

**NEW YORK CITY MUNICIPAL WATER  
BOARD OF DIRECTORS  
February 2, 2023**

A meeting of the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) was held at 4:39 p.m. on February 2, 2023 via conference call. The following Board members were present:

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

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

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 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 November 10, 2022 it is therefore

**RESOLVED**, that the minutes of the meeting of November 10, 2022 be, and they hereby are, approved.

**Approval of Supplemental Resolution No. 179 Authorizing the Issuance of Fiscal 2023 Series CC Water and Sewer System Second General Resolution Revenue Bonds**

Mr. Womack introduced the next item on the Board’s agenda, which was the approval of Supplemental Resolutions No. 179 authorizing the issuance of the Authority’s Fiscal 2023 Series CC Water and Sewer System Second General Resolution Revenue Bonds. Mr.

Womack noted the resolution authorized up to \$200 million of Fiscal 2023 Series CC new money variable rate bonds. He also noted that this action had been recommended by the Finance Committee after a review of the parameters of each transaction. Upon unanimous vote, the resolution<sup>1</sup> was approved.

### **Authorization to Amend Interest Rate Exchange Agreements and Adhere to the ISDA 2020 IBOR Fallback Protocol**

The next item on the Board's agenda was a resolution which would authorize the Authority to amend its interest rate exchange agreements and adhere to the ISDA 2020 IBOR Fallback Protocol. Mr. Womack explained that LIBOR will cease in June of 2023, and to prepare for this, the Authority now seeks to amend its interest rate exchange agreements to use SOFR as an alternate index and to adhere to the ISDA 2020 IBOR Fallback Protocol. He noted that the Finance Committee recommend the Board approve such action. Then, upon unanimous vote, the following resolution was approved:

**WHEREAS**, the Board of Directors approved Supplemental Resolution No. 48 on October 22, 2007 ("Supplemental Resolution No. 48") which authorized the issuance of the Authority's Water and Sewer System Second General Resolution Revenue Bonds, Fiscal 2008 Series BB ("2008 BB Bonds"); and

**WHEREAS**, Supplemental Resolution No. 48 also authorized the Authority to enter into interest rate exchange agreements related to the 2008 Series BB Bonds ("Swap Agreements"), so long as the rate received by the Authority for any such Swap Agreements entered into be based on a percentage of the London Interbank Offered Rate ("LIBOR") or Securities Industry and Financial Markets Association ("SIFMA") indices; and

**WHEREAS**, on October 24, 2007, the Authority executed two Swap Agreements in the aggregate notional amount of \$401 million in conjunction with the sale of its 2008 BB Bonds, and under such agreements the Authority pays a fixed interest rate of 3.439% in exchange for a floating rate based on a 1-month LIBOR index; and

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<sup>1</sup> Filed with the meeting minutes

**WHEREAS**, on March 5, 2021, ICE Benchmark Administration Limited and the Financial Conduct Authority announced that, for most USD LIBOR tenors, including the 1-month LIBOR index, LIBOR would cease to exist on June 30, 2023; and

**WHEREAS**, the Secured Overnight Financing Rate (“SOFR”), is a broad measure of the cost of borrowing cash overnight collateralized by treasury securities; and

**WHEREAS**, the International Swaps and Derivatives Association (“ISDA”) published the ISDA 2020 IBOR Fallbacks Protocol and a Supplement to the 2006 ISDA Definitions which provided fallback language by amending the ISDA interbank offered rate definitions (including USD LIBOR) by providing for a fallback rate in case of LIBOR discontinuation based on SOFR as well as fallback rates for SOFR or for a SOFR replacement rate if the relevant rate is not available and by providing for a spread adjustment to be established, and the spread adjustments were subsequently established; and

**WHEREAS**, the Authority now seeks authorization to adhere to the ISDA 2020 IBOR Fallbacks Protocol to amend its interest rate exchange agreements that utilize USD LIBOR as an index; and

**WHEREAS**, the Authority now seeks to amend Supplemental Resolution No. 48 to allow for the amendment of Swap Agreements so that the Swap Agreements also can use SOFR as a daily rate or as a term rate for specified terms as an index along with the fallback rates provided in the ISDA 2020 IBOR Fallbacks Protocol if SOFR or its replacement rate are not available; and

**WHEREAS**, the Finance Committee has recommended the Board of Directors approve such action; it is therefore

**RESOLVED**, that the Board of Directors hereby (i) authorizes the Authority to adhere to the ISDA 2020 IBOR Fallbacks Protocol to amend its interest rate exchange agreements that utilize USD LIBOR as an index and (ii) approves an amendment to Supplemental Resolution No. 48 to allow for the amendment of Swap Agreements so that the Swap Agreements also can use SOFR as a daily rate or as a term rate for specified terms as an index along with the fallback rates provided in the ISDA 2020 IBOR Fallbacks Protocol if SOFR or its replacement rate are not available as an index.

