

**NEW YORK CITY MUNICIPAL WATER
BOARD OF DIRECTORS**

A meeting of the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) was held at 255 Greenwich Street, Room 6M4, New York, N.Y. 10007 at 2:09 p.m. on Thursday, January 19, 2017. The following Directors were present:

Alan Anders (by designation of Authority Director Dean Fuleihan);

Jacqueline Gold (by designation of Authority Director Jacques Jiha);

Robert Elburn (by designation of Authority Director Basil Seggos);

Joseph Murin (by designation of Authority Director Vincent Sapienza);

Max Von Hollweg; and

Marc Shaw

constituting a quorum of the Board of Directors. Mr. Anders chaired the meeting, and Deborah Cohen served as Secretary of the meeting.

Approval of Minutes of the Meeting of November 21, 2016

The first item on the agenda was approval of the minutes of the meeting of October 14, 2016. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, the Board of Directors has reviewed the minutes of its meeting held on October 14, 2016; it is therefore

RESOLVED, that the minutes of the meeting of October 14, 2016 be, and they hereby are, approved.

Ratification and Approval of Extension of Bond Counsel Contract

Mr. Anders introduced the next item on the agenda, the ratification and approval of the extension of the Authority’s bond counsel contract with Orrick Herrington & Sutcliffe, LLP

("Orrick"). Mr. Anders noted that the Authority, in conjunction with the City of New York, was in the process of a competitive request for proposals process seeking bond counsel services, but that the process was not yet completed and the Authority needed to retain proper representation during the interim period. He explained that the proposed resolution would ratify and approve the extension of the Authority's contract with Orrick through June 30, 2017 for the same rates as the Authority paid in 2016. Then, upon motion duly made and seconded, the below resolution was approved.

WHEREAS, the New York City Municipal Water Finance Authority (the "Authority") is authorized, pursuant to Section 1045-d of the New York City Municipal Water Finance Authority Act, to retain or employ bond counsel; and

WHEREAS, the Board of Directors of the Authority previously authorized the Authority to enter into an agreement with Orrick, Herrington & Sutcliffe, LLP ("Orrick") to serve as bond counsel to the Authority, and such agreement expired December 31, 2016; and

WHEREAS, the Authority's seeks to enter into an extension of such agreement with Orrick to continue to serve as bond counsel while the Authority completes a competitive request for proposals process; and

WHEREAS, pursuant to Section 6(iv) of the Authority's Procurement Policy, the Authority may award a contract on a non-competitive basis if the continuation of existing services is desirable for purposes of continuity or compatibility; it is therefore

RESOLVED, that the Board of Directors of the Authority hereby ratifies and approves the extension of Orrick's contract to serve as bond counsel to the Authority for the period from January 1, 2017 through June 30, 2017 at a rate, inclusive of expenses, not to exceed \$150,000 per bond transaction, except transactions within three weeks of another transaction that will be charged at a rate not to exceed \$50,000 with special projects not to exceed the following hourly rates:

Partners	Associates	Paralegals
\$586	\$437	\$185

Approval of Supplemental Resolution No. 123 Authorizing the Issuance of Fiscal 2017 Series DD Water and Sewer System Second General Resolution Revenue Bonds

The next item on the agenda was the Approval of Supplemental Resolution No. 123 Authorizing the Issuance of Fiscal 2017 Series DD Water and Sewer System Second General

Resolution Revenue Bonds. Mr. Anders noted that the Finance Committee of the Authority had recommended the Board of Directors approve the proposed issuance. He explained that the Resolution authorizes the issuance of up to \$450 million of fixed-rate, new money bonds. Then, without further discussion, upon motion duly made and seconded, Supplemental Resolution No. 123 Authorizing the Issuance of Fiscal 2017 Series DD Water and Sewer System Second General Resolution Revenue Bonds¹ was unanimously approved.

