Table of Contents - NFPWA Sept. 10, 2025 Agenda Packet

NFPWA

Niagara Falls Public Water Authority

MEETING AGENDA

September 10, 2025 at 3:00 p.m.
Michael C. O'Laughlin Municipal Water Plant
5815 Buffalo Avenue, Niagara Falls, NY 14304

1. Call to Order

Roll Call: Michael Monaco _____ Jason Murgia _____ Daniel Weiss_____

2. Public Speakers (All speakers must register with Chairman prior to Roll Call and are limited to 3 minutes per person – total time for all speakers may not exceed one hour).

3. Items for Action from Secretary

A. Yearly Reorganization Meeting
   a. Nomination of NFPWA Board Officers:
      i. Chair;
      ii. Vice Chair;
      iii. Treasurer (does not need to be Authority member)
      iv. Secretary (does not need to be Authority member)
   b. Annual Board Evaluation Form
   c. Authority Financial Disclosure Form
   d. Required Training Reminder - WebEx - https://www.abo.ny.gov/training/onlinetraining.html

B. Approval of Minutes from June 13, 2024

C. Resolution 2025-01 - Authorizing the Issuance of the Authority's Sewer System Revenue Bonds and Execution of Related Documents
   a. Engineering Report - Projects for 2025 WIIA Grant

D. Resolution 2025-02 – Report on Operations and Accomplishments and Performance Measurement Report
   a. 2024 Continuing Disclosure Report
   b. 2024 Independent Audit
      i. Report to the Board
      ii. Independent Auditor's Report and Investment Report
      iii. Management Letter

4. Additional Items for Action

5. Unfinished Business

6. New Business & Additional Items

7. Adjournment of Meeting

Confidential Evaluation of Board Performance

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of the Water Auth.				
The policies, practices and decisions of the Board are always consistent with this mission.				
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.				
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Water Auth. and reviews these annually.				
The Board sets clear and measurable performance goals for the Water Auth. that contribute to accomplishing its mission.				
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.				
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.				
Board members are knowledgeable about the Water Authority programs, financial statements, reporting requirements, and other transactions.				
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.				
The Board knows the statutory obligations of the Water Auth. and if the Water Auth. is in compliance with state law.				
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.				
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.				
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.				
The Board has identified the areas of most risk to the Water Auth. and works with management to implement risk mitigation strategies before problems occur.				
Board members demonstrate leadership and vision and work respectfully with each other.				

Date Completed: _____

Adapted from:

NIAGARA COUNTY ANNUAL FINANCIAL DISCLOSURE FORM – 2017

Name and Address

First Name	Middle Name	Last Name
Niagara Falls Public Water Authority		Authority Board Member
Department/Agency or Committee		Title
5815 Buffalo Avenue, Niagara Falls, NY 14304		716-283-9770
Department Address		Phone
Residence Address		Phone

1. **Spouse and Dependent Children**

Provide the name of your spouse (if married) and names of any dependent children:

Spouse	Child/Age
Child/Age	Child/Age

2. **Financial Interest: Note:** For questions 3 to 6, do not report the exact dollar amounts. Instead, report Categories of Amounts using the following:

Category A: Under $5,000	**Category D:** $25,000-50,000
Category B: $5,001-10,000	**Category E:** $50,001-100,000
Category C: $10,001-25,000	**Category F:** Over $100,000

a. Business Positions. List any office, trusteeship, directorship, partnership or other position in any business, propriety or not-for-profit organization held by you and your spouse and dependent children, if any, and indicate whether these businesses are involved with the NFPWA

Name of Family Member	Position	Organization	Nature of Involvement

b. **Outside Employment.** Describe any outside occupation, employment, trade, business or profession providing more than $1,000.00 for a year for you or your spouse and dependent children, if any, and indicate whether any such activities are regulated by any state or local agency.

Name of Family Member	Position	Name, Address Description of Organization	State or Local Agency	Category of Amount

c. **Future Employment.** Describe any contact, promise or other agreement between you and anyone else with respect to your employment after leaving your NFPWA office or position.

d. **Past Employment.** Identify the source and nature of any income in excess of $1,000 per year from any prior employer including deferred income, contributions to pension or retirement fund, profit plan, severance pay or payments under a buy-out agreement.

Name & Address of Income Source	Description of Income (i.e., pension, deferred)	Category of Amount

e. **Investments.** Itemize and describe all investments in excess of $5,000 or 5% of the value in any business, corporation, partnership or other assets including stocks, bonds, loans, pledged collateral or other investments for you, your spouse and dependent children, if any.

