

**MINUTES OF THE MEETING OF THE
NEW YORK CITY WATER BOARD
APRIL 8, 2016**

A meeting of the New York City Water Board (the “Board”) was held on April 8, 2016 starting at approximately 8:37 a.m. in Spector Hall at 22 Reade Street, New York, New York 10007. A roll call of the Board’s members was conducted, and the following members of the Board were present at the start of the meeting:

Alfonso Carney,

Joseph Finnerty III,

Adam Freed and

Jonathan Goldin

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 March 25, 2016. There being no discussion, upon motion duly made and seconded, the minutes of the meeting held on March 25, 2016 were unanimously adopted.

Fiscal Year 2017 Rate and Billing Proposals¹

The next item on the agenda was a presentation by First Deputy Commissioner Steve Lawitts on water and sewer rates within New York City (“NYC”) for FY 2017, as proposed by DEP. The proposal includes a 2.1% increase for water and sewer charges in FY 2017, the lowest increase in rates in 16 years. The proposed increase would cost approximately \$23 per year for an average single family home and about \$21 per year per residential unit on the Multi-family

¹ Member Tawan Davis joined the meeting during the presentation by the First Deputy Commissioner.

Conservation Program rate. Compared to the rates in effect in the 30 largest U.S. cities as of March 2016, NYC's average annual single-family charge would be 4% below the average. The low 2.1% rate increase is supported by FY 2016 revenues that are higher than projected, debt service savings resulting from low interest rates and refinancings, lower than expected system operating and maintenance costs, and a reduction of \$122 million in the rental payment from the Board to the City.

The presentation by First Deputy Commissioner Lawitts also included information on the following proposals for FY 2017:

- 149,000 properties billed on the minimum charge would not see a rate increase for the fourth consecutive year. The charge would remain at \$1.27 per day.
- The Home Water Assistance Program, which provides a \$118 water bill credit would expand to as many as 120,000 low-income senior and disabled homeowners.
- A new Multi-family Water Assistance Program would be initiated that would provide a \$250 water bill credit for up to 40,000 newly created or preserved affordable housing units. The credit would be available only to properties with (i) 100% affordable units and (ii) automated meter reading devices. Property owners would be required to maintain the affordability of the units for at least 15 years.
- The grace period for non-compliant buildings in the Multi-family Conservation Program would be extended an additional six months, and penalties would be reduced to 10% of the building's charges.

- The revenue need for FY 2017 is projected to be \$3.67 billion. Without a rate increase, projected FY 2017 revenues would be \$3.594 billion, which would translate into a \$76 million funding gap. Raising rates by 2.1% will fill the \$76 million funding gap.

First Deputy Commissioner Lawitts also stated the following:

- 5,350 customers have received \$5.5 million under the expanded leak forgiveness program, an average of \$1,035 per customer.
- 210,900 customers have enrolled in the Service Line Protection Program and saved more than \$50 million to date.

Adjournment

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

_____/S/_____
SECRETARY