Approval of Issuance of Fiscal 2017 Series 2 Bond Anticipation Notes to NYS EFC

The next item on the agenda was the Approval of the issuance of the Authority's Fiscal 2017 Series 2 Bond Anticipation Notes to the New York State Environmental Facilities Corporation. Mr. Anders noted that the Finance Committee of the Authority had recommended the Board of Directors approve the proposed issuance. Then, upon motion duly made and seconded, the resolution authorizing the issuance of the Authority's Fiscal 2017 Series 2 Bond Anticipation Notes to the New York State Environmental Facilities Corporation² was approved.

Approval of the Authority's Policy on the Acquisition and Disposition of Real Property

The next item on the agenda was the Approval the Authority's Policy on the Acquisition and Disposition of Real Property. Mr. Anders noted that approval of such Policy has been recommended by the Governance Committee, with no changes proposed at this time. He also noted that the Authority does not possess any real property, and never has. Then, upon motion duly made and seconded, the below resolution was approved.

¹ Filed with the meeting minutes

² Filed with the meeting minutes

WHEREAS, the New York City Municipal Water Finance Authority (the “Authority”) pursuant to Section 2824 of the Public Authorities Law of the State of New York (the “Public Authorities Law”), previously adopted a Policy on the Acquisition and Disposition of Real Property; and

WHEREAS, the Governance Committee has recommended the Board of Directors approve the Authority’s Policy on the Acquisition and Disposition of Real Property with no changes; it is therefore

RESOLVED, that the Board of Directors approves the Authority’s Policy on the Acquisition and Disposition of Real Property.

Approval of the Authority’s Policy on the Disposition of Personal Property

The next item on the agenda was the Approval the Authority’s Policy on Disposition of Personal Property. Mr. Anders noted that approval of such Policy has been recommended by the Governance Committee, with no changes proposed at this time. Then, upon motion duly made and seconded, the below resolution was approved.

WHEREAS, the New York City Municipal Water Finance Authority (the “Authority”) pursuant to Section 2824 of the Public Authorities Law of the State of New York (the “Public Authorities Law”), previously adopted a Policy on the Disposition of Personal Property; and

WHEREAS, the Governance Committee has recommended the Board of Directors approve the Authority’s Policy on the Disposition of Personal Property, with no changes; it is therefore

RESOLVED, that the Board of Directors approves the Authority’s Policy on the Disposition of Personal Property.

Staff Transition

Mr. Anders noted that he had contacted each Board member present earlier in the day to discuss Tom Paolicelli’s resignation from the Authority. He explained that he was in the process of delegating Mr. Paolicelli’s various duties to current staff members while a candidate search to

replace Mr. Paolicelli is being conducted. He noted that new Officer appointments would be presented to the Board in the near future.

Resolution in Recognition of Thomas Paolicelli's Service

The final item on the agenda was a resolution recognizing the service of Thomas Paolicelli. Mr. Anders noted that Mr. Paolicelli, who will resign from the Authority effective January 20, 2017, was planning to move to California. He explained that Mr. Paolicelli had served as his deputy for many years, and that he was grateful for his expertise and dedication, and wished him the best of luck on behalf of the Authority. Many Board members expressed similar gratitude and well wishes. Further discussion ensued regarding Mr. Paolicelli's future endeavors. Then, upon motion duly made and seconded, the following resolution was adopted.

WHEREAS, Thomas Paolicelli has worked for the New York City Municipal Finance Authority for fourteen years, and has served as the Executive Director of the Authority since 2008; and

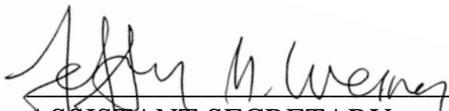
WHEREAS, Mr. Paolicelli has provided the Authority with unparalleled service, a dedicated work ethic, and immeasurable skills which have helped guide the Authority; and

WHEREAS, Mr. Paolicelli, has announced his resignation from the Authority, effective January 20, 2017; it is therefore

RESOLVED, that the Board of the Authority, on behalf of themselves and the staff of the Authority, recognize Mr. Paolicelli's years of dedication and service to the Authority and wish him the best of luck on his future endeavors.

Adjournment

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


ASSISTANT SECRETARY