### **Authorization to Amend the Authority’s Consulting Engineer Contracts**

The final item on the Board’s agenda was the authorization to amend the Authority’s Consulting Engineer Contracts. Mr. Womack explained that the Authority’s consulting engineers, AECOM and Macan Deve, have had staffing changes which requires the Authority to amend its contracts with each firm. He noted that the max rates for each contract were not

changing, only the individual staff and hourly rates. Discussion ensued. Then, upon unanimous vote, 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 counsel, auditors, engineers and private consultants for rendering professional or technical services and advice; and

**WHEREAS**, the Board of Directors previously authorized the Authority to enter into an agreement with AECOM USA, Inc. (“AECOM”) and Macan Deve Engineers (“MDE”), to provide consulting engineer services for an initial term from July 1, 2021 through June 30, 2026 (“Initial Term”) with an optional renewal at the Authority’s discretion, with no further Board approval required for a period from July 1, 2026 through February 28, 2029 (“Optional Renewal”) or in the alternative an automatic extension through February 28, 2027 to cover the stub period between the Initial Term and the date by which the following annual report is provided if the Authority chooses not to exercise the Optional Renew (the “Automatic Extension”); and

**WHEREAS**, the Authority now seeks to amend the Authority’s contracts with AECOM to add additional staff and to allow new hourly rates for certain AECOM staff, provided such amended fees do not exceed the maximum fees from the previously authorized agreement and provided below in Schedule I; and

**WHEREAS**, the Authority now seeks to amend the Authority’s contracts with MDE to add additional staff and to allow new hourly rates for certain MDE staff, provided such amended fees do not exceed the maximum fees from the previously authorized agreement and provided below in Schedule II; it is therefore

**RESOLVED**, that the Chief Executive Officer or the Executive Director of the Authority is hereby authorized and directed to amend the Authority’s contract with AECOM for such terms and conditions as the Authority deems reasonable and necessary, provided the maximum fees do not exceed those provided in Schedule I; and it is therefore

**FURTHER RESOLVED**, that the Chief Executive Officer or the Executive Director of the Authority is hereby authorized and directed to amend the Authority’s contract with MDE for such terms and conditions as the Authority deems reasonable and necessary, provided the maximum fees do not exceed those provided in Schedule II.

## Schedule I - AECOM

**A. Maximum Fees for Initial Term from July 1, 2021 through June 30, 2026**

<b>Period</b>	<b>Max Fees*</b>
July 1, 2021 – June 30, 2022	\$ 115,540.31
July 1, 2022 – June 30, 2023	\$ 118,879.47
July 1, 2023 – June 30, 2024	\$ 122,318.80
July 1, 2024 – June 30, 2025	\$ 125,861.32
July 1, 2025 – June 30, 2026	\$ 129,510.11

\*Includes \$4,235 per fiscal year for Other Direct Costs

**B. Maximum Fees If the Authority Exercises the Optional Renewal from July 1, 2026-February 28, 2029**

<b>Period</b>	<b>Max Fees</b>
July 1, 2026-February 28, 2028 <sup>1</sup>	\$246,237
March 1, 2028-February 28, 2029 <sup>2</sup>	\$37,334

<sup>1</sup>Includes \$4,235 for Other Direct Costs;

<sup>2</sup>Includes \$1,000 for Other Direct Costs

**C. Maximum Fees for an Automatic Extension through February 28, 2027 if the Authority Does Not Exercise the Optional Renewal**

<b>Period</b>	<b>Max Fees*</b>
July 1, 2026 – June 30, 2027	\$ 115,540.31

\* Includes \$1,000 for Other Direct Costs

## Schedule II - MDE

**A. Maximum Fees for Initial Term from July 1, 2021 through June 30, 2026**

<b>Period</b>	<b>Max Fees*</b>
July 1, 2021 – June 30, 2022	\$ 38,850.00
July 1, 2022 – June 30, 2023	\$ 40,015.50
July 1, 2023 – June 30, 2024	\$ 41,215.97

July 1, 2024 – June 30, 2025	\$ 42,452.44
July 1, 2025 – June 30, 2026	\$ 43,726.02

\*Includes \$1,000 per fiscal year for Other Direct Costs

**B. Maximum Fees If the Authority Exercises the Optional Renewal from July 1, 2026-February 28, 2029**

Period	Max Fees
July 1, 2026-February 28, 2028 <sup>1</sup>	\$ 83,500
March 1, 2028-February 28, 2029 <sup>2</sup>	\$ 12,400

<sup>1</sup>Includes \$1,000 for Other Direct Costs;

<sup>2</sup>Includes \$500 for Other Direct Costs

**C. Maximum Fees for an Automatic Extension through February 28, 2027 if the Authority Does Not Exercise the Optional Renewal**

Period	Max Fees*
July 1, 2026 – June 30, 2027	\$ 5,000

\* Includes \$500 for Other Direct Costs

**Adjournment**

There being no further business before the Board, upon unanimous vote, the meeting of the Board of Director's was adjourned.

  
 ASSISTANT SECRETARY