

DRAFT 12/11/2025 SUBJECT TO REVIEW AND COMPLETION

AMENDMENT TO FINANCING AGREEMENT

THIS AMENDMENT TO FINANCING AGREEMENT dated as of January __, 2026 (the “Amendment”) by and among the CITY OF BUFFALO (the “City”), a municipal corporation of the State of New York (the “State”), the BUFFALO MUNICIPAL WATER FINANCE AUTHORITY (the “Authority”), a body corporate and politic constituting a public benefit corporation of the State, and the BUFFALO WATER BOARD (the “Board”), a body corporate and politic constituting a corporate municipal instrumentality of the State;

WITNESSETH:

WHEREAS, the Authority was created by Chapter 796 of the Laws of 1985 of the State, constituting the Buffalo Municipal Water Finance Authority Act, codified as Section 1048-a through 1048-bb of Title 2-B of Article 5 of the Public Authorities Law of the State, as amended (the “Authority Act”), and is vested with the powers and duties described in the Authority Act, including the power to borrow money, issue debt and enter into agreements with the Board and the City for the financing by the Authority of “water projects”, as such term is defined in the Authority Act (such water projects being sometimes hereinafter referred to as “Projects”); and

WHEREAS, the Board was created by Chapter 368 of the Laws of 1985 of the State, codified as Section 1049 of Title 2-B of Article 5 of the Public Authorities Law of the State (the “Board Act”) (the Board Act and the Authority Act, as amended from time to time, are hereinafter collectively referred to as the “Act”) and, pursuant to the provisions of the Act, the Board is authorized to enter into agreements with the Authority and the City to provide a means whereby the Authority could finance the cost of constructing Projects and the Board could (A) agree to assume title to the Water System (as hereinafter defined), and (B) raise revenues from users through fees, rates, rents or other service charges necessary or appropriate to secure such financing and to pay the cost of the operation, management and repair of the Water System (hereinafter sometimes referred to as the “Water System”); and

WHEREAS, pursuant to the provisions of Section 1048-i of the Act, the Authority, the Board and the City entered into a Financing Agreement dated as of September 24, 1992, as amended (the “Financing Agreement”) for the acquisition, construction and financing of certain “water projects” (as defined in the Act), including the transfer of the System from the City to the Board, for use in the exercise of the corporate powers and purposes of the Board; and

WHEREAS, pursuant to Section 2.1 of the Financing Agreement, the Authority agreed to use its best efforts to finance all or a part of the costs of the projects described in Appendix A to the Financing Agreement; and

WHEREAS, Appendix A to the Financing Agreement also contains a breakdown of the anticipated use of the proceeds of the bonds of the Authority to be issued to finance said projects; and

WHEREAS, pursuant to Section 2.1 of the Financing Agreement, Appendix A to the Financing Agreement may, from time to time, upon approval by resolution of the City, the

Authority and the Board, be amended to add a project or to delete or change projects listed thereon or to change the scope of costs of the projects listed thereon; and

WHEREAS, the Authority, the Board and the City have agreed to amend Appendix A to the Financing Agreement as set forth herein; and

WHEREAS, pursuant to the provisions of the Act, (A) the Common Council of the City by resolution has duly authorized the Mayor of the City to execute and deliver this Amendment on behalf of the City, (B) the Board by resolution has duly authorized the Chairman or Vice Chairman of the Board to execute and deliver this Amendment on behalf of the Board, (C) the Authority by resolution has duly authorized the Chairman or Vice Chairman of the Authority to execute and deliver this Amendment on behalf of the Authority; and

WHEREAS, in accordance with the requirements of Section 1048-i(4) and (7) of the Act, the City and the Board held a public hearing on the proposed terms of the Amendment described below on January 14, 2026, prior to the execution of this Amendment;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, THE PARTIES HERETO FORMALLY COVENANT, AGREE AND BIND THEMSELVES AS FOLLOWS:

The Financing Agreement is hereby amended as follows:

1. Appendix A is amended by inserting at the end of Appendix A (as it currently exists) the “2026 Amendment to Appendix A - Anticipated Use of Bond Proceeds and System Revenues for Capital Improvement Plan” attached hereto and incorporated herein, and by inserting after Appendix A-1 (as it currently exists) the “2026 Amendment to Appendix A-1 - Capital Improvement Plan”.
2. Except as set forth above, the terms and conditions of the Financing Agreement shall remain in full force and effect.
3. This Amendment shall be effective immediately.

