

**MINUTES OF THE ANNUAL MEETING OF THE
NEW YORK CITY WATER BOARD
June 19, 2020**

The annual meeting of the New York City Water Board (the “Board”) was held on June 19, 2020 starting at approximately 8:30 a.m. via teleconference in accordance with the Governor’s Emergency Order regarding the Covid-19 pandemic. Approximately fifty members of the public dialed into the teleconference. The following members of the Board attended the meeting:

Alfonso Carney,
Demetrius Carolina, Sr.,
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.

Approval of the Minutes

The first item on the agenda was approval of the minutes of the Board’s previous meeting held on May 22, 2020. There were proposals to revise the proposed meeting minutes, to reflect the discussion among the Members, including the monitoring of collections, the status of a rate study that DEP is overseeing, and the status of the rental payment described in the Board’s lease with the City. Approval of the minutes was accordingly put on hold pending revision of the minutes to reflect these matters.

Adoption of the Fiscal Year 2021 Annual Budget

The next item on the agenda was the adoption of the Board's Fiscal Year 2021 annual budget. There being no discussion, upon motion duly made and seconded, the following resolution adopting the Fiscal Year 2021 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 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, 2020 ("Fiscal Year 2021") 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 2021 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 Fiscal Year 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 Fiscal Year 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 Fiscal Year 2021; and

WHEREAS, the Board has reviewed the Rate Consultant’s forecasted cash flows and the Board’s proposed Annual Budget for Fiscal Year 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 Fiscal Year 2021, a copy of which is attached hereto, is hereby adopted.

Adoption of the Rate Schedule Effective July 1, 2020

The next item on the agenda was the adoption of the Board’s Rate Schedule effective July 1, 2020. First, Chair Carney noted the significance of the day of this meeting, being held on Juneteenth, or June 19th. Second, Chair Carney asked some members to summarize the testimonies heard at the online public hearing conducted on June 15, 2020. Member Freed

summarized the testimonies, including: accessibility of the rates appeals process; the accuracy of the multiplier for the sewer rates; the expansion of the affordability provisions of the water rates; a suggestion for a separate stormwater charge; and the expansion of the Multi-Family Water Assistance program. A second member, Carolina, seconded the comments of Member Freed noting the themes of sustainability, modernization and affordability of the water systems of New York. A third member, Goldin, also agreed with Member Freed and added that the Board must plan wisely and be fiscally prudent in the current environment while trying to avoid large rates increases in the future. Chair Carney agreed to all that was said, and added that the dire financial situation of the City due to the Coronavirus crisis brought about an important matter – that is a discussion should be made to address the predictability of when the rental payment will be requested. Hence, Member Freed requested an additional meeting in the late summer to get the updates needed to plan for rental payments, study on stormwater charges, and future water rates changes. Chair Carney agreed to the proposal with the affirmative suggestion of the Water Board staff that such a meeting can be done, but most probably on the early fall already.

There being no further discussion, upon motion duly made and seconded, the following resolution adopting the Rate Schedule effective July 1, 2020 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 Sections 1045-j (3) and (9-a) of the Act, public hearings concerning certain proposals regarding water and wastewater system rates and charges was held on June 15, 2020 and a transcript of the hearing and all written statements submitted by June 12, 2020 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, 2020 (“FY 2021”), (ii) the City with respect to (a) the amounts which the City reasonably anticipates it will expend during FY 2021 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 Fiscal Year 2021, the Board has on this day adopted its annual budget for FY 2021; and

WHEREAS, based on the requirements set forth in the Board's annual budget for FY 2021 and the testimonies and statements submitted at the aforementioned public hearing, the Board has determined that, effective July 1, 2020, and taking into account the public health crisis, the water rates for all in-City customers, flat rate and metered, should remain as the rates in effect since July 1, 2018, and that the planned 10% surcharge on certain multi-family properties should be postponed through June 30, 2021; and

RESOLVED, that said Water and Wastewater Rate Schedule Effective July 1, 2020 is hereby approved.

Adjournment

