

**MINUTES OF THE ANNUAL MEETING OF THE
NEW YORK CITY WATER BOARD**

June 10, 2026

A meeting of the New York City Water Board (the “Board”) was held on Wednesday June 10, 2026 at 255 Greenwich Street, Manhattan, New York in the 8th floor conference room 8-S1/S2 beginning at approximately 8:30 a.m. The following members of the Board attended the meeting:

Alfonso Carney,

Adam Freed,

Richard Miller,

Arlene Shaw,

Udai Tambar, and

Daniel Zarrilli

With five of the six members constituting the meeting’s quorum. Member Carney participated by videoconference as a member of the quorum and Member Shaw joined by videoconference as a non-voting observer, with Member Freed serving as the Acting Chair. The Board’s Executive Director Nerissa Moray and Treasurer Omar Nazem were in attendance, in addition to the Board’s Secretary Michael Moore. DEP Commissioner Lisa Garcia and DEP Deputy Commissioner of the Bureau of Customer Services Albert Kramer attended on behalf of DEP.

Approval of the Minutes

After Acting Chair Freed offered opening remarks, followed by comments from the other members, the first item on the agenda was approval of the minutes of the Board’s previous meeting held on May 11, 2026. Upon a motion duly made and seconded, the minutes were approved unanimously by the Board members constituting the quorum.

Financial Resolution from the Members

Member Freed proceeded to read a resolution of opinion presented by the Members into the record that stated the viewpoint of the members with respect to the water and wastewater system's rental payment, stating the members' view suggesting that the City should not request, or should eliminate, the rental payment, in addition to considered that, if the City requested the rental payment, that the City allocate the rental proceeds to managing stormwater, flooding, protecting assets along the coastline, or other uses involving the water and wastewater system. A discussion among Member Carney, Member Miller, and Secretary Moore clarified that the resolution does not have a binding effect on the system lease or the City.

Upon a motion duly made and seconded, the resolution of opinion was approved by a vote of four to one, with Member Carney casting the vote of opposition.

RESOLUTION

WHEREAS, the New York City Water Board (the "Board") and the City of New York (the "City") entered into an Agreement of Lease dated as of July 1, 1985 (the "Lease"), pursuant to which the Board leases the City's water and sewer system (the "System") from the City; and

WHEREAS, under the Lease, if requested by the City, the Board is required to make an annual rental payment to the City in an amount not to exceed the greater of: (i) the principal and interest payable in such fiscal year on City general obligation ("GO") bonds issued for water and sewer purposes to be paid within such fiscal year; or (ii) fifteen percent of the principal and interest payable on bonds of the New York City Municipal Water Finance Authority (the "Authority") to be paid within such fiscal year; and

WHEREAS, all of the debt service on GO bonds issued prior to 1984 for the system has been paid; and

WHEREAS, while the City has not asked for a rental payment in several previous Fiscal Years, the City has requested a rental payment of \$312 million for FY2027, which represents a 10.25 percent increase from last year's rental payment; and

WHEREAS, the New York City Department of Environmental Protection ("DEP") has proposed a 6 percent water rate increase for FY2027, and the requested rental payment is a material component of the System's projected FY2027 expenses that affects affordability; and

WHEREAS, the System faces substantial capital and operating needs, including investments in water supply, wastewater treatment, sewer capacity, stormwater management, flood mitigation, and coastal resilience; and

WHEREAS, the Board acknowledges that, for the first time, the City has provided approximately \$10 million in funding for the Bureau of Coastal Resiliency within DEP, which is an important initial step in meeting the City's combined critical needs; and

WHEREAS, continued rental payment requests place pressure on current and future water and sewer rates and the availability of funding for System investments; now, therefore, be it

RESOLVED, that the Board urges the City not to request a rental payment from the Board for FY2027 and to phase out or eliminate the rental payment in subsequent fiscal years; and be it further

RESOLVED, that, in the alternative, to the extent the City requests a rental payment, the Board asks the City to dedicate the rental payment, or an equivalent amount from the City's General Fund, to stormwater management, flood mitigation, coastal resilience, or other water and sewer system-related resilience purposes that benefit ratepayers and the System.

