

BY-LAWS  
OF THE  
ALBANY MUNICIPAL WATER FINANCE AUTHORITY  
(ADOPTED MARCH 10, 1987)

Pursuant to the authority contained in section 1115-c of Title 6 of Article 5 of the Public Authorities Law, as set out in Chapter 868 of the 1986 Laws of the State of New York (the "Act"), the Albany Municipal Water Finance Authority (the "Authority") hereby approves the following by-laws for the regulation of its activities:

ARTICLE I  
THE AUTHORITY

Section 1. NAME. The name of the Authority shall be the "Albany Municipal Water Finance Authority".

Section 2. DESCRIPTION. The Authority is a body corporate and politic constituting a public benefit corporation, created by and having the powers and functions set forth in the Act.

Section 3. MEMBERSHIP. The membership of the Authority shall consist of such members as is provided for in the Act.

Section 4. SEAL. The official seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year 1986.

Section 5. OFFICE. The principal office of the Authority shall be located at City Hall, Eagle Street, Albany, New York.

ARTICLE II  
OFFICERS, PERSONNEL AND COUNSEL

Section 1. OFFICERS. The officers of the Authority shall be a Chairman, Vice Chairman, Secretary, Treasurer, and such other officers as the Authority may determine. The initial officers of the Authority shall be elected by the Authority at a meeting of the Authority and shall serve until the next annual meeting of the Authority. Thereafter, officers shall be elected by the Authority at its annual meeting.

Section 2. PERSONNEL. The Authority may from time to time employ such personnel, including private consultants, for professional and technical assistance and advice, 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 Authority, subject to applicable law.

Section 3. COUNSEL. The Authority may retain general counsel to provide such legal assistance and advice to the Authority as may be necessary. The Corporation Counsel to the City of Albany may act as general counsel to the Authority.

ARTICLE III  
TENURE OF OFFICE

Section 1. TERM. Each officer of the Authority shall hold office for one year and each officer shall continue to hold office until such officer's successor is appointed. If the term of an Authority member should be terminated, such member's term of office as an officer shall also terminate and at the regular meeting next succeeding such termination the members of the Authority shall elect from among their number a successor who shall serve until the next annual meeting of the Authority.

Section 2. OFFICERS HOLDING TWO OR MORE OFFICES. Any two or more offices may be held by the same person, except that the Chairman may not also hold the offices of either the Vice Chairman or the Treasurer. No officer shall execute or verify any instrument in more than one capacity if such instrument be required by law or otherwise to be executed or verified by any two or more officers.

ARTICLE IV  
DUTIES OF OFFICERS

Section 1. CHAIRMAN. The Chairman shall be a member of the Authority and shall preside at all meetings of the Authority. The Chairman shall sign (manually or by facsimile signature) all agreements, contracts, notes, bonds or other

evidences of indebtedness and any other instruments of the Authority on behalf of the Authority when so authorized by the Authority, and shall perform such other duties as may be prescribed for the Chairman by law or by the Authority. The Chairman shall submit to the Authority such recommendations and information as he may consider proper concerning the business, affairs, and policies of the Authority.

Section 2. VICE CHAIRMAN. The Vice Chairman shall be a member of the Authority and shall assume the powers and duties of the Chairman in case of the absence or disability of the Chairman. In the event of the resignation or death of the Chairman, the Vice Chairman shall become Acting Chairman and perform the duties of the Chairman until such times as the Authority shall appoint a new Chairman.

Section 3. SECRETARY. The Secretary shall keep all records of the Authority, record all the votes and record the minutes of the Authority in a Journal to be kept for that purpose, attend to the serving of notices of all meetings when required, keep in safe custody the seal of the Authority and have power to affix such seal to all papers or other documents as may be required and to attest (by manual or facsimile signature) such seal, attend to such correspondence as may be assigned and perform such other duties as may be prescribed for the Secretary by law or by the Authority. The Secretary need not be a member of the Authority.

Section 4. TREASURER. The Treasurer shall be a member of the Authority and shall have the care and custody of all

Funds and securities of the Authority and shall deposit the same forthwith in the name of the Authority in such bank or banks in the State of New York as the Authority shall designate. The Authority shall have the power, notwithstanding the provisions of this section, to contract with the holders of any bonds as to the custody, collection, security, investment and payment of any moneys held in trust or otherwise for the payment of bonds or in any way to secure bonds and to carry out any such contract notwithstanding that such contract may be inconsistent with the provisions of this section. The Treasurer shall have charge of the treasury and custody of receipts, deposits and disbursements of all Authority moneys. The Treasurer shall keep full and accurate and separate accounts of the various funds and money in the custody of the Authority. The Treasurer shall at any reasonable time exhibit the books and accounts of the Authority to any member of the Authority upon application at the office of the Authority during business hours, render to the Authority at each regular meeting an account of the financial transactions and the current financial condition of the Authority, and render a full financial report at the annual meeting of the Authority. The Treasurer shall have such other powers and duties as are conferred upon the Treasurer by law or by the Authority. The Treasurer shall give such bond for the faithful performance of the duties of his office as the Authority shall determine and the premium therefor shall be paid by the Authority.

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Section 5. ADDITIONAL DUTIES. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority, by the by-laws of the Authority, or by the rules and regulations of the Authority.

