

**AMENDED AND RESTATED**  
**BY-LAWS**  
**OF**  
**NEW YORK CITY MUNICIPAL WATER FINANCE AUTHORITY**  
**(adopted December 6, 1984,**  
**amended and restated October 1, 2007)**

ARTICLE I – THE AUTHORITY

Section 1. Name. The name of the Authority shall be the New York City Municipal Water Finance Authority, which is referred to herein as the “Authority.”

Section 2. Seal of Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year of its creation.

Section 3. Office of Authority. The principal office of the Authority shall be located within the Office of Management and Budget of the City of New York, or such other location as the Board of Directors may from time to time designate by resolution.

Section 4. Fiscal Year. The fiscal year of the Authority shall commence on July 1 of each calendar year and conclude at the close of business on June 30 of the following calendar year. The fiscal year may be changed by resolution adopted at a meeting of the Board of Directors of the Authority.

ARTICLE II – BOARD OF DIRECTORS

Section 1. Powers and Duties. The Board of Directors shall have the general power to control and manage the affairs and the property of the Authority in accordance with the purposes and limitations set forth in the Act. The Board of Directors shall have the power to adopt rules and

regulations governing its actions. The Board of Directors shall execute direct oversight over the Chief Executive Officer, the Executive Director and other senior management in the effective and ethical management of the Authority. Each Director shall understand, review and monitor the implementation of fundamental financial management controls and operational decisions of the Authority. No Director shall also serve as an officer of the Authority.

Section 2. Directors; Alternates. The Directors shall be as provided in the New York City Municipal Finance Authority Act (the “Act”). The *ex-officio* Directors may each, by written instrument, filed with and approved as to form by the Authority, designate one or more deputies or assistants in their respective departments or offices, to perform, in their absence, their respective duties under this title. The term Director as used in these By-laws shall include such alternates so designated as provided herein, whether or not the term “alternate” is used.

Section 3. Meetings. Meetings of the Board of Directors may be called by the Chairperson, the Chief Executive Officer or the Executive Director, and shall be called by the Chief Executive Officer or Executive Director upon the written request of two or more Directors.

Section 4. Notice. As soon as practicable in advance of each meeting of the Board of Directors, notice shall be given by hand, first class mail, or facsimile or electronic transmission, before such meeting directed to each Director at such Director’s address on file with the Authority; provided, however, that such notice may be waived by any Director or alternate Director by signing a written waiver of notice before or after the meeting or by attending the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her. The notice shall set forth the place, day and hour of the meeting and the general nature of the business to be transacted.

Section 5. Quorum and Voting. At all meetings of the Board of Directors, the presence of four Directors, of whom at least three Directors shall be *ex-officio* in accordance with the Act, shall

constitute a quorum and be necessary for the transaction of any business or the taking of any corporate action. A majority of the Directors present at any meeting, whether or not constituting a quorum, may adjourn the meeting to another time and place or until a quorum shall be present.

Section 6. Participation in Meeting by Videoconferencing. Notwithstanding anything elsewhere contained in these By-Laws and to the extent permitted by applicable law, any one or more Directors may participate in a meeting of the Authority by videoconferencing allowing all persons participating in the meeting to see, hear and respond to each other at the same time. Participation by such means shall constitute presence in person at a meeting of the Board of Directors. Such meetings shall provide an opportunity for the public to attend, listen and observe at any site at which a Director participates.

Section 7. Committees. There shall be an Audit Committee and a Governance Committee of the Board of Directors, each composed of the Directors appointed by the Mayor of the City of New York, the member appointed by the Governor of the State of New York and the Commissioner of Environmental Conservation of the State of New York (or their respective alternates). The Audit Committee shall review current best practices with respect to financial reporting, audit processes and internal controls and oversee the implementation of such practices in accordance with a charter approved by the Board of Directors. The Governance Committee shall review current corporate governance best practices and oversee the implementation of such practices in accordance with a charter approved by the Board of Directors. In addition, the Board of Directors may, by resolution, establish such other committees as the Board of Directors may determine which shall have such powers and responsibilities as the Board of Directors may prescribe by approving a charter for each committee.

### ARTICLE III - OFFICERS

Section 1. Chairperson. The Chairperson shall preside at all meetings of the Authority and shall have such other powers and duties as are prescribed by law or in these By-Laws or as the Directors may from time to time determine; provided, that in the absence of a Chairperson at a meeting of the Authority, the Director of Management and Budget or his or her alternate shall preside thereat. At each meeting the Chairperson shall submit such recommendations and information as he or she may consider proper concerning the business, duties and affairs of the Authority.

Section 2. Chief Executive Officer, Executive Director, Treasurer, Secretary, Comptroller; Other Officers. The Authority shall have a Chief Executive Officer, an Executive Director, a Treasurer, a Secretary, a Comptroller, and such other officers, deputy officers and assistant officers as the Board of Directors may determine. The offices of Chief Executive Officer, Executive Director and Secretary shall be held by different people. The officers shall have such duties as may be prescribed by these By-laws and the Board of Directors.