Name of Family Member	Name & Address of Real Estate	Description of Investment	Category of Amount

f. **Trusts.** Identify each interest in a trust or estate or similar beneficial interest in any assets in excess of $2,000 except form IRS eligible retirement plans or interest in an estate or trust of a relative for you and your spouse and dependent children.

Name of Family Member	Trustee/Executor	Description of Trust/Estate	Category of Amount

g. **Other Income.** Identify the source and nature of any other income in excess of $1,000 per year from any other source not described above,, including teaching income, lecture fees, consultant for contractual income or other income of any nature for you, your spouse and dependent children.

Name of Family Member	Name/Address of Source	Nature of Income	Category of Amount

3. **Gifts and Honorariums**
List source of all gifts aggregating in excess of $250 received during the last year by you, your spouse or dependent children, excluding gifts from relatives. The term "gifts" includes gifts of cash, property, personal items, payments to third parties on your behalf, forgiveness of debt, honorariums and any other payments that are not reportable as income.

Name of Family Member	Name/Address of Donor	Category of Amount

4. **Third Party Reimbursements.**
Identify and describe the source of any third party reimbursement for travel related expenditures in excess of $250 for any matter that relates to your official duties. The term "reimbursement" includes any travel related expenses provided by anyone other than the County for speaking engagements, conferences or fact finding events that relate to your official duties.

Source	Description	Category of Amount

5. **Debts.**
Describe all debts of you, your spouse and dependent children in excess of $5,000.

Name of Family Member Name/Address Creditor Category of Amount

_____

_____

_____

6. **Interest in Contracts.**
Describe any interest of you, your spouse or dependent children in any contract involve the NFPWA or Niagara Falls Water Board.

Name of Family Member Contract Description

_____

_____

8. **Political Parties.**
List any position you held within the last five (5) years as an officer of any political party, political committee or political organization. The term "political organization" includes any independent or any organization that is affiliated with, or a subsidiary of a political party.

_____

_____

_____ _____

Signed Date

RETURN TO: NIAGARA COUNTY BOARD OF ETHICS
c/o Human Resources Office
111 Main Street, Suite G2
Lockport, New York 14094

ABO Online Board Member Training

Board Member Webinar Training

The Authorities Budget Office is conducting webinar training for Authority board members. This training will be live, interactive and online. Completion of the session will satisfy the requirement that directors must participate in State approved training as required by Section 2824 of Public Authority Law regarding their legal, fiduciary, financial and ethical responsibilities as board members of an authority.

Please see ABO Policy Guidance 17-01: Board Member Training for additional information.

For a list of public authorities our office oversees, please refer to the following links:

https://www.abo.ny.gov/paw/paw_weblistingLOCAL.html
https://www.abo.ny.gov/paw/paw_weblistingIDA.html
https://www.abo.ny.gov/paw/paw_weblistingLDC2.html
https://www.abo.ny.gov/paw/paw_weblistingST.html

Participation in each training class will be limited to 20 people, provided on a first come first serve basis. Participants will be expected to ask and answer questions in the same manner as if they were in a classroom setting.

You will need the following to participate in the training:

- A telephone
- A quiet setting such as an office where you can close the door
- A computer with internet access

Due to this limited availability, submitting an email does not guarantee your registration. You will receive an email from the ABO confirming if your registration request was accepted. If you are confirmed for training, your email will include instructions on how to access the webinar training.

If your preferred session is closed, you will be directed to register for a different session.

Please be advised that technical support is limited to email (info@abo.ny.gov) for those experiencing issues accessing the WebEx session. Our office will respond as best as possible.

Answers to some common issues/questions are below:

- **I'm having trouble accessing the meeting.** Try using a different browser (Chrome or Microsoft Edge)
- **Do I need a phone and computer to join the meeting?** Yes. The phone is used for audio and the computer is needed for the visual portion of the training.
- **Can I use my phone or tablet instead of a computer?** Yes, however, our office is not able to provide the same level of technical support for accessing the meeting on either of these devices.

