

**NEW YORK CITY MUNICIPAL WATER
BOARD OF DIRECTORS
October 12, 2022**

A meeting of the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) was held at 9:40 a.m. in Conference Rooms 8S-1/S-2, 255 Greenwich Street, New York, NY 10007, on October 12, 2022. The following Board members were present in person:

David Womack (by designation of Authority Director Jacques Jiha);

Diana Beinart (by designation of Authority Director Preston Niblack);

Joseph Murin (by designation of Authority Director Rohit Aggarwala);

Selvin Southwell (by designation of Authority Director Basil Seggos);

Max Von Hollweg; and

Marc Shaw;

constituting a quorum of the Board of Directors. Mr. Womack chaired the meeting, and Deborah Cohen served as Secretary of the meeting. Members of the public attended in person and via conference call.

Approval of Minutes of Previous Meeting

The next item on the agenda was approval of the minutes of the previous meeting of the Board. There being no discussion the following resolution was unanimously adopted by vote:

WHEREAS, the Board of Directors has reviewed the minutes of its meeting held on July 29, 2022 it is therefore

RESOLVED, that the minutes of the meeting of July 29, 2022 be, and they hereby are, approved.

Acceptance of Independent Auditors Report and Financial Statements

The next item on the agenda was a resolution to accept the independent auditors report on the Water & Sewer System's audited financial statements for the fiscal years ended June 30, 2022 and June 30, 2021 and authorization to release such financial statements. Mr. Womack noted that the proposed resolution would allow non-material changes, acceptable to the Deputy Comptroller of the Authority, to be made, and that the release of the financial statements was contingent upon the Water Board's authorization at their meeting scheduled for the following day. He also noted that the Joint Audit Committee of the Authority and the Water Board recommended the Board of Directors approve this resolution. Then, upon motion duly made and seconded, the following resolution was 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, 2022 and June 30, 2021 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, 2022 and June 30, 2021 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 Deputy Comptroller of the Authority.

Approval of Supplemental Resolution No. 175 Authorizing the Issuance of Fiscal 2023 Series 1 Second General Resolution Water & Sewer System Revenue Bonds to NYS EFC

The next item on the agenda was the approval of Supplemental Resolution No. 175, authorizing the issuance of up to \$250 million of Fiscal 2023 Series 1 Second General Resolution Water & Sewer System Revenue Bonds to the New York State Environmental

Facilities Corporation. Mr. Womack noted that this action was recommended by the Finance Committee. Upon motion duly made and seconded, Supplemental Resolution No. 175¹ was adopted.

Approval of Investment Guidelines

Mr. Womack introduced the next item on the agenda, which as the approval of the Authority's Investment Guidelines². He noted that a review of the Guidelines was required annually by the Public Authorities Law, and that no changes were proposed at this time. Upon motion duly made and seconded, the following resolution was 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; and

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

Approval of Investment Report

Mr. Womack noted the next item on the agenda was the approval of the Authority's Investment Report³, which includes the Investment Guidelines, the independent auditors audit of the Authority's investments, and an investment income record of the Authority, including a

¹ Filed with the meeting minutes.

² Filed with the meeting minutes.

³ Filed with the meeting minutes.

list of fees commissions and other charges paid for investment services. Discussion ensued.

Then, upon motion duly made and seconded, the following resolution was approved:

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 and has deemed it to be reasonable and appropriate, it is therefore

RESOLVED, that the Investment Report is hereby approved.

Approval of Mission Statement and Performance Measures and Authorization to Publish Measurement Report

The next item on the agenda was the approval of the Authority’s Mission Statement and Performance Measures, and a resolution which would authorize publishing the Authority’s completed Measurement Report. Mr. Womack explained that, pursuant to the Public Authorities Law, the Authority previously adopted a mission statement and measurements by which it could assess how well it is carrying out that mission. He noted that no changes are proposed to that document, and that the Authority’s measurement report⁴ had been completed, as required by the Public Authorities Law. There being no discussion, upon a motion duly made and seconded, the following resolution was approved:

WHEREAS, pursuant to Section 2800 of the Public Authorities Law (the “PAL”), the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) previously adopted a mission statement on October 1, 2007 and amended it on March 29, 2010 to add a list of measures by which performance of the Authority and the achievement of its goals may be evaluated; and

WHEREAS, the Authority is required to annually review and approve its Mission Statement and Performance Measures (“Mission Statement”); and

⁴ Filed with the meeting minutes.

WHEREAS, the Authority is also required to issue an annual Measurement Report based on the Performance Measures; and

WHEREAS, the Board has reviewed its Mission Statement, and the completed Measurement Report, and finds them to be reasonable; it is hereby

RESOLVED, that Board accepts the Mission Statement and authorizes the completed Measurement Report to be published.

