

NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

R E S O L U T I O N No. 16-EF-700

APPROVING SPECIFIED PROJECTS OF THE ENVIRONMENTAL FACILITIES CORPORATION (State Drinking Water Revolving Fund - Direct and Market-Rate Financing Projects)

WHEREAS, the New York State Public Authorities Control Board ("PACB"), created pursuant to Chapter 38, Laws of 1976, as amended, is empowered by section 51 of the Public Authorities Law to receive applications from designated public benefit corporations, including the Environmental Facilities Corporation ("EFC"), for approval of the acquisition, construction or financing of any project by any such public benefit corporation; and

WHEREAS, the EFC submits from time to time applications (the "Applications") to PACB for approval of short-term and long-term financings (the "Financings") as authorized in an EFC resolution duly adopted by the EFC Board of Directors; and

WHEREAS, pursuant to Chapter 413 of the Laws of 1996, as amended (the "DWSRF Act"), the State Drinking Water Revolving Fund ("DWSRF") was established in the custody of the EFC; and

WHEREAS, the DWSRF Act authorizes the EFC to provide financial assistance to recipients for the purpose of financing or refinancing certain eligible water supply facilities; and

WHEREAS, such financial assistance may include financings to recipients from monies on deposit in the DWSRF, which financings will be made at interest rates at or below "market rates" as defined

in regulations promulgated pursuant to the DWSRF Act (including at a zero percent rate of interest); and

WHEREAS, with respect to short-term market-rate financings, such financial assistance may include financings to recipients for which the EFC will guarantee the payment of each short-term market-rate financing from monies and assets held in the DWSRF, and which shall bear interest at the rate or rates as determined by the EFC; and

WHEREAS, the EFC has received an application from each applicant listed in **Exhibit A** for financial assistance under the DWSRF Act, for the purpose of financing or refinancing the planning, design, construction and/or installation of certain water supply facilities; and

WHEREAS, pursuant to the DWSRF Act, the EFC has determined that it is impracticable or inadvisable to issue bonds or notes to provide financial assistance to each direct financing applicant; and

WHEREAS, each project proposed to be financed or refinanced (the "Project") constitutes an "eligible project" within the meaning of the DWSRF Act; and

WHEREAS, each Financing will be made pursuant to a financing agreement to be entered into between the EFC and the respective applicant (the "Finance Agreement") to evidence certain covenants and agreements of each applicant relating to its Financing; and

WHEREAS, each applicant's obligation to repay its Financing will be evidenced by general obligation or revenue bonds or notes of the applicant (the "Recipient Bonds or Notes") issued to the EFC to secure payment of principal (and interest, as applicable) on such Financing in a manner consistent with this Resolution and in compliance with applicable law, including but not limited to the Local Finance Law; and

WHEREAS, the Recipient Bonds or Notes will be secured by an irrevocable pledge of the faith and credit, or revenue, of the applicant issuing such Recipient Bonds or Notes; and

WHEREAS, the obligation of the EFC to make each Financing under the respective Finance Agreement is not a general obligation of, does not constitute an indebtedness of or a charge against the general credit of, and does not give rise to any pecuniary liability of the EFC, other than with respect to amounts available for such purpose within the DWSRF; nor does such obligation to advance the Financing give rise to any liability or obligation of the State of New York; and

WHEREAS, each Financing will be funded (a) with Federal grant money available under the Safe Drinking Water Act through Federal capitalization grant agreements and related State matching funds to the extent State appropriations are available for the Federal grant money and State matching funds, and (b) if such State appropriations

are not available, with monies available for such purpose in the DWSRF; and

WHEREAS, each Financing shall be made subject to the following conditions: (i) any short-term Financing shall be for a term not to exceed five years, and any long-term Financing shall be for a term not to exceed 30 years; each Financing shall bear interest at a rate determined by the EFC in accordance with the DWSRF Act and the regulations promulgated thereunder; (ii) the Recipient Bonds or Notes (including any renewals thereof) issued to evidence any short-term Financing shall mature not later than five years after their original issue date, and the Recipient Bonds or Notes (including any renewals thereof) issued to evidence any long-term Financing shall mature not later than 30 years after their original issue date; and (iii) there shall be funds available for each Financing in the DWSRF; and

WHEREAS, pursuant to the related Finance Agreement, each applicant shall not be entitled to reimbursement of project costs that may be in excess of available monies in the DWSRF; and in the event no such monies are available, the applicant shall be obligated to complete its Project in accordance with the Finance Agreement between the EFC and such applicant; and

WHEREAS, a copy of each Application has been filed with the Comptroller, and he has had the opportunity to comment.

NOW THEREFORE BE IT RESOLVED, that the PACB approves financing by the EFC for each Project identified in **Exhibit A**, in accordance with section 51 of the Public Authorities Law:

(Continued on next page)

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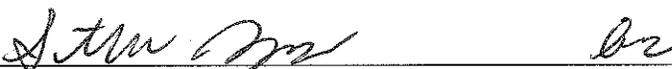
This resolution shall become effective immediately.



