

**MINUTES OF THE ANNUAL MEETING OF THE  
NEW YORK CITY WATER BOARD  
June 14, 2021<sup>1</sup>**

The annual meeting of the New York City Water Board (the “Board”) was held on June 14, 2021 at approximately 9:00 a.m. via teleconference in accordance with the Governor’s Emergency Order regarding the Covid-19 pandemic. Approximately 35 members of the public dialed into the teleconference. The following members of the Board attended the meeting:

Alfonso Carney,  
Evelyn Fernandez-Ketchum,  
Adam Freed,  
Jonathan Goldin,  
Jukay Hsu, and  
Arlene Shaw

constituting a quorum. Mr. Carney chaired the meeting, and Albert Rodriguez served as Secretary of the meeting. Chair Carney thanked Dr. Demetrious Carolina for his service to the Board noting that Dr. Carolina was a terrific addition to the Board and that his membership presence will be missed.

**Approval of the Minutes**

The first item on the agenda was approval of the minutes of the Board’s previous meeting held on May 10, 2021. Member Freed asked that the minutes be updated to include the discussion on possible Federal stimulus funding for the wastewater system, as well as the

---

<sup>1</sup> These meeting minutes reflect revisions requested by the members at the October 14, 2021 Board meeting prior to voting to adopt the minutes.

discussion on the stormwater study. After those two additions were acknowledged, and upon motion duly made and seconded, the minutes of the meeting held on May 10, 2021 were unanimously adopted.

### **Adoption of the Fiscal Year 2022 Annual Budget**

The next item on the agenda was the adoption of the Board's Fiscal Year 2022 annual budget. Chair Carney requested that Treasurer Nazem detail the components of the budget. After hearing the details, there was a discussion from members Freed and Goldin regarding how a request for a rental payment by the City would impact the total revenue requirement. Member Freed urged the City to consider ways to make permanent its decision to no longer request the rental payment. Treasurer Nazem answered that if it were requested it would impact the budget, but at this time there is not a sufficiently reasonable likelihood of that occurrence, and, therefore, the current budget is sufficient without a contingency for rental payment. Upon motion duly made and seconded, the following resolution adopting the Fiscal Year 2022 annual budget of the Water Board was unanimously approved by the Board.

### **RESOLUTION**

**WHEREAS**, pursuant to a Financing Agreement dated as of July 1, 1985, as amended, between the New York City Water Board (the "Board"), the New York City Municipal Water Finance Authority (the "Authority"), and The City of New York (the "City"), the Board is required to adopt an annual budget which includes, among other things, expenses of the Authority and the City relating to the operation and maintenance of the City's Water and Sewer System (the "System") and

**WHEREAS**, the Board has received certification from the Authority regarding the Authority's Budget for the fiscal year commencing July 1, 2021 ("Fiscal Year 2022") reflecting

Authority Expenses and estimated Aggregate Debt Service (as such terms are defined in the Authority's General Revenue Bond Resolution); and

**WHEREAS**, the Board has received certification from the Director of Management and Budget of the City regarding the amounts that the City reasonably anticipates it will have expended during Fiscal Year 2022 in connection with the operation and maintenance of the System as described in paragraphs (a) through (e) of Section 8.1 of the Agreement of Lease dated as of July 1, 1985, as amended, between the Board and the City (the "Lease"), and the rental payment, if any, requested by the City for the fiscal year commencing July 1, 2021 pursuant to Section 8.2 of the Lease; and

**WHEREAS**, the Board has received certification from AECOM USA, Inc., Consulting Engineer, pursuant to Section 8.3(a)(ii) of the Lease to the effect that amounts certified by the City for costs incurred or to be incurred in connection with paragraphs (a) and (b) of Section 8.1 of the Lease are reasonable and appropriate; and

**WHEREAS**, the Board has reviewed a proposed budget for the Board's own anticipated expenses for the fiscal year commencing July 1, 2021, and combined with the proposed expenses for the Authority and the City, the Board has prepared an annual budget for the ensuing fiscal year (the "Annual Budget"); and

**WHEREAS**, the Board has received certification from Amawalk Consulting Group LLC ("Amawalk"), Rate Consultant to the Board, regarding forecasted cash flows and anticipated revenues for the fiscal year commencing July 1, 2021; and

**WHEREAS**, the Board has reviewed the Rate Consultant's forecasted cash flows and the Board's proposed Annual Budget for the fiscal year commencing July 1, 2021 and has determined that such provision for anticipated expenditures is reasonable and appropriate to

enable the Board to exercise its powers and carry out its purposes in accordance with the New York City Municipal Water Finance Authority Act; it is therefore

**RESOLVED**, that the Annual Budget of the Board for the fiscal year commencing July 1, 2021, a copy of which is attached hereto, is hereby adopted.

