

**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, New York 10007 at 3:10 p.m. on Thursday, June 18, 2015.

The following Directors were present:

Alan Anders (by designation of Authority Director Dean Fuleihan);
Jacqueline Gold (by designation of Authority Director Jacques Jiha)
Robert Elburns (by designation of Authority Director Joseph Martens)
Steven Lawitts (by designation of Authority Director Emily Lloyd); and
Max Von Hollweg;

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

Approval of Minutes of the Meeting of May 8, 2015

The first item on the agenda was approval of the minutes of the meeting of May 8, 2015. 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 May 8, 2015; it is therefore

RESOLVED, that the minutes of the meeting May 8, 2015 be, and they hereby are, approved.

Approval of Supplemental Resolution No. 113 Authorizing the Issuance of Fiscal 2016 Series 1 Bonds

The next item on the agenda was the approval of the issuance of the Authority’s Fiscal 2016 Series 1 Bonds. Mr. Anders noted that this action would

authorize the issuance of up to \$300 million of Second General Resolution, fixed-rate, new money and refunding bonds to the New York State Environmental Facilities Corporation (“EFC”), and had been recommended by the Finance Committee.

There being no discussion, upon motion duly made and seconded, Supplemental Resolution 113 authorizing the issuance of the Authority’s Fiscal 2016 Series 1 Bonds¹ was adopted.

Approval of Supplemental Resolution No. 114 Authorizing the Issuance of Fiscal 2016 Series 2 Bonds

The next item on the agenda was the approval of the issuance of the Authority’s Fiscal 2016 Series 2 Bonds. Mr. Anders noted that the issuance would be pursuant to a direct loan from EFC, that the proposed resolution would authorize the issuance of up to \$200 million of Second General Resolution Bonds, and that this action had been recommended by the Finance Committee.

There being no discussion, upon motion duly made and seconded, Supplemental Resolution 114 authorizing the issuance of the Authority’s Fiscal 2016 Series 2 Bonds² was adopted.

Approval of Issuance of Fiscal 2016 Series 3 Bond Anticipation Note

The next item on the agenda was the approval of the issuance of the Authority’s Fiscal 2016 Series 3 Bond Anticipation Note, which will be issued to EFC for a par amount of \$631 million. Mr. Anders noted that this action had been recommended by the Finance Committee.

¹ Filed with Minutes of the meeting.

² Filed with Minutes of the meeting.

There being no discussion, upon motion duly made and seconded, the resolution authorizing the issuance of the Authority's Fiscal 2016 Series 3 Bond Anticipation Note³ was adopted.

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 the authorization to publish the Authority's Measurement Report. Mr. Anders noted that, pursuant to New York Public Authorities Law, the Authority previously adopted a Mission Statement, and later amended its Mission Statement to add performance measures by which it could evaluate how well it is carrying out its mission. Mr. Anders explained that the Authority is required to review this Mission Statement annually, and to complete a Measurement Report based on the Performance Measures. He noted that there were no changes proposed to the Mission Statement, and that the Measurement Report had been completed. Ms. Gold inquired as to whether the Measurement Report would be published on the Authority's website, and Mr. Paolicelli answered that it would be. Then, upon motion duly made and seconded, the following resolution was adopted.

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

³ Filed with Minutes of the meeting.

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 Arbitrage Rebate Consultant Contract

The next item on the agenda was a resolution to authorize the Authority to enter into a contract with an Arbitrage Rebate Consultant. Mr. Paolicelli explained that the Authority is required to maintain an arbitrage rebate consultant pursuant to federal tax laws, and that, following a competitive request for proposals, had selected Bond Logistix LLC, the Authority's current arbitrage rebate consultant. He noted that Bond Logistix was selected based on the quality of their proposal, the competitiveness of their proposed fee, and the value their institutional memory serves in providing continuity and efficiency. He also explained that Bond Logistix is a wholly owned subsidiary of the Authority's tax counsel, and that the integration of these firms adds value. Mr. Elburn asked if their proposed fees had gone up from their current contract with the Authority, and Mr. Paolicelli explained that their fees had actually decreased. Then, upon motion duly made and seconded, the following resolution was adopted.

WHEREAS, 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, Authority staff, following a competitive request for proposals process, has recommended that the Authority retain the firm of Bond Logistix LLC ("Bond Logistix") as the Authority's arbitrage rebate consultant, and the Board of Directors finds such recommendation to be reasonable and acceptable to the Board; it is therefore

RESOLVED, that the Executive Director is hereby authorized and directed to enter into an agreement in the name and on behalf of the Authority with the firm of Bond Logistix, upon such terms and conditions as the Executive Director may deem reasonable and appropriate, for such firm to serve as arbitrage rebate consultant to the Authority for the period from July 1, 2015 through June 30, 2020, with an option to extend the agreement for an additional five-year period at the discretion of the Authority with no further Board approval required; provided, however, that compensation under the agreement shall not exceed the amounts listed in Schedule A hereto.

SCHEDULE A

<u>REPORT FEE SCHEDULE</u>	<u>FEE</u>
Base Report Fee (per report)	\$1250
<u>ADDITIONAL FEES</u> (per report as appropriate)	
Variable Rate	\$250
Commingled Funds	\$250
Transferred Proceeds	\$250
Qualified Hedge/Derivative Fee	\$250
Computation Periods in Excess of 12 Months (per year)	\$250
<u>COMMERCIAL PAPER REPORT FEE SCHEDULE</u>	
Annual Fee per Spending Exception Analysis	\$800
Annual Rebate Report Fee (per single issue for tax purposes if spending exception is not met)	\$1250

To the extent amendments to calculations are necessitated by changes in the regulations, the Consultant will be compensated at a maximum not-to-exceed fee of \$2,000 per calculation.

Adjournment

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


 ASSISTANT SECRETARY