Approval of Investment Manager Contract

Mr. Womack introduced the next item on the agenda, which was a resolution which would authorize the Authority to enter into an agreement for investment manager services. He explained that the Authority had issued a request for proposals seeking investment manager services, and after a review of the proposals submitted, had selected Omnicap to provide such services. He noted that Omnicap is the Authority's current investment manager, and they were selected based on the quality of their proposal, the reasonableness of their fees, and their proven track record. Discussion ensued. Then, upon motion duly made and seconded, the following resolution was approved:

WHEREAS, the Authority is authorized, pursuant to Section 1045-d(7) of the New York City Municipal Water Finance Authority (the "Authority") Act to retain or employ counsel, auditors, engineers and private consultants for rendering professional or technical services and advice; and

WHEREAS, pursuant to a competitive request for proposals, the Authority recommends entering into an agreement with Omnicap Group LLC ("Omnicap") to provide investment manager services to the Authority; it is therefore

RESOLVED, the Executive Director or such other officer of the Authority is hereby authorized and directed to enter into an agreement with Omnicap to provide investment manager services to the Authority for a term beginning October 23, 2022 through October 22, 2025 with two optional one year extensions at the Authority's discretion for the fees listed below in Schedule I, provided however said agreement shall contain such other terms and conditions not inconsistent with the foregoing which the Executive Director or such other officer of the Authority shall deem necessary.

Schedule I

Investment manager services provided shall be compensated as follows:

CONTRACT TERM	NOT TO EXCEED
Base Term (October 23, 2022 – October 22, 2025)	\$285,000
First Optional Extension (October 23, 2025- October 22, 2026)	\$287,500
Second Optional Extension (October 23, 2026 – October 22, 2027)	\$290,000

Additional services specifically requested by the Authority shall be compensated on an hourly basis as follows:

TITLE	HOURLY RATE
President / Owner	\$375
Managing Director	\$350
Associate Director / Vice President	\$295
Associate	\$250
Analyst	\$195
Administrative	\$95

Approval of Accounting Software Licenses, Implementation and Support Agreement

The next item on the agenda was a resolution which would authorize the Authority to enter into an agreement for a firm to procure accounting software licenses and to provide support in the migration and implementation of new accounting software. Mr. Womack explained that, following a competitive requests for proposals process, the Board of Directors had previously approved the Authority enter into an agreement for these services with a firm that later informed the Authority they would not be providing such services any longer. He explained that the Authority then reviewed the other proposers, and selected RSM to provide such services. He noted that the term of the agreement would be through October 31, 2025, with two optional one year extensions at the Authority's discretion. Then, upon motion duly made and seconded, the following resolution was approved:

WHEREAS, the New York City Municipal Water Finance Authority (the “Authority”) is authorized, pursuant to Section 1045-d(7) of the New York City Municipal Water Finance Authority Act, to retain or employ private consultants for rendering professional or technical services and advice; and

WHEREAS, the Authority issued a competitive Request for Proposals for vendors to aid the Authority, and related bond-financing entities, in migrating from the currently used accounting software to Microsoft Dynamics 365 Business Central software and to provide ongoing support services; and

WHEREAS, RSM US LLP (“RSM”) was selected based on the quality of their proposal and the reasonableness of their fees; it is therefore

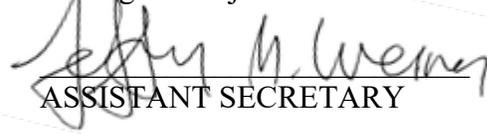
RESOLVED, that the Board of Directors hereby directs and approves the Authority to enter into an agreement with RSM to aid the Authority, and related bond-financing entities, in migrating to Microsoft Dynamics 365 Business Central software and to provide ongoing support services, for a term commencing November 1, 2022 through October 31, 2025, with an optional extension at the Authority’s discretion for two one-year periods ending October 31, 2026 and October 31, 2027, respectively, provided the fees for such services are not to exceed \$69,000 for the migration and \$336 annually for each Microsoft Business Central Essential license, and further provided said agreement shall contain such other terms and conditions not inconsistent with the foregoing which the Executive Director or such other officer of the Authority shall deem necessary.

Report of Governance Committee Chair

Mr. Womack introduced the final item on the Board’s agenda, which was a presentation by the Governance Committee Chair, Max Von Hollweg. Mr. Von Hollweg noted that the Governance Committee had met earlier that day, and conducted a self-evaluation, where they concluded that they were acting in a satisfactory manner consistent with their charter. He explained that a report of the Committee’s actions in the previous fiscal year had been provided to the Board.

Adjournment

There being no further business to come before the Board, upon a unanimous vote by roll call of the members present, the Board of Directors meeting was adjourned.


ASSISTANT SECRETARY