

**WHEREAS**, Section 684, of the Los Angeles City Charter, requires that the Board of Water and Power Commissioners (Board) shall, submit a preliminary budget for the upcoming fiscal year to the Los Angeles City Council (Council) for informational purposes, no later than March 31, of each year; and

**WHEREAS**, the Los Angeles Department of Water and Power (LADWP) management has prepared a preliminary budget for Fiscal Year (FY) 2017-2018 that reflects the anticipated funding needs for the year; and

**WHEREAS**, this recommended preliminary budget furthers LADWP's goal of building a water system for the next century, and reflects continued investment to comply with mandates, upgrade aging infrastructure, and create a more sustainable and local water supply; and

**WHEREAS**, this recommended preliminary budget is consistent with the approved five-year rate action. Pass through rates would continue to adjust for, in part, variable and uncontrollable costs including infrastructure investments, continuing water quality improvements and decreased purchased water from the Metropolitan Water District; and

**WHEREAS**, LADWP continues to emphasize cost control and fiscal discipline across all programs and enhanced performance metrics reporting contributing to greater cost efficiency and accountability; and

**WHEREAS**, the preliminary budget schedules and documents submitted do not reflect a Board adopted position and are, therefore, subject to further refinement in the upcoming months.

**NOW THEREFORE, BE IT RESOLVED** that the Board approves the transmittal of the Preliminary FY 2017-2018 LADWP Budget – Water Revenue Fund, submitted by the General Manager to this Board to the Council as required by Los Angeles City Charter Section 684.

**I HEREBY CERTIFY** that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held **MAR 21 2017**

APPROVED AS TO FORM AND LEGALITY  
MICHAEL N. PEUER, CITY ATTORNEY

MAR 02 2017

BY [Signature]  
DIANE BROERSMA  
DEPUTY CITY ATTORNEY

[Signature]

Secretary