, Distribution Improvements
- \$.9 million, Reservoir Rehabilitation
- \$.8 million, other projects

45% Grant

50% Grant

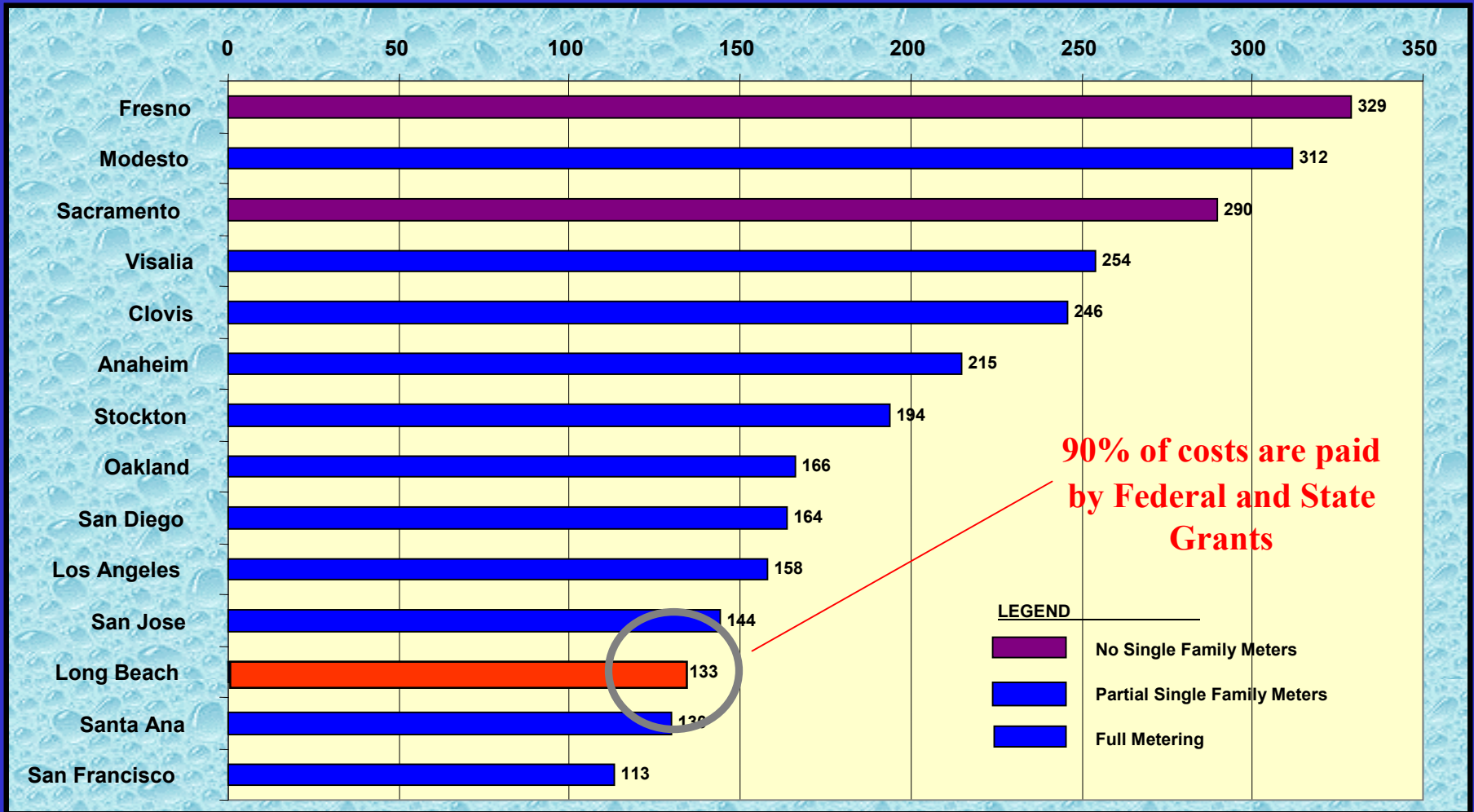
100% Grant

85,000 Lineal Feet

Remains Among Most Aggressive Infrastructure Replacement Programs in the Nation

Per Capita Water Use

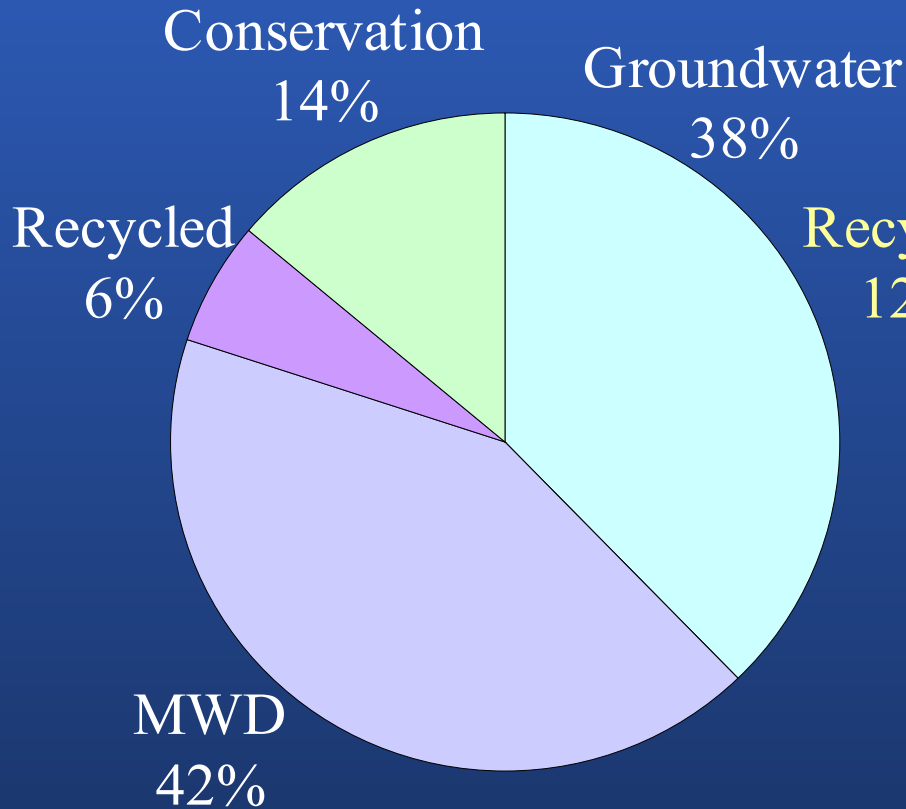
For the calendar year 2002, for the 10 largest California cities and selected Central Valley communities (city's total water consumption / population)



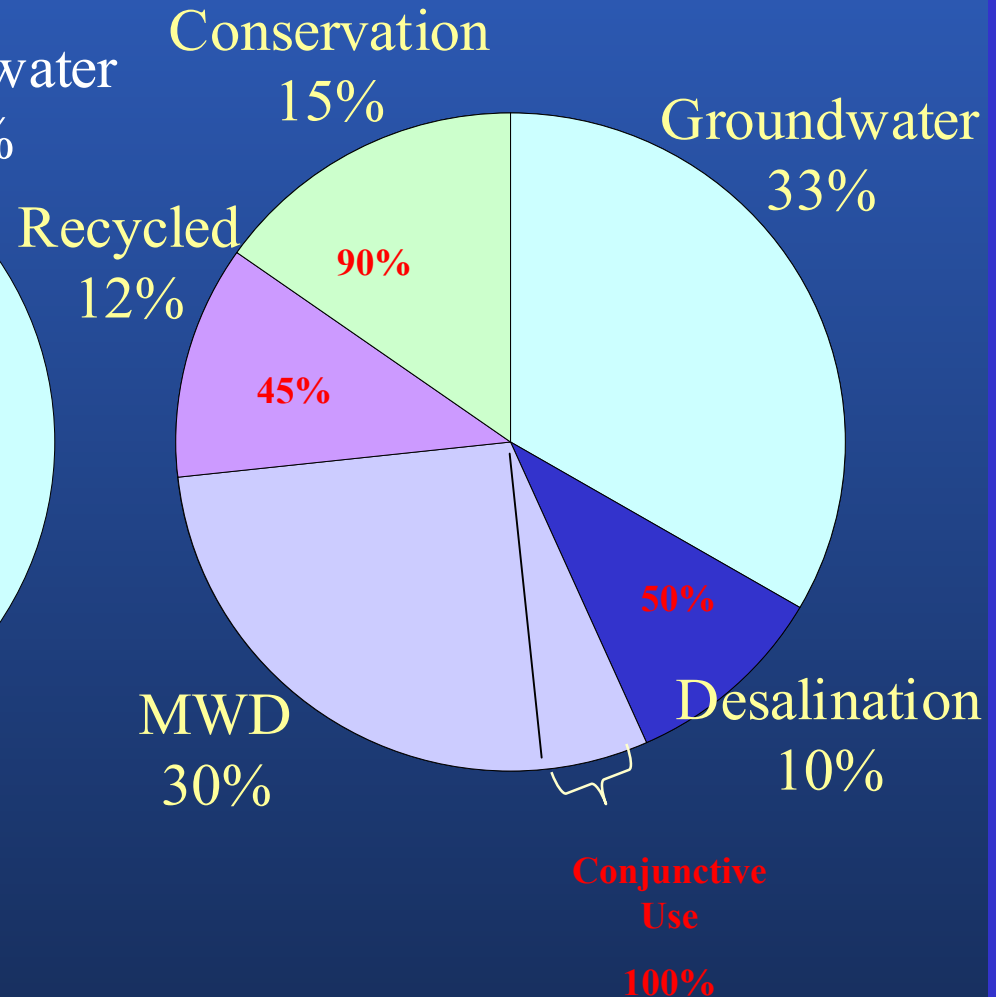
Long Beach uses the same amount of potable water as it did 20 years ago, when our population was 370,000; or 100,000 less than today's.

Long Beach Water Supply

2003



2010



Finally

- **Affordable water & sewer rates**
- **Aggressive maintenance and C.I.P. programs for water & sewer facilities**
- **National Leader in ocean desalination research**
 - **Largest Federally Authorized research project**
- **\$6 Million in Federal & State grants**
- **Business approach to operations**
- **Assist the City whenever possible**
- **Customer focused, 24 Hour/7 days a week response**



www.lbwater.org
adding value • exceeding expectation