

**NEW YORK CITY MUNICIPAL WATER  
BOARD OF DIRECTORS**

A meeting of the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) was held at 255 Greenwich Street, Room 6M4, New York, New York 10007 at 10: 49 a.m. on October 21, 2015.

The following Directors were present:

Thomas Paolicelli (by designation of Authority Director Dean Fuleihan);

Jacqueline Gold (by designation of Authority Director Jiha)

Robert Elburn (by designation of Authority Director Marc Gerstman);

Marc Shaw; and

Max Von Hollweg,

constituting a quorum of the Board of Directors. Mr. Paolicelli chaired the meeting, and Michael Moore served as secretary of the meeting.

**Approval of Minutes of the Meeting of July 9, 2015**

The first item on the agenda was approval of the minutes of the meeting of July 9, 2015. 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 its meeting held on July 9, 2015; it is therefore

**RESOLVED**, that the minutes of the meeting of July 9, 2015 be, and they hereby are, approved.

**Approval of Supplemental Resolution No. 115 Authorizing the Issuance of Fiscal 2016 Series AA Second General Resolution Revenue Bonds**

The next item on the agenda was the approval of Supplemental Resolution No. 115 authorizing the issuance of Fiscal 2016 Series AA Second General Resolution Revenue Bonds.

Mr. Paolicelli noted that the proposed resolution would authorize up to \$250 million of Second General Resolution, variable-rate, new money bonds. He noted that the series would be broken out into three subseries, and that there would be \$100 million of Fiscal 2016 AA-1 Bonds, \$100 million of Fiscal 2016 AA-2 Bonds and \$50 million of Fiscal 2016 AA-3 Bonds. He noted that the Finance Committee had recommended the approval of this Resolution. Then, without further discussion, upon motion duly made and seconded, the resolution was unanimously adopted.<sup>1</sup>

**Approval of Supplemental Resolution No. 116 Authorizing the Issuance of Fiscal 2016 Series BB Second General Resolution Revenue Bonds**

The next item on the agenda was the approval of Supplemental Resolution No. 116 authorizing the issuance of Fiscal 2016 Series BB Second General Resolution Bonds. Mr. Paolicelli noted that the resolution would authorize up to \$450 million of Second General Resolution fixed-rate, new money bonds, and that the lead underwriters are Ramirez & Co. He noted that the Finance Committee had recommended the approval of this Resolution. Then, without further discussion, upon motion duly made and seconded, the resolution was unanimously adopted.<sup>2</sup>

**Approval of the Amendment of Supplemental Resolution No. 65 Authorizing the Issuance of Fiscal 2003 Series F General Resolution Revenue Bonds**

The next item on the agenda was the approval of the Amendment of Supplemental Resolution No. 65, which authorized the issuance of the Authority's Fiscal 2003 Series F General Resolution Revenue Bonds. Mr. Paolicelli explained that approval of this resolution had been recommended to the Board of Directors by the Finance Committee, and that the

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<sup>1</sup> Filed with the meeting minutes

<sup>2</sup> Filed with the meeting minutes

amendments would reflect updates to current standards. Then, without further discussion, upon motion duly made and seconded, the resolution was unanimously adopted.<sup>3</sup>

### **Approval of the First Supplemental Resolution Amending the Authority's General Resolution**

The next item on the agenda was the approval of the First Supplemental Resolution Amending the Authority's General Resolution. Mr. Paolicelli explained that approval of this resolution had been recommended to the Board of Directors by the Finance Committee, and that the amendments would reflect updates to current standards. Then, without further discussion, upon motion duly made and seconded, the resolution was unanimously adopted.<sup>4</sup>

### **Approval of the Second Supplemental Resolution Amending the Authority's Second General Resolution**

The next item on the agenda was the approval of the Second Supplemental Resolution Amending the Authority's Second General Resolution. Mr. Paolicelli explained that approval of this resolution had been recommended to the Board of Directors by the Finance Committee, and that the amendments would reflect updates to current standards. Then, without further discussion, upon motion duly made and seconded, the resolution was unanimously adopted.<sup>5</sup>

### **Acceptance of the independent auditors' report on the audited financial statements for the fiscal years ended June 30, 2015 and June 30, 2014 and authorization to release such financial statements**

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<sup>3</sup> Filed with the meeting minutes

<sup>4</sup> Filed with the meeting minutes

<sup>5</sup> Filed with the meeting minutes

The next item on the agenda was the acceptance of the independent auditors' report on the audited financial statements of the New York Water and Sewer System (the "System") for Fiscal Years 2015 and 2014 and the authorization to release such audited financial statements.

Mr. Paolicelli explained that the Joint Audit Committee of the New York City Water Board (the "Water Board") and the Authority had reviewed the auditors' report and audited financial statements, met with the System's auditors, and recommended to the Water Board and the Authority's Directors that the auditors' report and financial statements be accepted by the Water Board and by the Authority. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the Joint Audit Committee of the New York City Municipal Water Finance Authority (the "Authority") and the New York City Water Board (the "Water Board") has met with the independent auditors of the water and sewer system of the City of New York (the "System") and has reviewed the independent auditors' report on the audited financial statements of the System for the fiscal years ended June 30, 2015 and June 30, 2014 and such financial statements; and

**WHEREAS**, the Joint Audit Committee believes the independent auditors' report and the financial statements are reasonable and appropriate and has recommended that the Board of Directors of the Authority and the Water Board accept the independent auditors' report and authorize the release of the financial statements; it is therefore

**RESOLVED**, that the Board of Directors of the Authority hereby accepts the independent auditors' report on the audited financial statements of the System for the fiscal years ended June 30, 2015 and June 30, 2014 and authorizes the release of such audited financial statements upon approval of the Water Board; provided that both the independent auditors' report and the audited financial statements may be amended to reflect non-material changes acceptable to the Comptroller of the Authority.