**2026 Amendment to Appendix A –
Anticipated Use of Bond Proceeds and System Revenues for Capital Improvement Plan**

BUFFALO WATER BOARD
BUFFALO MUNICIPAL WATER FINANCE AUTHORITY

2026 AMENDMENT TO
APPENDIX A

Anticipated Use of Bond Proceeds and System Revenues for Capital Improvement Plan

(1) Series 2026 Bonds⁽¹⁾

| | |
|--|------------------|
| Deposit to Construction Fund | \$ |
| Deposit to the Capital Debt Service Reserve Fund | 0 |
| Capitalized Interest | 0 |
| Underwriting Discount | |
| Cost of Issuance ⁽²⁾ | |
| Original Issue Discount | 0 |
| Bond Insurance | |
| Additional Proceeds | |
| Total: | <u>\$</u> |

Note that the Authority anticipates funding the capital projects in the Authority's Capital Improvement Plan for the 2026 Fiscal Year, which total \$82,800,000, with the proceeds of the Series 2026 Bonds and \$_____ in revenues from the Water System.

(2) Future Funding

The proceeds of future series of bonds, net of use of proceeds for the Debt Service Reserve Fund, Capitalized Interest, Underwriting Discount, Costs of Issuance including bond insurance premium and other costs, and Original Issue Discount are to be deposited to Construction Fund for anticipated future capital projects. Note that the Authority anticipates funding the Capital Improvement Plan for the Fiscal Years 2026 through 2031 with the proceeds of the bonds and revenues from the Water System.

| | |
|--|------------------|
| (3) Anticipated Future Capital Projects | \$ |
| (Capital Project Plan is attached hereto and incorporated by reference) | |
| To be funded as follows ⁽³⁾ : | |
| From Series 2026 Bond Proceeds | |
| From Future Bond Issues | |
| Revenues from the Water System | |
| Total: | <u>\$</u> |

(1) Amounts for Series 2026 Bond proceeds are approximate and subject to change upon the pricing of the Series 2026 Bonds.

(2) Includes bond insurance premium and other costs and expenses incurred by the Authority in connection with the issuance and delivery of the Series 2026 Bonds.

(3) Amounts are based upon current projections and subject to change.

**BUFFALO WATER BOARD
BUFFALO MUNICIPAL WATER FINANCE AUTHORITY**

**2026 AMENDMENT TO
APPENDIX A-1**

CAPITAL PROJECT PLAN

(Projects listed are approved for the stated amounts; years are approximate and subject to change in conjunction with annual Capital Budget.)

2026 Amendment to Appendix A-1 - Capital Project Plan

SIX YEAR

**CAPITAL IMPROVEMENT PLAN OF THE BUFFALO WATER SYSTEM
(IN THOUSANDS OF DOLLARS)**

| PROJECT CATEGORY | PROJECT NO. | PROJECT NAME | | | | | | |
|---|-------------|---|----------|----------|----------|----------|----------|----------|
| | | | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 |
| Colonel Ward Treatment and Pumping Plant | 1 | Filter Plant Clearwell Optimization | 500 | 500 | 10,000 | | | |
| | 2 | Filter Plant Backwash Pump Station rehab. | | | | 300 | 3,000 | |
| | 3 | Flood Plant Flow Tubes | | | | 500 | 3,000 | |
| | 4 | Filter Plant Emerging Contaminants | | 300 | | | | |
| | 5 | Flocculation motors / baffles | | | 500 | 3,000 | | |
| | 6 | Thickener Rehab including Tube Settlers | 500 | | 1,000 | 1,000 | | |
| | 7 | Sodium Hypochlorite System | 10,000 | 300 | 2,000 | | | |
| | 8 | Filter Plant Miscellaneous Improvements* | 300 | 1,000 | 1,000 | 1,000 | 1,000 | 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 | 20,000 | | 2,000 | 2,000 | | |
| | 12 | Colonel Ward Miscellaneous Improvements* | 3,000 | | 1,000 | 1,000 | 1,000 | 1,000 |
| System Pumping and Storage | 13 | Massachusetts Ave. P.S. Power Upgrades | 35,000 | | | | | |
| | 14 | Massachusetts Ave. Tunnel Rehab. | | | | 500 | 2,000 | |
| | 15 | Massachusetts Ave. P.S. Miscellaneous Improvements* | | | | | 500 | 500 |
| | 16 | Manhattan Tank & P.S. Rehabilitation | | | | 500 | 10,000 | |
| | 17 | Manhattan Tank & P.S. Misc. Improvements* | | | | 300 | 300 | 300 |
| | 18 | Kensington Tank stabilization | | | | | | |
| | 19 | Grover Cleveland Tank & P.S. Rehabilitation / Replacement | | | | | 500 | 10,000 |