### **Adoption of the Rate Schedule Effective July 1, 2021**

The next item on the agenda was adoption of the Board's Rate Schedule effective July 1, 2021. Chair Carney summarized the testimony heard at the three public hearings, which were conducted remotely on the morning of June 1, 2021 and the evening of June 2, 2021 for the in-City hearings, and the afternoon of June 3, 2021 for wholesale customers. Chair Carney thanked DEP Commissioner Vincent Sapienza and his staff for their presentations at the public hearings. Chair Carney noted that there were many thoughtful comments on revisions related to water and wastewater efficiency improvements. The testimony from several sources in the engineering, legal, environmental advocacy, and the real estate development communities led the Board to consider modifications to the original proposal. Specifically, the allowable level of release of wastewater under the Private Wastewater Treatment Plant rules currently at zero percent should be set at 25 percent instead of the proposed 10 percent. In addition, the staff proposal for direct metering of discharge was modified to reflect a requirement for a certified engineer's report on wastewater discharge efficiency. Finally, the proposed requirement regarding a limitation on use of City funds was replaced by a disclosure requirement.

There being no further discussion, upon motion duly made and seconded, the following resolution adopting the Rate Schedule effective July 1, 2021 was unanimously approved.

## **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 wastewater system of the City of New York (the “City”); and

**WHEREAS**, in accordance with Section 1045-j (3) of the Act, and in light of the COVID-19 pandemic, public hearing concerning certain proposals regarding water and wastewater system rates and charges was held by teleconference on June 1, 2021 and on June 2, 2021, and a transcript of the hearings and all written statements submitted by June 11, 2021 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, 2021 (“FY 2022”), (ii) the City with respect to (a) the amounts which the City reasonably anticipates it will expend during FY 2022 in connection with the operation and maintenance of the water and sewer system and (b) rental payments, if any, requested by the City from the Board, (iii) AECOM USA, Inc., Consulting Engineer, with respect to the reasonableness of the City's certification of certain expenses, and (iv) Amawalk Consulting Group LLC, Rate Consultant to the Board, regarding forecasted cash flows and anticipated revenues for FY 2022, the Board has on this day adopted its annual budget for FY 2022; and

**WHEREAS**, based on the requirements set forth in the Board's annual budget for FY 2022 and the testimony and statements submitted at the aforementioned public hearings, the

Board has determined that the rates for all customers will increase by 2.76% compared to those rates that first went into effect as of July 1, 2019; and

**WHEREAS**, the Board has further determined that the proposal recommended by staff to (1) not administer the 10% surcharge, for Fiscal Year 2022, to the bills issued to accounts enrolled in the Multi-Family Conservation Program that have not yet established administrative compliance with the Program's requirements, (2) increase by up to 45,000 recipients, to a new total of up to 96,000 recipients, the pool of available bill credits for the Home Water Assistance Program, and to allow the program to issue a \$145 bill credit, a 25% increase to the size of the bill credit compared to the last fiscal year, to qualifying one, two, three, or four residential unit properties, based on the principal program criteria of the property in question receiving at least one of three property tax credits from the New York City Department of Finance, including a Senior Citizen Homeowners' Exemption (SCHE), or a Disabled Homeowners' Exemption (DHE), including Physically Disabled Crime Victims, or a Veteran's Exemption, or otherwise having a City Finance Department-verified income of less than \$50,000, (3) increase by 8,000 affordable apartment units, to a new total of up to 48,000 affordable apartment units, the pool of available bill credits under the Multi-Family Water Assistance Program, allowing up to 48,000 affordable apartment units to receive a bill credit of \$250 per qualifying apartment unit, and (4) make clarifications to various existing policies and procedures, as each such proposal is set forth in the proposed Water and Wastewater Rate Schedule Effective July 1, 2021; it is therefore

**RESOLVED**, that said Water and Wastewater Rate Schedule Effective July 1, 2021, as well as the new and modified billing policies and programs as described above, is hereby approved.

**Adoption of Rates for Customers North of New York City**

The next item on the agenda was adoption of the Board's water rates for users north of New York City effective July 1, 2021. Chair Carney asked the Board's rate advisor whether there have been any changes in the methodology employed to calculate the upstate rates. Mr. Marcus of Amawalk Consulting responded that the basic methodology has remained the same consistent with prior agreements with upstate customers. There being no further discussion, upon motion duly made and seconded, the following resolution was unanimously approved.

### **RESOLUTION**

**WHEREAS**, 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**, pursuant to the Water Supply Act of 1905 as set forth in Section 24-360 of the Administrative Code of the City of New York, the City is required, upon request, to furnish a supply of water to certain municipalities and water districts north of the City at a rate determined on the basis of the total cost of the water to the City (the "Regulated Rate") in quantities not to exceed the daily per capita consumption in the City multiplied by the number of inhabitants in each municipality or water district as documented by the final release of Federal decennial census statistics (the "Allowance Quantities"); and

**WHEREAS**, the proposal to the Board for the Regulated Rate is to increase the rate to an amount of \$2,054.63 per million gallons; and

**WHEREAS**, the proposal to the Board for the Excess Rate is to increase the rate to an amount of \$5,355.07 per million gallons; it is therefore

**RESOLVED**, that effective July 1, 2021, the Regulated Rate shall be charged in an amount equal to \$2,054.63 per million gallons, and the Excess Rate shall be charged in an