Section 6. REMOVAL, RESIGNATION, SALARY, ETC. Any officer elected or appointed by the Authority may be removed by the Authority with or without cause. In the event of the death, resignation or removal of an officer, the Authority in its discretion may elect a successor to fill the unexpired term of such officer at the next regular meeting of the Authority. The officers of the Authority may receive such compensation as the Authority shall determine.

ARTICLE V

GENERAL PROVISIONS

Section 1. FISCAL YEAR. The fiscal year of the Authority shall begin on the first day of January of each year.

Section 2. ANNUAL MEETING. The annual meeting of the Authority shall be held on the first Monday in January at City Hall in the City of Albany. In the event such day shall fall on a legal holiday, the annual meeting shall be held on the next succeeding day that is not a legal holiday.

Section 3. MEETINGS. Regular meetings of the Authority shall take place at such times and places as from time to

Time may be determined by the Authority. The Chairman may, when the Chairman deems it desirable, and shall, upon the written request of two members of the Authority, call a special meeting of the Authority for the purpose of conducting any business designated in the call. The call for a special meeting may be delivered to each member of the Authority at least one day before such special meeting or may be mailed to the business or home address of each such member at least three days prior to the date of such special meeting. Pursuant to Article 7 of the Public Officers Law, notice of any meeting shall be given to the news media and posted on a prominent bulletin board in City Hall at the same time. Any regular or special meeting may be adjourned to any other time at the will of a majority of the members of the Authority present and voting at such meeting.

Section 4. WAIVER OF NOTICE. Failure to give notice of any meeting of the Authority to any member of the Authority may be waived in writing by such member. Notice of an adjourned meeting need not be given to any member present at the time of the adjournment.

Section 5. QUORUM. No action shall be taken by the Authority except pursuant to the favorable vote of at least three members of the Authority. A majority of the members present, whether or not a quorum is present, may adjourn any meeting to another time or place.

Section 6. ORDER OF BUSINESS. The order of business at regular meetings shall be:

- (a) Roll call and determination of quorum.
- (b) Reading of minutes of previous meeting.
- (c) Approval of the minutes of previous meeting.
- (d) Reports of committees.
- (e) Bills and communications.
- (f) Unfinished business.
- (g) New business.
- (h) Adjournment.

Section 7. COMMITTEES. The Chairman, Vice Chairman and members of all committees shall be appointed by the Chairman of the Authority, who shall be an ex-officio member of each committee. A quorum of any committee shall consist of a majority of the members of that committee.

Section 8. EXECUTION OF INSTRUMENTS. All Authority instruments and documents shall be signed or countersigned, executed, verified or acknowledged by such officer or official or other person or persons as provided in these by-laws or as the Authority may from time to time designate.

- ARTICLE VI  
AMENDMENTS

Section 1. AMENDMENTS TO BY-LAWS. The by-laws of the Authority may be amended only with the approval of at least a majority of all of the members of the Authority at a regular

or a special meeting, but no such amendment shall be adopted unless at least seven days written notice thereof has been previously given to all members of the Authority.

ARTICLE VII  
INDEMNIFICATION

Section 1. GENERAL SCOPE OF INDEMNIFICATION. The Authority shall, to the fullest extent permitted by law, provide for and indemnify any person (and his/her testator or intestate) made, or threatened to be made, a party to any action or proceeding, whether civil or criminal in nature, by reason of the fact that such person is or was a member or an officer or employee of the Authority or served, at the request of the Authority, as an officer or employee of any subsidiary of the Authority, against judgments, penalties, fines, amounts paid in settlement and reasonable expenses, including attorney's fees, actually and necessarily incurred as a result of such action or proceeding (including any appeal therein), provided such member, officer or employee acted in good faith for a purpose which such person reasonably believed to be in the best interest of the Authority and, in criminal actions or proceedings, had no reasonable cause to believe that any action taken by or conduct of such person was unlawful.

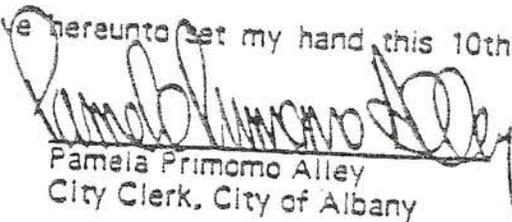
Section 2. PRESUMPTION. The termination of any such civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such member, officer or employee did not act in good faith for a purpose which such person reasonably believed to be in the best interests of the Authority or that such person had reasonable cause to believe that any such action or conduct was unlawful.

CERTIFICATE OF FILING

I, Pamela Primomo Alley, City Clerk of the City of Albany (the "City")  
DO HEREBY CERTIFY as follows:

That on May 10, 1987, I did cause to be filed in my office a certified copy  
of the by-laws of the Albany Municipal Water Finance Authority (the  
"Authority"), adopted on March 10, 1987, in accordance with the provisions of  
Section 1115-c(7) of the Albany Municipal Water Finance Authority Act, as  
amended.

IN WITNESS WHEREOF I have hereunto set my hand this 10th day of  
February, 1988.

  
Pamela Primomo Alley  
City Clerk, City of Albany

CERTIFICATE OF FILING

I, Joseph Rabito, City Clerk of the City of Albany, DO HEREBY CERTIFY that on May 10, 1987 a certified copy of the by-laws of the Albany Municipal Water Finance Authority, was filed in the office of the City Clerk in accordance with the provisions of Section 1115-c(7) of the Albany Municipal Water Finance Authority Act, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 3<sup>rd</sup> day of September, 2003.



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Joseph Rabito  
City Clerk, City of Albany