Robert F. Mujica, Jr., Chair
Public Authorities Control Board



James F. Brennan, Member of the Board



James L. Seward, Member of the Board

16-EF-700

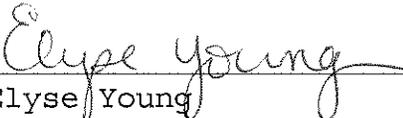
Date: October 19, 2016

CERTIFICATION

STATE OF NEW YORK
COUNTY OF ALBANY ss.

I, Elyse Young, Secretary of the New York State Public Authorities Control Board, do hereby certify that at a meeting of such Board, held on October 19, 2016, the attached resolution was duly adopted by the unanimous vote of the Members of the Board. The resolution attached is a true copy of the resolution and the certification of the determination made by such resolution and of the signatures thereto of each of the Members of the Board or their duly appointed representatives, the original of which is on file in my office. As of the date of this certification, such resolution has not been modified, superseded, amended or repealed and remains in full force and effect.

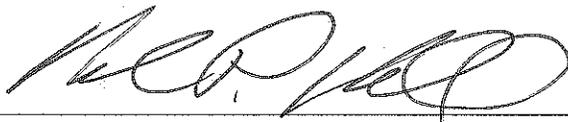
In witness thereof I have hereunto set my hand this 19th day of October 2016.



Elyse Young
Secretary

STATE OF NEW YORK
COUNTY OF ALBANY ss.

On this 19th day of October 2016, before me personally came Elyse Young to me known, who, being by me duly sworn, did depose and say that she is the Secretary of the New York State Public Authorities Control Board, that she executed the foregoing certification and that the contents thereof are true.



Michael P. Kendall
Notary Public, State of New York
Qualified in Albany County
Commission expires: 10/04/2017
Reg. No. 01KE6031437

EXHIBIT A

DWSRF SHORT-TERM INTEREST-FREE, SHORT-TERM MARKET-RATE,
AND LONG-TERM INTEREST-FREE FINANCINGS

SHORT-TERM INTEREST-FREE FINANCINGS:

<u>Project Number</u>	<u>Applicant</u>	<u>County</u>	<u>Short-Term Financing Maximum Principal Amount</u>	<u>Interest Rate</u>
18110	Cattaraugus (V)	Cattaraugus	\$300,167	0%

Project Description

The Village's water system infrastructure project includes water meter replacement, upgrades to the spring sources, and the replacement of water transmission main from the spring sources to the water distribution system.

<u>Project Number</u>	<u>Applicant</u>	<u>County</u>	<u>Short-Term Financing Maximum Principal Amount</u>	<u>Interest Rate</u>
18009	Dryden (V)	Tompkins	\$8,943,522	0%

Project Description

The project consists of two new wells and appurtenances in Dryden Lake Park, a new transmission main from Dryden Lake Park to the Village water system, the replacement of Lee Road reservoir with a water storage tank and the replacement of the Ferguson Road water storage tank. The project also includes Supervisory Control and Data Acquisition (SCADA) system improvements, chlorine contact time improvements via the elimination of water main dead ends, miscellaneous improvements to South Street well facility and water main replacements throughout areas of the Village.

<u>Project Number</u>	<u>Applicant</u>	<u>County</u>	<u>Short-Term Financing Maximum Principal Amount</u>	<u>Interest Rate</u>
18170	North Castle (T)	Westchester	\$193,721	0%

Project Description

This project includes the construction of an Ultraviolet (UV) light disinfection facility to treat water supplied by the Kensico Reservoir via the Kensico-Bronx Pipeline to the Town of North Castle Water District No. 1.

<u>Project Number</u>	<u>Applicant</u>	<u>County</u>	<u>Short-Term Financing Maximum Principal Amount</u>	<u>Interest Rate</u>
18292	Stark (T)	Herkimer	\$240,000	0%

Project Description

The project includes development of new well sources to replace the existing springs, which have been determined to be Groundwater Under the Direct Influence (GWUDI) by the NYS Department of Health and also a new storage tank, replacement of aged water mains throughout the system, and new water meters.

SHORT-TERM MARKET-RATE FINANCINGS:

<u>Project Number</u>	<u>Applicant</u>	<u>County</u>	<u>Short-Term Market-Rate Financing Maximum Principal Amount</u>	<u>Initial Interest Rate</u> [not to exceed]
18110	Cattaraugus (V)	Cattaraugus	\$600,333	4%

Project Description

The Village's water system infrastructure project includes water meter replacement, upgrades to the spring sources, and the replacement of water transmission main from the spring sources to the water distribution system.

<u>Project Number</u>	<u>Applicant</u>	<u>County</u>	<u>Short-Term Market-Rate Financing Maximum Principal Amount</u>	<u>Initial Interest Rate</u> [not to exceed]
18170	North Castle (T)	Westchester	\$387,441	4%

Project Description

This project includes the construction of an Ultraviolet (UV) light disinfection facility to treat water supplied by the Kensico Reservoir via the Kensico-Bronx Pipeline to the Town of North Castle Water District No. 1.