Section 3. Duties of the Chief Executive Officer. The Chief Executive Officer shall oversee the affairs of the Authority, subject to the direction of the Board of Directors. The Chief Executive Officer shall have such other powers and perform such other duties as the Board of Directors may prescribe. If the position of Chief Executive Officer is vacant, the Executive Director shall perform the duties of that office.

Section 4. Duties of Executive Director. The Executive Director shall have administrative charge of the operations of the Authority and shall have responsibility for the general management of the Authority's affairs and business, subject to the direction of the Chief Executive Officer and the Board of Directors. The Executive Director shall also be responsible for the initiation, planning and carrying out of the programs, projects and other activities of the Authority and, in addition, shall perform the duties incident to such office. The Executive Director shall have such other powers

and perform such other duties as the Board of Directors may prescribe. If the position of Executive Director is vacant, the Chief Executive Officer shall perform the duties of that office.

Section 5. Duties of Treasurer. The Treasurer shall be the chief financial officer of the Authority and shall, subject to the guidance and direction of the Chief Executive Officer and Executive Director, have charge of the financial affairs of the Authority.

Section 6. Duties of Secretary. The Secretary shall be responsible for giving notices of meetings and keeping the minutes of all meetings of the Board of Directors in books to be kept for that purpose. The Secretary shall also keep, and have the power to affix, or direct the affixation of, the seal of the Authority. The Secretary shall also be responsible for the legal affairs of the Authority. The Secretary shall also perform all other duties incident to the office of secretary and such other duties as the Board of Directors may prescribe.

Section 7. Duties of Comptroller. The Comptroller shall be responsible for the care and custody of all funds of the Authority including the making of investments. The Comptroller shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Authority, and shall deposit all moneys and other valuable effects of the Authority in the name and to the credit of the Authority in such banks or depositories as the Board of Directors may designate. The Comptroller shall also supervise the preparation of the financial statements and be responsible for audit-related functions of the Authority. Whenever required by the Board of Directors, he or she shall at all reasonable times exhibit the books and accounts to any officer or Director of the Authority, and shall perform all duties incident to the office of Comptroller and such other duties as the Board of Directors may prescribe.

Section 8. Vacancies; Election and Terms of Office; Removal. Any vacancy in any office may be filled by vote of the Board of Directors. Each officer shall hold office at the pleasure of the Board of Directors until his or her successor shall have been elected and qualified. Any officer of

the Authority may be removed, with or without cause, by a vote of the Board of Directors. An individual may be permitted to carry out work for the Authority pending his or her election as an Officer.

Section 9. Bonds. The Board of Directors may require any officer, agent or employee of the Authority to give a bond to the Authority for the faithful performance of his or her duties, with one or more sureties and in such amount as may be satisfactory to the Board of Directors. The expense of such bond shall be borne by the Authority.

Section 10. Personnel. The Authority may from time to time employ such personnel, directly or through arrangement with another corporation or public authority, as it may deem necessary to exercise its powers, duties and functions as prescribed by law. The selection and compensation of such personnel shall be determined by the officers of the Authority subject to applicable law.

#### ARTICLE IV – CONFLICTS OF INTEREST

No Director or officer shall use his or her relationship with the Authority for private gain. Whenever any matter arises with respect to which a Director or officer (“interested party”) has a conflict of interest or has any question about the existence of a possible conflict, the interested party shall make full disclosure of such conflict or possible conflict before the matter in question is voted upon by the Board of Directors. Interested parties shall not vote on the matter. For purposes of these By-Laws, a conflict of interest shall be defined as a direct financial or fiduciary interest (which shall include, without limitation, an ownership, employment, contractual, creditor or consultative relationship, other than the ownership of equity securities representing 5% or less of the entity’s outstanding equity securities or the ownership of debt securities representing 5% or less of the entity’s outstanding indebtedness) to, or a board or staff membership in, an entity or individual or a substantial affiliate of an

entity or individual with respect to which a vote is to be taken (including any such interest that existed at any time during the twelve months preceding the time that the matter is voted upon). These By-Laws shall not preclude a Director from voting on matters affecting a large group of entities or individuals including the one in which he or she has an interest. Such Director shall not, however, vote on a matter affecting only the particular entity or individual in which he or she has an interest or a small group of entities or individuals including such particular entity or individual. An individual may serve as a Director, officer or employee of the Authority while simultaneously serving as an employee of the City of New York (or a director, officer or employee of a public authority or corporation established by the City of New York), and may vote on matters related to such entity or entities, in each case without giving rise to a conflict of interest. Directors, officers and employees of the Authority who are also employees of the City of New York shall comply with the conflicts of interest rules applicable to employees of the City of New York. Directors, officers and employees of the Authority who are also employees of the State of New York shall comply with the conflicts of interest rules applicable to employees of the State of New York.

#### ARTICLE V - INDEMNIFICATION

The Authority shall indemnify each Director (including each alternate), officer and employee and, to the extent authorized by the Board of Directors, each other person authorized to act for the Authority or on its behalf, to the full extent to which indemnification is permitted under law.

#### ARTICLE VI - AMENDMENT OF BY-LAWS

The By-Laws may be suspended, altered, amended or repealed at any meeting of the Authority by the affirmative vote of at least four Directors.