## **Approval of Amended Investment Guidelines**

The next item on the agenda was the annual approval of the Authority's Investment Guidelines as required by the Public Authorities Law. Mr. Paolicelli explained that there changes were proposed to the Guidelines to reflect updated definitions, and that a blackline version of the proposed changes had been distributed to the Board of Directors. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the New York City Municipal Water Finance Authority (the "Authority"), adopted Investment Guidelines on April 10, 1986 to establish policies for the investment of its funds and subsequently amended the Investment Guidelines on August 10, 1993, February 18, 1998, April 17, 1998, March 20, 2009 and October 13, 2013; and

**WHEREAS**, the Authority is required annually to review its Investment Guidelines; and

**WHEREAS**, the Authority's staff has recommended the Investment Guidelines be amended to reflect updated practices in place; and

**WHEREAS**, the Board of Directors has reviewed the attached Investment Guidelines and has deemed them to be reasonable and appropriate; it is therefore

**RESOLVED**, that the Investment Guidelines, a copy of which will be filed with the Minutes of the Meeting, are hereby approved.<sup>6</sup>

## **Approval of Investment Report**

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<sup>6</sup> Filed with the Minutes of the Meeting

The next item on the agenda was the annual approval of the Investment Report. Mr. Paolicelli explained that the Investment Report is required to be prepared and approved annually pursuant to the Public Authorities Accountability Act. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the New York City Municipal Water Finance Authority (the “Authority”), pursuant to the Authority’s Investment Guidelines, is required to annually prepare and approve an Investment Report; and

**WHEREAS**, the Board has reviewed the attached Investment Report<sup>7</sup> and has deemed it to be reasonable and appropriate, it is therefore

**RESOLVED**, that the Investment Report is hereby approved.

#### **Appointment of Contracting Officer**

The next item on the agenda was the appointment of a Contracting Officer. Mr. Paolicelli informed the Board that the Authority’s previous Contracting Officer, Carol King, retired earlier this year, and that the proposed resolution would appoint Kung Ko as her replacement. He explained that Mr. Ko currently services as the Agency Chief Contracting Officer to the New York City Office of Management and Budget, and noted that his biography had been distributed to the Board for review. Mr. Paolicelli introduced Mr. Ko to the Board of Directors, and then, without further discussion, upon motion duly made and seconded, the following resolution was adopted.

**WHEREAS**, pursuant to Section 2896(1)(b) of the of the Public Authorities Law of the State of New York, the Board of the New York City Municipal Water Finance Authority (the “Authority”) is required to appoint a contracting officer, who shall be

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<sup>7</sup> Filed with Minutes of the meeting.

responsible for the Authority's compliance with, and enforcement of, its procurement policies; and

**WHEREAS**, Carol King, who was previously appointed as Contracting Officer for the Authority, has resigned from the position; and

**WHEREAS**, the staff of the Authority believes Kung Ko, whose biography is attached hereto, to be highly qualified to serve as Contracting Officer of the Authority; and it is therefore

**RESOLVED**, that Kung Ko is hereby appointed Contracting Officer of the Authority.

### **Approval of Graphic Design Contract**

The next and final item on the agenda was the approval of the Authority entering into a contract for Graphic Design services. Authority staff had recommended ReitDesign to design the Authority's Fiscal Year 2015 Comprehensive Annual Financial Report ("CAFR"), and noted that ReitDesign is a Women Owned Business that is certified with the City and State. He noted the rate and terms of the contract are listed in the resolution, which had been circulated for review by the Board. Without further discussion, upon motion duly made and seconded, the following resolution was adopted:

**WHEREAS**, the New York City Municipal Water Finance Authority (the "Authority") conducted a Request for Proposals process for a graphic design consultant to work with the Authority in connection with the preparation of the Authority's Comprehensive Annual Financial Report ("CAFR"); and

**WHEREAS**, ReitDesign was selected based on the strength of their proposal and their demonstrated ability to provide excellent service; and

**WHEREAS**, the Board of Directors believes that it is in the best interests of the Authority to authorize a contract with ReitDesign; it is therefore

**RESOLVED**, that the Chief Executive Officer or the Executive Director of the Authority is each hereby authorized and directed to enter into an agreement in the name of the Authority whereby ReitDesign will serve as graphic design consultant to the Authority upon such terms as the Chief Executive Officer or the Executive Director deems reasonable and appropriate; provided, however, that such agreement shall be limited to work on the fiscal year 2015 CAFR; and provided, further, that compensation to ReitDesign shall be \$13,050 for design and artwork including up to three rounds of revisions with an additional \$175 per hour for any additional revisions, and up to \$1,000 for any stock photography requested by the Authority, for a total not to exceed fee of \$15,000.

### **Adjournment**

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

  
ASSISTANT SECRETARY