| PROJECT CATEGORY | PROJECT NO. | PROJECT NAME | | | | | | |
|--|-------------|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 |
| | 20 | Hancock Tank Replacement / Rehab | | | 500 | 10,000 | | |
| | 21 | Ferry Tank Replacement / Rehab | | 500 | 10,000 | | | |
| Transmission & Distribution | 22 | Annual Watermain / Valve Replacement / Rehabilitation | 8,500 | 75,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| | 23 | Service Line Lead Abatement Program*** | 4,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Buildings & Other | 24 | Metering Program | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| | 25 | System Security | | | 250 | 250 | 250 | 250 |
| | 26 | Intake Rehabilitation | | | 300 | 3,000 | | |
| | 27 | Additional Building Improvements** | | | | 1,000 | 1,000 | 2,000 |
| Estimated Total Annual Capital Project Costs: | | | \$82,800 | \$83,600 | \$59,550 | \$55,650 | \$55,050 | \$53,050 |

Notes:

- * This item includes miscellaneous funds to be used to perform additional upgrades in the treatment, pumping, storage, transmission, sanitary survey items construction, 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.

IN WITNESS WHEREOF, the City has caused this Amendment to Financing Agreement to be executed in its name by the Mayor of the City, the Authority has caused this Financing Agreement to be executed in its name by its Chairman and the Board has caused this Financing Agreement to be executed in its name by its Chairman, all as of the date first above written.

APPROVED AS TO FORM:

THE CITY OF BUFFALO

Corporation Counsel of the City of Buffalo

By: _____
Mayor

BUFFALO MUNICIPAL WATER FINANCE
AUTHORITY

By: _____
Chairman

BUFFALO WATER BOARD

By: _____
Chairman

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

On this ____ day of January, 2026, before me personally came Sean M. Ryan, to me known, who being by me duly sworn, did depose and say that he resides in the City of Buffalo, New York; that he is the MAYOR of the CITY OF BUFFALO, the municipal corporation described in and which executed the foregoing instrument; and that he signed his name thereto on behalf of said municipal corporation.

Notary Public

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

On this _____ day of January, 2026, before me personally came _____, to me known, who being by me duly sworn, did depose and say that he/she resides in the City of Buffalo, New York; that he/she is the CHAIR of the BUFFALO MUNICIPAL WATER FINANCE AUTHORITY, the public benefit corporation described in and which executed the foregoing instrument; and that he/she signed his/her name thereto on behalf of said municipal corporation.

Notary Public

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

On this _____ day of January, 2026, before me personally came _____, to me known, who being by me duly sworn, did depose and say that he resides in the City of Buffalo, New York; that he is the CHAIRMAN of the BUFFALO WATER BOARD, the corporate municipal instrumentality described in and which executed the foregoing instrument; and that he signed his name thereto by order of the members of such corporate municipal instrumentality.

Notary Public

I, Peter J. Merlo, duly appointed Secretary of the Buffalo Municipal Water Finance Authority (the “Authority”), DO HEREBY CERTIFY that attached hereto is a true, correct and complete copy of the Financing Agreement dated as of September 24, 1992, as amended, by and between the Authority, the Buffalo Water Board and the City of Buffalo.

IN WITNESS WHEREOF, I have hereunto set my hand this __ day of January, 2026.

Secretary