

NEW YORK CITY WATER BOARD

June 26, 2008

RESOLUTION

WHEREAS, the water and wastewater systems (the “Systems”) of the City of New York (the “City”) have been leased by the City to the New York City Water Board (the “Board”) pursuant to an Agreement of Lease, dated as of July 1, 1985, as amended, between the City and the Board; and

WHEREAS, the New York City Department of Environmental Protection (“DEP”) operates and maintains the Systems; and

WHEREAS, the Board and DEP both wish to ensure that the Systems are operated and maintained in a manner that complies with all applicable laws, rules and regulations; and

WHEREAS, in furtherance of this important objective the Board executed a consulting agreement (the “Agreement”), dated July 1, 2005 in the amount of \$100,000 between the Board and James Krantz (DBA the Nautilus Consulting Group, LLC), hereafter the “Consultant” to provide advisory services to DEP in the development and implementation of its Environmental Health and Safety (“EH&S”) Compliance Program; and

WHEREAS, on May 30, 2006, the Board executed an amendment to the Agreement in the amount of \$100,000 for a continuation of EH&S advisory services by the Consultant; and

WHEREAS, on September 15, 2006, the Board authorized a continuation of EH&S advisory services by the Consultant with the execution of a combined second and third amendments to the Agreement dated October 1, 2006 for an additional amount not to exceed \$150,000; and

WHEREAS, on June 19, 2007, the Board authorized a continuation of EH&S advisory services by the Consultant with the execution of a fourth amendment to the Agreement dated July 1, 2007 for an additional amount not to exceed \$150,000; and

WHEREAS, the current Agreement with the Consultant expires on June 30, 2008; and

WHEREAS, DEP identified additional unanticipated services in the amount of \$101,000 which it required the Consultant to perform in FY2008 which necessitates an adjustment of the Consultant's authorized compensation amount for FY2008; and

WHEREAS, DEP has identified a need for continued EH&S related advisory services from the Consultant during the upcoming FY2009; and

WHEREAS, DEP has requested the Board to authorize an adjustment to the Consultant's authorized compensation for FY2008 and has determined it is necessary and desirable to continue to retain the services of the Consultant as DEP moves forward with its EH&S Compliance Program in FY2009; and

WHEREAS, the Board concurs in such determination and finds such requests reasonable and appropriate; and

WHEREAS, in accordance with the Water Board's Policy on the Procurement of Goods and Services, in particular, Section 5.i (prior Board approval of contracts where the cumulative value exceeds \$100,000) and Section 6.iv (waiver of competitive solicitation where the procurement is a continuation of existing services and it is desirable for purposes of continuity and compatibility), the Board finds such justification reasonable and appropriate in the present circumstances; it is therefore,

RESOLVED, that the Executive Director is hereby authorized and directed to execute a fifth amendment to the Agreement with the Consultant to compensate the Consultant for additional unanticipated services provided in FY2008 in the amount of \$101,000 and to provide for continued expert EH&S advisory services during FY2009 in an amount not to exceed \$252,000, and upon such other terms and conditions as the Executive Director considers reasonable and appropriate, provided that the maximum compensation payable to the Consultant including all previously authorized amounts shall not exceed \$853,000.