

**NEW YORK CITY MUNICIPAL WATER  
FINANCE AUTHORITY**

A meeting of the Board of Directors of the New York City Municipal Water Finance Authority (the "Authority") was held at 75 Park Place, Room 6M4, New York, N.Y. at 10:30 a.m. on July 10, 2009.

The following Directors were present:

Mark Page;

Richard Carroll (by designation of Authority Director Michael Hyman);

William Kusterbeck (by designation of Authority Director Steven Lawitts);

Arthur Hill;

Peter Kenny; and

Marc Shaw,

constituting a quorum of the Board. Mr. Page chaired the meeting, and Albert F. Moncure, Jr., served as Secretary of the meeting.

**Approval of Minutes of Meeting on June 4, 2009**

The first item on the agenda was approval of the minutes of the meeting of June 4, 2009. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the Board of Directors has reviewed the minutes of the meeting held on June 4, 2009; it is therefore

**RESOLVED**, that the minutes of the meeting of June 4, 2009 be, and hereby are, approved.

**Executive Session: Discussion of MTBE Litigation**

The next item on the agenda was a resolution to convene in Executive Session to discuss pending litigation. Upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, Section 105 of the New York State Public Officers Law states that upon a majority vote, discussions regarding proposed, pending or current litigation may be held in executive session; and

**WHEREAS**, the Board of Directors wishes to hold a portion of its meeting to discuss proposed, pending or current litigation, it is hereby

**RESOLVED**, the Board of Directors shall hold a portion of its meeting in executive session; and

**FURTHER RESOLVED**, that following that portion of the Board of Directors meeting held in executive session, the executive session shall end and the remainder of the Board of Directors meeting shall be open to the public.

During Executive Session, the Board was briefed by a representative of the New York City Law Department on the details of a pending case involving the Authority. The Board re-convened in open session without having taken any action in Executive Session.

#### **Approval of Settlement of MBTE Litigation**

Upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the City, as owner and operator of the New York City Water and Wastewater System (the "System"), is a plaintiff in a civil action (the "Action") entitled *City of New York v. Amerada Hess Corp., et al.*, 04 civ. 3417 (S.D.N.Y.) in which the City is seeking damages from petroleum refiners and other defendants for the cost of removing methyl tertiary butyl ether from the System's drinking water wells in southeastern Queens;

**WHEREAS**, the Court, by order dated July 6, 2009, joined the New York City Water Board and the New York City Municipal

Water Finance Authority (the “Authority”) as party plaintiffs to the Action; and

**WHEREAS**, the City and certain defendants in the Action have proposed to settle the Action with respect to certain defendants upon terms and conditions which the Authority considers reasonable and appropriate and not detrimental to the interests of the Authority;

**WHEREAS**, the City intends to continue to pursue the Action against the other defendants; and

**WHEREAS**, the Authority believes that the City Law Department (including outside counsel retained by it) is qualified, and is the appropriate party, to represent the Authority in the Action; it is therefore

**RESOLVED**, that the Authority hereby authorizes the Chief Executive Officer and Executive Director, each acting individually, to enter into an agreement with the City Law Department (which may, in turn, contract with outside counsel acceptable to the Chief Executive Officer or Executive Director) to represent the Authority in the Action upon such terms and conditions as the Chief Executive Officer or Executive Director shall approve, such approval to be conclusively evidenced by execution of such agreement; and

**FURTHER RESOLVED**, that the Authority hereby approves the proposed settlements in the Action and authorizes the Chief Executive Officer and Executive Director, each acting individually, upon the advice of counsel, to execute such documents as either of them shall approve, such approval to be conclusively evidenced by such execution, as may be necessary or appropriate to effectuate the proposed settlements and to otherwise give effect to this Resolution; and

**FURTHER RESOLVED**, that the Authority hereby authorizes the Chief Executive Officer and Executive Director, each acting individually, upon the advice of counsel, to fully or partially settle any other aspect of the Action with any other defendant, to execute such documents as either of them shall approve, such approval to be conclusively evidenced by such execution, as may be necessary or appropriate to effectuate the proposed settlements and to otherwise give effect to this Resolution.

## Adjournment

There being no further business to come before the Board, upon motion duly made and seconded, the meeting was duly adjourned.



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Assistant Secretary