

**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 12:30 p.m. on Friday, May 6, 2016. The following Directors were present:

Thomas Paolicelli (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)

Steven Lawitts (by designation of Authority Director Emily Lloyd); and

Marc Shaw

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

Approval of Minutes of the Meeting of March 25, 2016

The first item on the agenda was approval of the minutes of the meeting of March 25, 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 March 25, 2016; it is therefore

RESOLVED, that the minutes of the meeting of March 25, 2016 be, and they hereby are, approved.

Approval of Directors & Officers Insurance

The next item on the agenda was the authorization to procure Directors & Officers Insurance, through the Authority’s broker Wells Fargo. Mr. Paolicelli explained that Wells Fargo had solicited bids from American Insurance Company, Zurich, Liberty Mutual Insurance

Company and Aspen or other similarly rated companies to provide up to \$50 million of insurance for the directors, officers and employees of the Authority. He noted that the proposed resolution would authorize payment of up to \$235,000, but that this included a cushion as the Authority expects to renew at its current rate of approximately \$192,000. Mr. Elburn questioned what the total amount of liability coverage would be, and Mr. Paolicelli confirmed that it would be \$50 million. Then, without further discussion, upon motion duly made and seconded, the following resolution was approved.

WHEREAS, despite their diligence and good faith, directors and officers of the New York City Municipal Water Finance Authority (the “Authority”) may be subject to potentially large personal financial liability in connection with the Federal securities laws or otherwise arising from their service to the Authority; and

WHEREAS, Article V of the Bylaws of the Authority provides that the Authority shall indemnify each, director and officer, to the fullest extent permitted by law; and

WHEREAS, Directors’ and Officers’ Liability Insurance is a prudent supplement to such indemnification; it is therefore

RESOLVED, that the Authority hereby approves the procurement of Directors’ and Officers’ Liability Insurance policies through Wells Fargo Insurance Services, USA, Inc. from American International Group (“AIG”), Zurich American Insurance Company (“Zurich”), Liberty Mutual Insurance Company (“Liberty Mutual”), Aspen Insurance (“Aspen”) and Chubb Group of Insurance Companies (“Chubb” and together with AIG, Zurich, Liberty Mutual and Aspen, the “Insurers”), or such other substitute insurers as the President shall determine, providing coverage for the period from May 25, 2016 through May 24, 2017; provided that the annual premium payable by the Authority to the Insurers, plus the brokers fee, will not exceed \$235,000, and said policies shall contain such other terms and conditions not inconsistent with the foregoing which the Executive Director or such other officer of the Authority shall deem necessary, desirable or appropriate and that the Executive Director shall be authorized to procure such insurance coverage.

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 authorization to publish the completed Measurement Report. Mr. Paolicelli explained that the Authority had previously adopted a Mission Statement and subsequently amended it to add Performance Measures pursuant to requirements of the Public Authorities Law. He noted that there are no proposed changes to the Mission Statement, but that a Measurement Report, utilizing the Performance Measures to gauge how well the Authority's mission is being carried out, had been completed. The proposed resolution, he noted, would approve the Mission Statement and authorize the Measurement Report to be posted to the Authority's website and sent to the Authorities Budget Office. Then, upon motion duly made and seconded, there being no further discussion, the following resolution was approved.

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

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.

Adjournment

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


ASSISTANT SECRETARY