Adoption of the Board's Fiscal Year 2027 Annual Budget

Executive Director Moray presented the Board's proposed Fiscal Year 2027 budget. Treasurer Nazem explained the difference between the adopted Fiscal Year 2026 budget approved by the Board one year earlier and the budgeted Fiscal Year 2026 outlook shared with the Board that included a projection of the expected year-end cash balance that would be available to offset debt service during Fiscal Year 2027.

Upon a motion duly made and seconded, the resolution was approved unanimously by the Board members constituting the quorum.

RESOLUTION

WHEREAS, pursuant to the 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 authorized to adopt an annual budget that includes expenses of the Authority and the City relating to the operation and maintenance of the City's Water and Sewer System (the "System") and expenses of the Board; and

WHEREAS, the Board has received certification from the Authority regarding the Authority's Budget for the fiscal year commencing July 1, 2026 (“Fiscal Year 2027”) 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 which the City reasonably anticipates it will expend during Fiscal Year 2027 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, 2026 pursuant to Section 8.2 of the Lease; and

WHEREAS, the Board has received certification from AECOM USA, Inc. and MDE, Inc., Co-Consulting Engineers, 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, 2026, and combined with the proposed expenses for the Authority and the City, the Board has prepared an annual budget for the upcoming fiscal year (the “Annual Budget”); and

WHEREAS, the Board has received certification from Carollo Engineers, Rate Consultant to the Board, regarding forecasted cash flows and anticipated revenues for the fiscal year commencing July 1, 2026; 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, 2026 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, 2026, a copy of which is attached hereto, is hereby adopted.

Adoption of the Board’s Rate Schedule for Fiscal Year 2027

Following a discussion by the Members, a statement by Member Miller explaining his decision to vote in favor of the rate increase, comments by Acting Chair Freed and Member Miller on stormwater rates, and comments by Commissioner Garcia, the Board proceeded to vote on the resolution.

Upon a motion duly made and seconded, the resolution was approved unanimously by the Board members constituting the quorum.

RESOLUTION

WHEREAS, the Board is authorized pursuant to Sections 1045-g(4) and 1045-j of the New York City Municipal Water Finance Authority Act (the “Act”) to establish 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 the public hearing requirements described in Sections 1045-j (3) and 1045-j(9a) of the Act, (i) public hearings were held in the boroughs of Queens, Manhattan, Brooklyn, Staten Island, and the Bronx on June 1, 2 (Manhattan and Brooklyn), 3, and 4, 2026, respectively, (ii) the public was given an opportunity at the hearings to present testimony to members and officers of the Board, as well as to the general public, (iii) the public was also provided the opportunity to email, mail, or otherwise communicate testimony to the Board pursuant to the information provided in the public notices of the hearings which were first published on May 11, 2026, and (iv) a transcript of the hearings and all written statements submitted by June 9, 2026 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, 2026 (“FY 2027”), (ii) the City with respect to (a) the amounts which the City reasonably anticipates it will expend during FY 2027 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. and MDE, Inc., Co-Consulting Engineers, with respect to the reasonableness of the City's certification of certain expenses, and (iv) Carollo Engineers, Rate Consultants to the Board, regarding forecasted cash flows and anticipated revenues for FY 2027, the Board has on this day adopted its annual budget for FY 2027; and

WHEREAS, based on the requirements set forth in the Board's annual budget for FY 2027 and the testimony and statements submitted at the aforementioned public hearings, the Board has determined that the rates for all customers will increase by 6.0% compared to those rates described in the Rate Schedule for Fiscal Year 2026 that first took effect on July 1, 2025, as amended on May 11, 2026; and

