

**RESOLUTION OF THE BUFFALO WATER BOARD REGARDING ADOPTION OF  
2023 CAPITAL IMPROVEMENT PLAN, STATE ENVIRONMENTAL QUALITY  
REVIEW ACT AND INTENT TO REIMBURSE EXPENDITURES FOR PROJECT  
COSTS FROM PROCEEDS OF TAX-EXEMPT OBLIGATIONS**

WHEREAS, the Buffalo Water Board (the “Water Board”) is authorized to establish and from time to time amend a capital improvement plan pursuant to the New York State Public Authorities Law section 1048-g, and the Financing Agreement (the “Financing Agreement”) and the Operation Agreement (the “Operation Agreement”) by and among the Water Board, the City of Buffalo (the “City”) and the Buffalo Municipal Water Finance Authority (the “Water Authority”) dated as of September 24, 1992, as amended, with respect to the water treatment plant, water distribution system and related water facilities of the Water Board (the “Water System”); and

WHEREAS, the Water Board regularly serves as the lead agency pursuant to the State Environmental Quality Review Act (“SEQRA”), to review potential environmental impacts of its capital improvement plans, and works in cooperation with the Water Authority and the City to finance and implement such capital improvement plan; and

WHEREAS, GHD Consulting Services, Inc., as the Consulting Engineer for the Water Board, has recommended certain Water System improvements, as more fully set forth in the capital improvement plan for 2023, as more particularly set forth and described in Exhibit A, attached hereto and made a part hereof (the “2023 Capital Improvement Plan”), which the Water Board plans to adopt; and

WHEREAS, the Water Board anticipates financing or paying all or a portion of the 2023 Capital Improvement Plan with the proceeds of obligations issued by the Water Authority, the interest upon which is excluded from gross income for federal income tax purposes, Water Board reserves and other resources; and

WHEREAS, the Water Board has reviewed the 2023 Capital Improvement Plan and determined that such projects consist of studies, engineering plans and improvements that constitute planning, maintenance or repair involving no substantial changes in any existing Water System structure or facility, and/or replacement, rehabilitation or reconstruction of such structures, facilities, in kind, on the same site(s), including upgrading buildings, infrastructure and equipment to comply with building and fire codes, and/or improve energy or operational efficiency, without causing any significant adverse impact on the environment, and in accordance with the SEQRA criteria for significant adverse environmental impacts, and 6 NYCRR section 617.5, determined that no further environmental review is necessary or appropriate.

NOW, THEREFORE, be it resolved as follows:

1. The Water Board, as lead agency, hereby determines that the 2023 Capital Improvement Plan constitutes SEQRA Type II action(s), and that the proposed action(s) will not result in any significant adverse environmental impacts, and no further environmental review is necessary or appropriate pursuant to 6 NYCRR section 617.5.

2. The Water Board hereby approves and adopts the 2023 Capital Improvement Plan, and directs the Water Board Secretary or any other officer of the Water Board to publish a notice of public hearing to afford the public an opportunity to comment on the amendment to the Financing Agreement incorporating the 2023 Capital Improvement Plan in compliance with the Buffalo Municipal Water Finance Authority Act.

3. The Water Board expects that it will pay, on a temporary basis, certain capital expenditures in connection with the improvements of the Water System prior to the issuance of bonds, loans, notes or other instruments of tax-exempt indebtedness issued by the Water Authority (the "Obligations"), and reasonably expects to reimburse such expenditures from the proceeds of such Obligations. The Water Board reasonably expects the Water Authority to issue such Obligations in a maximum principal amount of \$33,670,000. The Water Board hereby declares its official intent to use proceeds of the Obligations to reimburse itself for expenditures in connection with such improvements to the Water System. This section of the Resolution is adopted for the purpose of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations to enable such reimbursements.

4. The Water Board Chair, or such other officer of the Water Board, and any person as the Chair may designate is authorized to publish such notices and other documents and to execute and deliver all instruments and documents as required by the New York Public Authorities Law, and other applicable law and the Financing Agreement and the Operation Agreement with respect to compliance with SEQRA and the adoption of the 2023 Capital Improvement Plan.

