

**RESOLUTION OF THE BUFFALO MUNICIPAL WATER FINANCE  
AUTHORITY FOR COMPLIANCE WITH THE NEW YORK PUBLIC  
AUTHORITIES ACCOUNTABILITY ACT**

WHEREAS, the Buffalo Municipal Water Finance Authority (the “Water Authority”) was created by New York Public Authorities Law (the “Public Authorities Law”) Section 1048-c and is authorized and empowered by the Buffalo Municipal Water Finance Authority Act, Public Authorities Law Article 2-B (the “Water Authority Act”) to enter into contracts with the City of Buffalo (the “City”) and the Buffalo Water Board (the “Water Board”) to provide for the acquisition, financing, improvement, operation, maintenance and repair of the water treatment system and water distribution system constituting the City of Buffalo’s water system (the “Water System”); and

WHEREAS, pursuant to the provisions of the Act, the Water Board acquired the System from the City as of September 24, 1992; and

WHEREAS, in 1997 the City, the Water Authority and the Water Board determined that it is appropriate and in the public interest that the Water Board manage, operate, maintain, repair and improve the Water System in accordance with the powers granted by Sections 1048-g and Section 1048-j of the Water Authority Act; and

WHEREAS, the City and the Water Board amended that certain Operation Agreement by and between the City and the Water Board, dated as of September 24, 1992, by an Amendment dated as of August 1, 1997 (collectively the “Operation Agreement”) to provide that the Water Board shall manage, operate, maintain, repair and improve the Water System and that the Water Board may use the services of employees and officers of the City, as provided for by the Water Authority Act, in the provision of such services, but that the Water Board shall not have any employees; and

WHEREAS, the City, the Water Board and the Water Authority amended that certain Financing Agreement by and among the City, the Water Board and the Water Authority, dated as of September 24, 1992, by an Amendment dated as of August 1, 1997 (collectively the “Financing Agreement”) providing, among other things, for the use by the Water Board of revenues from the operation of the System to pay for the cost of managing, operating, maintaining, improving and repairing the Water System by the Water Board; and

WHEREAS, the New York State Public Authorities Accountability Act of 2005, as amended (the “Authorities Accountability Act”) requires the Water Authority to establish certain policies and procedures with respect to the operations of the Water Authority, in accordance with the Authorities Accountability Act; and

WHEREAS, the Water Authority has considered its operations and various policies and procedures applicable to the operations of the Water System and the requirements of the Authorities Accountability Act.

NOW, THEREFORE, BE IT RESOLVED:

- (1) The Water Authority does hereby adopt as its Code of Ethics the Code of Ethics of the City of Buffalo as set forth in Chapter 12 of the Code of the City of Buffalo and as such Code may be amended from time to time.
- (2) The Water Authority does hereby adopt the compensation policies currently in effect in the City of Buffalo with respect to the payment of salaries, compensation, reimbursements, time and attendance of the Chief Executive Officer and Senior Management of the Water System.
- (3) The Water Authority does hereby adopt the personnel policies and procedures established by the City of Buffalo with respect to all personnel serving the Water System pursuant to the Financing Agreement, including but not limited to as provided in New York Civil Service Law, Code of the City of Buffalo and current collective bargaining agreements, and as they may be amended from time to time.
- (4) The Water Authority does hereby adopt the investment policy and guidelines established by the Comptroller of the City of Buffalo, a current copy of which is attached hereto and made a part hereof.
- (5) The Water Authority does hereby acknowledge that it is obligated to comply with the requirements of the Water Authority Act, the Financing Agreement and the Operation Agreement with respect to property acquisition and disposal policies and procedures, and such acts and agreements collectively constitute the property acquisition and disposal policies and procedures of the Water Authority.
- (6) The Water Authority does hereby acknowledge that it has adopted By-Laws which include provisions for defense and indemnification of its Authority members and that such provisions in the By-Laws constitute the policy of the Water Authority.

At a meeting of the Water Authority, convened in public session at 502 City Hall, Buffalo, New York on March 2, 2012 at 2:00 p.m., the foregoing resolution was offered by \_\_\_\_\_, and seconded by \_\_\_\_\_, and with a quorum present throughout such resolution was duly adopted by the Water Authority.

**CERTIFICATION**

I, \_\_\_\_\_, Secretary of the Buffalo Municipal Water Finance Authority in the County of Erie, State of New York, HEREBY CERTIFY that the foregoing resolution, entitled "Resolution of the Buffalo Municipal Water Finance Authority for compliance with the New York Public Authorities Accountability Act" was duly adopted by the Buffalo Municipal Water Finance Authority and the Members thereof at a meeting thereof duly called and held on March 2, 2012 at which a quorum was present and acting throughout, and that the foregoing resolution has been compared by me with the original thereof as amended as officially recorded in my office in the records of said Buffalo Municipal Water Finance Authority and is a true, complete and correct copy therefrom and of the whole of said original, and that said resolution has not otherwise been amended or repealed but is in full force and effect.

**IN WITNESS WHEREOF**, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
\_\_\_\_\_, Secretary