Upcoming Online Board Member Training Sessions:

INSTRUCTIONS TO REGISTER: Please send an email to the ABO (info@abo.ny.gov) with the following information:
- Date of requested session:
- Full Name of Participant:
- Name of Affiliate Authority (i.e. Buffalo Urban Renewal Agency, please no acronyms):
- Role at Authority (i.e. Board Member, Staff, etc.):
- Email address:
- Phone number:

- **Wednesday, September 10, 2025 - 9:30 AM - 11:00 AM**
- **Friday, September 19, 2025 - 9:30 AM - 11:00 AM**
- **Wednesday, October 8, 2025 - 9:30 AM - 11:00 AM**
- **Wednesday, October 22, 2025 - 9:30 AM - 11:00 AM**

- Additional training dates will be posted as they are scheduled. Please continue to check back for updates.

MINUTES

Meeting of the

NFPWA

Niagara Falls Public Water Authority

June 13, 2024 at 2:00 p.m.
Michael C. O'Laughlin Municipal Water Plant
5815 Buffalo Avenue, Niagara Falls, NY 14304

Authority Members Present:	Jason Murgia Michael Monaco Daniel Weiss
Authority Members Absent:	None
Also Present:	Sean W. Costello, Authority Secretary and Niagara Falls Water Board General Counsel Brian Majchrowicz, Niagara Falls Water Board Director of Financial Services Erin Holody, Niagara Falls Water Board Confidential Secretary

1. Call to Order

Chairman Murgia called the meeting to order at 2:19 p.m.

2. Public Speakers (All speakers must register with Chairman prior to Roll Call and are limited to 3 minutes per person – total time for all speakers may not exceed one hour).

There were no public speakers.

3. Items for Action from Secretary

A. Yearly Reorganization Meeting
   a. Nomination of NFPWA Board Officers:
      i. Chair;
      ii. Vice Chair;
      iii. Treasurer (does not need to be Authority member)
      iv. Secretary (does not need to be Authority member)

Motion by Mr. Monaco seconded by Mr. Weiss to nominate the following slate of officers:

Jason Murgia, Chairman
Daniel Weiss, Vice Chairman
Michael Monaco, Treasurer
Sean Costello, Secretary

Monaco: Yes. Murgia: Yes. Weiss: Yes.

Motion carried, 3-0.

   b. Annual Board Evaluation Form
   c. Authority Financial Disclosure Form
   d. Required Training Reminder - WebEx - https://www.abo.ny.gov/training/onlinetraining.html

B. Approval of Minutes from June 13, 2023

Motion by Mr. Monaco seconded by Mr. Weiss to approve the June 13, 2023 meeting minutes.

Monaco: Yes. Murgia: Yes. Weiss: Yes.

Motion carried, 3-0.

C. Resolution 2024-01 - Replacement of Resolution 2023-01 by the Superseding Terms of Resolution 2024-02

Motion by Mr. Weiss seconded by Mr. Monaco to approve Resolution 2024-01.

Monaco: Yes. Murgia: Yes. Weiss: Yes.

Motion carried, 3-0.

D. Resolution 2024-02 - Authorizing the Issuance of the Authority's Sewer System Revenue Bonds and Execution of Related Documents

Motion by Mr. Weiss seconded by Mr. Monaco to approve Resolution 2024-02.

Monaco: Yes. Murgia: Yes. Weiss: Yes.

Motion carried, 3-0.

E. Resolution 2024-03 – Report on Operations and Accomplishments and Performance Measurement Report
    a. 2023 Continuing Disclosure Report
    b. 2023 Independent Audit
        i. Report to the Board
        ii. Independent Auditor's Report and Investment Report
        iii. Management Letter

Motion by Mr. Monaco seconded by Mr. Weiss to approve Resolution 2024-03.

Monaco: Yes. Murgia: Yes. Weiss: Yes.

Motion carried, 3-0.

4. Additional Items for Action

5. Unfinished Business

6. New Business & Additional Items

7. Adjournment of Meeting

Motion by Mr. Monaco seconded by Mr. Weiss to adjourn.

Monaco: Yes. Murgia: Yes. Weiss: Yes.

Motion carried, 3-0.

NIAGARA FALLS PUBLIC WATER AUTHORITY RESOLUTION 2025-01

RESOLUTION AUTHORIZING THE ISSUANCE OF THE AUTHORITY'S WATER SYSTEM REVENUE BONDS AND THE APPROVAL AND EXECUTION OF RELATED DOCUMENTS

WHEREAS, Title 10-B of the Public Authorities Law of the State of New York, as amended (the "Act") created the Niagara Falls Public Water Authority (the "Authority") with the authority and power to issue its revenue bonds for the purpose of among other things, planning, developing, acquiring, constructing and financing the cost of any facility (as defined in the Act), including the acquisition of facilities of the City of Niagara Falls ("the City") (the "System") by the Niagara Falls Water Board (the "Board") or for any other corporate purpose, including the establishment of reserves to secure the bonds, the payment of principal of, premium, if any, and interest on the bonds and the payment of incidental expenses in connection therewith; and