WHEREAS, the Board has further determined the reasonableness of the proposal recommended by staff to (1) not administer a surcharge for Fiscal Year 2027 to the bills issued to accounts enrolled in the Multi-Family Conservation Program (MCP) that have not yet established administrative compliance with the Program's requirements, (2) continue the Home Water Assistance Program (HWAP) at a program size of up to 96,000 potential bill credit recipients, and to allow the program to issue a bill credit of up to \$196 to qualifying one, two, three, or four residential unit properties, based on the 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), 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, and (3) continue the Multi-Family Water Assistance Program (MWAP) at a program size of up to 75,000 affordable apartment units to receive a bill credit of \$250 per qualifying apartment unit, as each such proposal is set forth in the proposed Water and Wastewater Rate Schedule Effective July 1, 2026, it is therefore

RESOLVED, that the proposed Water and Wastewater Rate Schedule Effective July 1, 2026, as well as the new or modified billing policies and programs as described above, are hereby approved.

Adoption of the Board's Wholesale Rates for Fiscal Year 2027

Upon a motion duly made and seconded, the resolution was approved unanimously by the Board members constituting the quorum.

RESOLUTION

WHEREAS, the Board is authorized pursuant to Section 1045-g(4) and 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, or other population measure as may be satisfactory to the Department of Environmental Protection (the "Allowance Quantities"); and

WHEREAS, those same certain municipalities and water districts north of the City may purchase a supply of water in excess of the amounts authorized under the calculation of the Allowance Quantity, at a separate rate of charge applicable solely to the quantities of water sold in excess of the amounts authorized under the Allowance Quantity calculation (“the Excess Rate”); and

WHEREAS, the proposal to the Board for the Regulated Rate is to decrease the rate to an amount of \$2,193.07 per million gallons; and

WHEREAS, the proposal to the Board for the Excess Rate is to increase the rate to an amount of \$6,995.80 per million gallons; and

WHEREAS, in accord with the public hearing requirements of Section 1045 of the Act, (i) the Board held a public hearing in Westchester County on June 1, 2026, (ii) the public was provided with an opportunity at the public hearing to present testimony to members and officers of the Board and the general public, (iii) the public was provided with the opportunity to email, mail, or otherwise communicate testimony to the Board pursuant to the information provided in the public notice of the hearings, and a transcript of the hearings, and (iv) all written statements submitted by June 9, 2026 have been received and reviewed by the Board, it is therefore

RESOLVED, that effective July 1, 2026, the Regulated Rate will be charged in an amount equal to \$2,193.07 per million gallons, and the Excess Rate will be charged in an amount equal to \$6,995.80 per million gallons, for water provided to wholesale customers north of the City.

Adoption of Amendments to Board Regulation Number 3

Following remarks by Deputy Commissioner Kramer and Member Zarrilli, the members voted on the resolution. Upon a motion duly made and seconded, the resolution was approved unanimously by the Board members constituting the quorum.

RESOLUTION

WHEREAS, the Board is authorized pursuant to Sections 1045-g(4) and 1045-j of the New York City Municipal Water Finance Authority Act (the “Act”) to establish 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 the public hearing requirements described in Sections 1045-j (3) and 1045-j(9a) of the Act, (i) public hearings were held in the boroughs of Queens, Manhattan, Brooklyn, Staten Island, and the Bronx on June 1, 2 (Manhattan and Brooklyn), 3, and 4, 2026, respectively, (ii) the public was given an opportunity at the hearings to present testimony to members and officers of the Board, as well as to the general public, (iii) the public was also provided the opportunity to email, mail, or otherwise communicate testimony to the Board pursuant to the information provided in the public notices of the hearings that were first published on May 11, 2026, and (iv) a transcript of the hearings and all

written statements submitted by June 9, 2026 have been received and reviewed by the Board; and

WHEREAS, the Board has further determined the reasonableness of the proposal recommended by staff to amend the Board's policies and procedures described in Board Regulation Number 3, relating to customers facing billing circumstances involving the Board's Denial of Access provisions, as set forth in the attached Appendix A, including, among other revisions, the billing of Attributed Consumption Charges, it is therefore

RESOLVED, that the proposed amendments to the policies described in the Board's Regulation Number 3 relating to Denial of Access are hereby approved.

Adjournment

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

/S/
SECRETARY