

**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 1:03 p.m. on Thursday, July 26, 2018. The following Directors were present:

Alan Anders (by designation of Authority Director Melanie Hartzog);

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);

Marc Shaw; and

Max Von Hollweg;

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 June 26, 2018

The first item on the agenda was approval of the minutes of the meeting of June 26, 2018. 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 June 26, 2018; it is therefore

RESOLVED, that the minutes of the meeting of June 26, 2018 be, and they hereby are, approved.

Approval of Extension of Bond Counsel Contract through August 31, 2018

The next item on the agenda was the approval of an extension of the Authority's contract with Orrick, Herrington & Sutcliffe, LLP ("Orrick"), serving as bond counsel, through August 31, 2018. After a motion and second were made, Mr. Anders explained that the Authority expects to enter into new contracts for bond counsel services, pending Board of Director approval, beginning September 1, 2018. To ensure there is appropriate coverage until those contracts begin, he noted, the Authority seeks to extend their current contract, for the rates previously approved, through August 31, 2018. There being no objections, the following resolution was duly adopted.

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

WHEREAS, the Authority has completed a competitive request for proposals process seeking bond counsel services, and the expected state date of the Authority's new bond counsel contract is September 1, 2018; and

WHEREAS, to ensure there is no lapse in service, the Authority seeks to extend such extension of Orrick's contract to serve as bond counsel to August 31, 2018; it is therefore

RESOLVED, that the Board of Directors of the Authority hereby approves the extension of Orrick's contract to serve as bond counsel to the Authority through August 31, 2018 for the same fees as previously approved by the Board.

Approval of Supplemental Resolution No. 137 Authorizing the Issuance of Fiscal 2019 Series AA Second General Resolution Water and Sewer System Bonds

The next item on the agenda was the approval of Supplemental Resolution No. 137, authorizing the Issuance of the Authority's Fiscal 2019 Series AA Second General Resolution Water and Sewer System Bonds. Mr. Anders introduced Olga Chernat, Executive Director of the Authority, who explained that the proposed resolution authorizes the issuance of up to \$300

million of refunding bonds. Mr. Anders noted that the Finance Committee had recommended approval of this resolution to the Board of Directors. There being no discussion, upon motion duly made and seconded, the resolution was approved.¹

Resolution: Approval of Second Amended and Restated Supplemental Resolution No. 48 and Amended and Restated Supplemental Resolution No. 115

The next item on the agenda was the approval of the Authority's Second Amended and Restated Supplemental Resolution No. 48 and Amended and Restated Supplemental Resolution No. 115. Ms. Chernat noted that the amended resolutions would allow for a direct purchase of these bonds, and that the action had been recommended by the Finance Committee. Upon motion duly made and seconded, the resolution was approved.²

Approval of Bond Counsel Contract

The next item on the agenda was the resolution authorizing the Authority to enter into new bond counsel agreements. Mr. Anders introduced Scott Ulrey, Secretary of the Authority and General Counsel of the New York City Office of Management and Budget. Mr. Ulrey explained that the Authority, along with the City and other issuers, had concluded a competitive request for proposals process, and that the Selection Committee had recommended to the Board of Directors the retention of Nixon Peabody LLC ("Nixon"), who currently serve as the Authority's Disclosure Counsel and generally as underwriter's counsel, and Hardwick LLC ("Hardwick"). He noted that the selection was in no way a negative reflection of Orrick, who have done an excellent job as bond counsel to the Authority. He explained that one of the goals of this request for proposals process was to encourage large firms to partner with smaller firms, to help broaden and diversify the firms qualified to provide public finance bond counsel services.

¹ Filed with the meeting minutes

² Filed with the meeting minutes

He also noted that Hardwick is a Minority/Women Owned Business Enterprise. Discussion ensued. 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, in conjunction with other issuers, including the City of New York, the Authority issued a request for proposals for bond counsel and has now completed that process; and

WHEREAS, the Selection Committee has recommended the retention of Nixon Peabody LLP (“Nixon”) and Hardwick LLC (“Hardwick”) to serve as co-bond counsel to the Authority; it is hereby

RESOLVED, that the Board of Directors of the Authority hereby approves the retention of Nixon and Hardwick to serve as co-bond counsel to the Authority for transactions closing from the period from September 1, 2018 through August 31, 2021 for rates not to exceed the fees listed in Schedule I below, with one two-year optional extension at rates to be negotiated in the future, provided that, for special projects, the fee shall be the same as the most closely related transaction listed in Schedule I, at the discretion of the Authority’s Secretary or Executive Director.

Schedule I

Co-Bond Counsel - Nixon

\$150,000	per new money and/or refunding transaction
\$20,000	per series of variable rate/conversion/substitution with an official statement or direct purchase (not to exceed \$80,000)
\$30,000	swap master agreement
\$10,000	substitution or extension of liquidity facility or letter of credit without an official statement, with an opinion, per substitution
\$10,000	IRS Audit – initial inquiry and document request
\$8,000	IRS Audit – subsequent document requests

Co-Bond Counsel - Hardwick

\$35,000	per new money and/or refunding transaction
\$5,000	per series of variable rate/conversion/substitution with an official statement or direct purchase (not to exceed \$20,000)

Approval of Disclosure Counsel Contracts

The next and final item on the agenda was the approval of Disclosure Counsel Contracts. Mr. Ulrey explained that the Authority’s RFP included a request for proposals for disclosure counsel, who would draft disclosure documents where there is no underwriters’ counsel, such as the issuance of bonds to the New York State Environmental Facilities Corporation. He explained that the Selection Committee recommended the retention of Orrick for this service. There being no further discussion, upon motion duly made and seconded, the following resolution was adopted.

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 other private consultants for rendering professional or technical services and advice; and

WHEREAS, Orrick, Herrington & Sutcliffe, LLP (“Orrick”) and D. Seaton and Associates (“Seaton”) are typically selected by the Authority’s underwriters as their counsel in connection with Authority bond issuances; and

WHEREAS, the underwriters’ counsel are responsible for drafting disclosure documents for each bond issuance; and

WHEREAS, in certain cases the Authority must disclosure documents where there is no underwriters’ counsel, such as the issuance of bonds to the New York State Environmental Facilities Corporation, the issuance of commercial paper notes or to meet continuing disclosure obligations; it is therefore

RESOLVED, that the Board of Directors of the Authority hereby authorizes the retention of Orrick as co-disclosure counsel for the period from September 1, 2018 through August 31, 2021 at a rate not to exceed \$35,000 per transaction, with an additional \$5,000 per international blue sky transaction, with one optional two-year renewal at rates to be negotiated in the future; and it is therefore

FURTHER RESOLVED, that the Board of Directors of the Authority hereby authorizes the retention of Seaton as co-disclosure counsel for the period from September 1, 2018 through August 31, 2021, at a rate not to exceed \$10,000 per transaction, with one optional two-year renewal at rates to be negotiated in the future.

Adjournment

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


ASSISTANT SECRETARY