WHEREAS, the City has sold, transferred and otherwise conveyed the City's title and interest in the System to the Board; and

WHEREAS, the Board has approved capital improvements to be undertaken to the System consisting of the conversion of the wastewater treatment plant to a biological treatment process (the "Project") and has requested that the Authority finance same; and

WHEREAS, in connection therewith, it is now desired to authorize the issuance of not exceeding $10,025,000 of bonds to the New York State Environmental Facilities Corporation ("EFC"), including any notes issued in anticipation thereof (the "Bonds") plus any amounts necessary to fund reserves and to pay costs of issuance (with such amount to be reduced by grants), and to approve and authorize the execution of related documents; NOW, THEREFORE,

BE IT RESOLVED by the Niagara Falls Public Water Authority as follows:

Section 1. The Authority hereby finds and determines:

(a) By virtue of the Act, the Authority has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.

(b) It is desirable and in the public interest for the Authority to issue and sell the Bonds pursuant to a certain General Revenue Bond Resolution dated as of May 1, 2003 (the "General Resolution"), adopted by the Authority, and pursuant to a Supplemental Resolution(s) (the "Supplemental Resolution") by and between the Authority and Manufacturers and Traders Trust Company, as trustee (the "Trustee") (the Supplemental Resolution, collectively with the General Resolution, the "Resolution") and to use the proceeds of said Bonds to pay for the Project, any required reserves and costs of issuance.

Section 2. In consequence of the foregoing, the Authority hereby determines to: (i) issue and sell the Bonds pursuant to the Supplemental Resolution and the General Resolution; (ii) use the proceeds of the Bonds as previously described and as provided in the Supplemental Resolution, (iii) enter into each agreement hereafter identified in this resolution; and (iv) execute such

other documents and take such other action as may be necessary to effectuate the purposes of this resolution.

Section 3. The Authority is hereby authorized to issue, execute, sell and deliver the Bonds to EFC in the aggregate principal amount, maturing in such years at such amounts, in serial or term form, at the rate of interest and upon such terms as shall be approved by the Chairman or the vice-Chairman, provided that:

(a) The Bonds are hereby authorized to be issued, executed and delivered and shall be issued, executed and delivered at such time as the Chairman or the Vice-Chairman of the Authority shall determine.

(b) The Bonds shall be issued solely for the purposes previously described.

(c) The Bonds and the interest thereon are not and shall never be a debt of the State of New York or any political subdivision thereof other than the Authority, including without limitation the City of Niagara Falls, and neither the State of New York nor any political subdivision thereof other than the Authority, including without limitation the City of Niagara Falls, shall be liable thereon.

Section 4. The Authority is hereby authorized to enter into a Project Finance Agreement (the "Finance Agreement") with EFC and such other agreements and documents relating to the Bonds as required by EFC.

Section 5. The Bonds shall not be issued, executed or delivered until the prior approval of the State Comptroller shall have been obtained as required by the Act.

Section 6. (a) The Chairman or the vice-Chairman of the Authority are hereby authorized, on behalf of the Authority, to execute and deliver the Supplemental Resolution, the Bonds, and the Finance Agreement, all as described above (collectively, the "Financing Documents"), and the Secretary of the Authority is hereby authorized to affix the seal of the Authority to the Supplemental Resolution and the Bonds and to attest the same. The execution thereof by the Chairman or the Vice-Chairman shall constitute conclusive evidence of such approval.

(b) The Chairman or the vice-Chairman of the Authority are further hereby authorized, on behalf of the Authority, to designate any additional Authorized Representatives of the Authority (as used or defined in and pursuant to the Resolution) to execute, on behalf of the Authority, any Financing Documents.

Section 7. The members, officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the member, officer, employee or agent acting, desirable and proper to effect the purposes of this resolution and to cause

compliance by the Authority with all of the terms, covenants and provisions of the Financing Documents.

Section 8. This resolution shall take effect immediately and the Bonds are hereby ordered to be issued in accordance with this resolution.

At a regular meeting of the Niagara Falls Public Water Authority, held at the Authority's office, 5815 Buffalo Avenue, Niagara Falls, New York 14304, at 3:00 o'clock P.M., on the 10th day of September, 2025, the following members of the Authority were:

PRESENT:

ABSENT:

ALSO PRESENT:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the issuance and sale of the Authority's proposed Water System Revenue Bonds.

