

NEW YORK CITY WATER BOARD

June 26, 2009

RESOLUTION

WHEREAS, the New York City Water Board (the “Board”) is authorized pursuant to Section 1045-j of the New York City Municipal Water Finance Authority Act to establish rates and charges for services furnished by the Water System of the City of New York (the “City”); and

WHEREAS, the Board has received a report dated May 2009 from the Amawalk Consulting Group LLC, Rate Advisor to the Board, on the cost of supplying water to upstate customers for the 2010 rate year and such report indicates that the anticipated unit cost of water supply service for municipalities and water districts north of the City in Fiscal Year 2010 will be \$922.23 per million gallons; and

WHEREAS, upon appropriate notice, a public hearing was held on June 16, 2009 in Valhalla, New York, concerning a proposed increase in the rates for water supply from the City system sold to users outside of the City pursuant to the Water Supply Act of 1905; and

WHEREAS, the Board has received a copy of the transcript with respect to such hearing, and has received a report and recommendations from staff regarding the proposed increase; it is therefore,

RESOLVED, that effective July 1, 2009, the regulated rate for water sold to users outside of the City from either the Croton or Catskill/ Delaware Systems that is within the allowance quantities of water set forth in Section 24-360 of the Administrative Code of the City of New York shall be increased to \$922.23 per million gallons; and the rate and charge for water

provided to users outside the City which exceeds the allowance quantities of water set forth in Section 24-360 of the Administrative Code of the City of New York shall be continued at a level equal to the retail metered rate effective within the City which as of July 1, 2009 shall be equal to \$3,489.30 per million gallons.