

## NEW YORK CITY WATER BOARD

May 15, 2009

### RESOLUTION

**WHEREAS**, the Board is authorized pursuant to Section 1045-g(4) of the New York City Municipal Water Finance Authority Act (the "Act") to establish, in accordance with Section 1045-j of the Act, fees, rates, rents or other charges for the use of, or services furnished, rendered or made available by the water and waste water system of the City of New York; and

**WHEREAS**, in accordance with Section 1045-j(9-a) of the Act, public hearings concerning certain proposals regarding water and waste water system rates and charges were held in each borough of the City on April 27, 28, 29 and 30, 2009, and transcripts of said hearings have been received and reviewed by the Board; and

**WHEREAS**, in accordance with certifications received from (i) the New York City Municipal Water Finance Authority (the "Authority") with respect to the Authority's annual budget for the fiscal year commencing July 1, 2009 ("FY2010"), (ii) The City of New York (the "City") with respect to (a) the amounts which the City reasonably anticipates it will expend during FY2010 in connection with the operation and maintenance of the water and sewer system and (b) rental payments requested from the Board, and (iii) AECOM USA, Inc., Consulting Engineer, with respect to the reasonableness of the City's certification of certain expenses, the Board has on this day adopted its annual budget for FY2010; and

**WHEREAS**, based on the requirements set forth in the Board's annual budget for FY2010 and the testimony and reports submitted at the aforementioned public hearings, the Board has determined that, effective July 1, 2009, the water rate for all in-City customers, flat

rate and metered, should increase by 12.9% over the rate in effect in Fiscal Year 2009 and the rate for waste water services should remain at 159% of the applicable water charge; and

**WHEREAS**, the Board has further determined that the Billing Policy Proposal relating to the extension of the Frontage Transition Program through Fiscal Year 2012, and the establishment of new Miscellaneous Fees and Charges, in particular an Account Administration Fee and Attributed Consumption Charges, to be applied when an owner, pursuant to Board Regulation No. 3, Denial of Access, fails to provide or facilitate access to a premises as required by DEP and where DEP makes a determination, pursuant to Board Regulation No. 4, Theft of Services, that a theft of services has occurred, all as set forth in and described in the Public Notice and Public Information Book dated April 2009, should be approved as recommended by staff; it is therefore

**RESOLVED**, that the FY2010 Rate Schedule (a copy of which is attached hereto as Exhibit A), which reflects an increase of 12.9% for in-City water rates, the extension of the frontage transition program to June 30, 2012, and the establishment of an Account Administration Fee and Attributed Consumption Charges in connection with Denial of Access and Theft of Services, is approved; and be it further

**RESOLVED**, that the Executive Director shall prescribe a Grace Period Program to be applied to the implementation of the Theft of Services Account Administration Fee and Attributed Consumption Charges which Program shall provide at a minimum a 120-day grace period from the July 1, 2009 effective date of the FY2010 Rate Schedule wherein customers who at a minimum (i) self-report to DEP in a signed written statement a non-compliant condition at their premises in sufficient detail to enable a DEP inspector to locate and verify the condition; (ii) correct such condition within 30 days of the end of the Grace Period as established by the

Executive Director and (iii) provide or facilitate access at a time and in a manner acceptable to DEP to verify both the existence and subsequent correction of the Theft of Service condition shall have Attributed Consumption Charges limited to the charge that would be applied to consumption at the 50<sup>th</sup> percentile for the applicable class of property and meter size as determined by DEP and as set forth in Exhibit B attached hereto, and shall have retroactive billing at such consumption level limited to a maximum of 2 years from the start of the Grace Period, July 1, 2009; and be it further

**RESOLVED**, that the Executive Director may establish such other terms and conditions of the Grace Period Program that he considers reasonable and appropriate.