The following resolution was duly moved, seconded, discussed and adopted with the *following members voting in open session:*

AYE	NAY

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

I, the undersigned Secretary of the Niagara Falls Public Water Authority, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Niagara Falls Public Water Authority, including the resolution contained therein, held on September 10, 2025, with the original thereof on file in my office, and that the same is a true and correct transcript therefrom and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Authority had due notice of said meeting.

I FURTHER CERTIFY that, pursuant to Section 103 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public.

I FURTHER CERTIFY that, PRIOR to the time of said meeting, I duly caused a public notice of the time and place of said meeting to be given to the following newspapers and/or other news media as follows:

Newspaper and/or other news media	Date given
Niagara Gazette	September 5, 2025
Buffalo News	September 5, 2025
WKBW/7 News	September 5, 2025
WIVB/News 4	September 5, 2025
WBFO/Buffalo Toronto Public Media	September 5, 2025
Additional Notice	
Posted to the Exterior Posting Board of Authority's Office, 5815 Buffalo Avenue, Niagara Falls, NY 14304	September 5, 2025
Posted online to NFWB.org/news and NFWB.org/NFPWA	September 5, 2025

I FURTHER CERTIFY that PRIOR to the time of said meeting, I duly caused public notice of the time and place of said meeting to be conspicuously posted in the following designated public location on the following dates:

Designated Location of Posted Notice	Date of posting
None	

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority on September ___, 2025.

(CORPORATE SEAL)

Sean W. Costello, Secretary

NIAGARA FALLS WATER BOARD

WATER SYSTEM & WATER TREATMENT PLANT CAPITAL IMPROVEMENT PROJECTS ENGINEERING REPORT AND ESTIMATES

DWSRF No. 19056

Project No.	Description	Engineer
1	Hydrant Replacement, various locations	CPL
2	20-inch watermain - Beech Ave Storage Tank to Ontario St.	CPL
3	Large Valve Replacement, various locations	CPL
4	Laughlin Drive watermain	LaBella
5	Ontario Avenue watermain	LaBella
6	Van Rensselaer Avenue watermain	LaBella
7	Witkop Avenue and 85th Street Loop watermain	LaBella

ORIGINAL NOVEMBER 2021
REVISED JULY 2025

TABLE OF CONTENTS

LIST OF APPENDICES

I. General

The Niagara Falls Water Board (NFWB), is a public benefit corporation created in 2002 by a special act of the New York State Legislature and is NOT a facet or function of the municipal government of the City of Niagara Falls, NY. It does, however, presently own and operate the potable water and wastewater treatment systems and the storm water conveyance facilities within the corporate boundary of the City of Niagara Falls, New York and has done so since September 25th, 2003. The Niagara Falls Public Water Authority oversees the bonding and financing of the board's assets and has an annual operating budget approaching $30 Million (USD)

The NFWB continuously plans for improvements project to the water system and treatment plant for which a Capital Improvement Plan (Appendix C) has been created and frequently updated. Several projects noted on this Plan have been selected to be implemented. These projects have been identified as having the potential for the greatest positive impact on daily operations and system reliability. This is anticipated to be achieved via the elimination of aging/failing piping and its replacement with hydraulically sound and structurally stable materials. Ancillary benefits to be achieved include: decreased overtime/emergency repair crew costs, elimination of ancillary pavement, margin and related right-of-way restoration costs and the reduction in loss of service/private property damage claims. Improvements are needed for the treatment plant to provide control, security, chemical storage, chemical injections, and backup power to permit safe and continued supply of drinking water to the City of Niagara Falls.

As always, it is the Niagara Falls Water Board's intent through these projects to provide a safe and reliable potable water, fire protection, and to provide continuous year round water service to the residents of the City of Niagara Falls, New York.

An application is to be made with the New York State Environmental Facilities Corporation Drinking Water Sate Revolving Fund to assist with implementing these improvements.