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At a meeting of the Buffalo Water Board, convened on May 10, 2023 in public session at the Colonel Ward Water Treatment Plant, Buffalo, New York, and/or, via remote video and/or sound access, as authorized by the New York State Open Meetings Law the foregoing resolution, was offered by William L. Sunderlin and seconded by Denine N. Jackson, and with a quorum present throughout the meeting, such resolution was duly adopted by unanimous vote of the Buffalo Water Board.

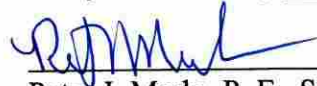
STATE OF NEW YORK     )  
  ) SS.:  
COUNTY OF ERIE         )

I, the undersigned Secretary of the Buffalo Water Board (the "Water Board"), DO HEREBY CERTIFY that I have compared the annexed extract of the minutes of the meeting of the Water Board, including the resolution contained therein, held the 10th day of May, 2023, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Water Board and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of said Water Board had due notice of said meeting, (B) said meeting was duly held, (C) pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and public notice of the time and place of said meeting was duly given in accordance with such Article 7 and (D) there was a quorum of the members of the Water Board present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand on May 10, 2023.



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Peter J. Merlo, P. E., Secretary

EXHIBIT A

2023 Buffalo Water Board Capital Improvement Plan

4/6/2023 SIX YEAR CAPITAL IMPROVEMENT PLAN OF THE BUFFALO WATER SYSTEM \*\*\*  
(IN THOUSANDS OF DOLLARS)

PROJECT CATEGORY	PROJECT NO.	PROJECT NAME	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
Colonel Ward Treatment and Pumping Plant	1	Filter Plant Cleanwell Optimization	500	500	5,000	5,000	300	2,000
	2	Filter Plant Backwash Pump Station rehab.	3,000					
	3	Flood Control	300	300	5,000			
	4	Filter Plant PAC			500	3,000		
	5	Flocculation motors / baffles			1,000	1,000		
	6	Thickener Rehab including Tube Settlers				500		
	7	Sodium Hypochlorite System						
	8	Filter Plant Miscellaneous Improvements*	9,500			500	2,000	2,000
	9	Colonel Ward Valve House Rehabilitation				300	1,000	1,000
	10	Colonel Ward Pumping Improvements					500	5,000
	11	Colonel Ward Complex Building Improvements		15,000	3,000	2,000		
	12	Colonel Ward Miscellaneous Improvements*	500		1,000	1,000	1,000	1,000
System Pumping and Storage	13	Massachusetts Ave. P.S. Power Upgrades	7,700	25,000				
	14	Massachusetts Ave. Tunnel Rehab.				500	2,000	
	15	Massachusetts Ave. P.S. Miscellaneous Improvements*					1,000	500
	16	Manhattan Tank & P.S. Rehabilitation					500	5,000
	17	Manhattan Tank & P.S. Misc. Improvements*				300	300	300
	18	Kensington Tank stabilization	800					
	19	Grover Cleveland Tank & P.S. Rehabilitation / Replacement				500	10,000	
	20	Hancock Tank Replacement				10,000		
	21	Ferry Tank Replacement	500	500	10,000			
	22	Annual Watermain / Valve Replacement / Rehabilitation	9,000	25,000	20,000	20,000	20,000	20,000
Transmission & Distribution	23	Service Line Lead Abatement Program		5,000	5,000	5,000	5,000	5,000
	24	Metering Program	1,000	750	750	750	750	750
Buildings & Other	25	System Security			250	250	250	250
	26	Intake Rehabilitation					300	2,000
	27	Additional Building Improvements**				1,000	2,000	2,000
<b>Estimated Total Annual Capital Project Costs:</b>			<b>\$33,100</b>	<b>\$72,050</b>	<b>\$52,000</b>	<b>\$51,100</b>	<b>\$46,900</b>	<b>\$46,800</b>

Notes:  
 \* This item includes miscellaneous funds to be used to perform additional upgrades in the treatment, pumping, storage, transmission and other systems as required.  
 \*\* This item includes funds to be used to perform improvements to the buildings including structural beams, walls, floors, windows, roofs and other items as required.  
 \*\*\* The Water Board will also pursue Federal and State funding for this plan.