

Long Beach WATER



MEDIA RELEASE

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Long Beach Begins Receiving Water from City of Lakewood Under 5-Year Water Purchase Agreement

Water Department anticipates cost savings of \$20 to \$50 thousand per month

LONG BEACH, CA – Yesterday, the Long Beach Water Department (LBWD) began taking the first round of water deliveries from the City of Lakewood as part of an innovative 5-year deal that is expected to save the Water Department approximately \$20 to \$50 thousand per month over the next 5 years. The Long Beach Board of Water Commissioners approved the agreement at the Board's September 20th meeting, with the Lakewood City Council following suit at its September 25th Council Meeting.

“This is a great deal for both the cities of Long Beach and Lakewood,” said Kevin Wattier, General Manager for the Long Beach Water Department. “We’re able to save money by reducing our purchases of imported water and Lakewood is able to sell some of its excess water rights that might otherwise have gone unused,” added Wattier.

The opportunity for the agreement came about due to an ongoing reduction in water demand in the City of Lakewood. As a result, Lakewood has surplus water rights that it can sell to LBWD. Under the agreement, LBWD will pay Lakewood \$524 per acre-foot of water in the first year, with future water purchases being adjusted by a Consumer Price Index factor. LBWD currently purchases imported water from the Metropolitan Water District of Southern California (MWD) at a rate of nearly \$800 per acre-foot, meaning that every acre-foot of water purchased from Lakewood will save the Water Department approximately \$270 in water purchase costs. Future savings are expected to further rise as MWD rates will increase to \$847 per acre-foot in 2013 and \$890 per acre-foot in 2014.

The City of Lakewood benefits from the agreement by having all of its operational costs related to treating and delivering the water to Long Beach reimbursed, as well as receiving an additional \$100 per acre-foot of water sold.

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“This agreement represents one of several cost-cutting strategies that we have implemented in the last few years,” said John Allen, President of the Long Beach Board of Water Commissioners. “We want to thank the City of Lakewood for partnering with us on this agreement that will benefit ratepayers in both of our cities,” added Allen.

The [Long Beach Water Department](#) is an urban, southern California, retail water supply agency and the standard in water conservation and environmental stewardship.

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