II. Project Planning Areas

A. Location(s)

There are seven (7) separate water distribution projects, located throughout the City of Niagara Falls, New York:

1. W1 - Hydrant Replacement, various locations
2. W2 - 20 inch main from Beech Ave Storage Tank to Ontario Street
3. W3 - Large Valve Replacement, various locations
4. W17 - Laughlin Drive Main - 82nd Street to Bollier Avenue
5. W21 - Ontario Avenue Main - 18th Street to Main Street
6. W25 -Van Rensselaer Avenue - 900 Block
7. W29 - Witkop Avenue and 85th Street Loop

There are six (6) separate projects located at the water treatment plant:

1. WTP-2.1 - SCADA Control System Upgrades
2. WTP-2.2 - Security Upgrades
3. WTP-6.1 - Chlorine System Upgrades
4. WTP-6.2 - Emergency Backup Generator Upgrades
5. WTP-6.3 - HVAC Upgrades
6. WTP-6.4 - Fluoride System Upgrades

Please note that Appendix A consists of an annotated City-Wide Site Map locating each project area above. Appendix B notes location of improvements at the water treatment plant.

B. Joint Venture

The water distribution system and treatment plant lies exclusively within the City of Niagara Falls' right-of-way. For that reason, as well as to insure the most efficient use of resources within both entities for the residents they jointly serve, the Niagara Falls Water Board enters into all of its distribution projects with the municipality of Niagara Falls as eager and willing partners. Accommodations with respect to traffic control and detouring, emergency service response, refuse disposal/recycling during construction are all a product of the unique relationship the NFWB and the City of Niagara Falls shares.

C. Environmental Resources Present

The proposed improvements are located within areas of existing residential, commercial and industrial development. Work will be performed in areas of previous disturbance such as under roadways, sidewalks and tree lawn areas. There are no known sources of chemical, petroleum-based or radioactive contaminants within the project areas as they are presently defined, and no known wetland or historic preservation issues are expected.

D. Environmental Justice Areas

Per New York State GIS website “DECinfo Locator”, a majority of the City of Niagara Falls has areas of “Potential Environmental Justice Areas”. Many of the proposed improvements are located within these justice areas.

E. Growth Areas and Population Trends

According to the United States Census, the City of Niagara Falls, NY had a population of 50,193 in 2010 and 48,027 in 2020 per US Census estimates. This number reflects a population decrease of approximately 4.5%. This percentage reflects a slight slowing of the shrinkage rate the City has been experiencing for decades.

III. Existing Facilities

A. Location Map

The project areas are all located within the corporate boundary of the City of Niagara Falls, Niagara County, New York, as shown in Appendix A and Appendix B. For distribution improvements, the piping in question is located within/beneath an existing thoroughfare/travelled roadway. For treatment plant improvements, work will be located at the existing plant.

B. Existing Water Supply

The distribution system consists of approximately 260 miles of watermain piping with sizes from 2 to 30 inches and made of polyvinyl chloride (PVC), Asbestos Cement, reinforced concrete pipe (RCPP), cast iron, ductile iron, and high density polyethylene (HDPE). A majority of the piping is cast iron and ductile iron in the 4 to 12 inch size range. The system also contains approximately 5,000 valves that range in size from 4 inches to 72 inches along with approximately 2,300 hydrants.

Each of the proposed water distribution improvement project areas has experienced water supply deficiencies. Additionally, due to adverse soil conditions found in certain areas, depths of bury have been noted to be less than ideal for some of the deepest cold spells we can encounter each winter. For each of the projects proposed, the following shortcomings have been identified:

1. Reliability:
   Each location has suffered repeated and complete failure, interrupting water service to several dozens of homes in their immediate vicinity. Isolation measures needed to control (and eventually cease) water flow additionally affect hundreds more area residents and businesses. The City water systems consists of aged watermain of various materials that are in need or replacement.

2. High Cost to Rate Payers:
   Emergency responses needed to accommodate the failures described above force labor costs to spike dramatically. Additionally, as each break occurs, the restoration costs needed to replace washed out roadways, sewer laterals, natural gas systems and underground electric/phone appurtenances increase as well. On multiple occasions, these costs have been repeated due to repeat breaks involving the same issues requiring replacement.

3. Fire Protection:
   Each water main, valve and hydrant failure represents an interruption in fire protection for both the immediate failure area and those affected by the isolation procedures. It is critical to have these facilities operational to avoid lack of water during emergency situations.

4. Lead Materials:
   As the City water system is aged, lead containing materials exists for service laterals from the main to residences and businesses. In replacing watermains, the existing lead containing service laterals can be abandoned. New service laterals would then be installed using safe materials such as copper and plastic. The NFWB estimates that approximately 18,000 service connections exist.

C. Existing Water Treatment Plant

The water plant was constructed in the late 1990's and is located along the Niagara River near Interstate 190. Water from this river is directed into the plant from an intake pipe. Screening, sedimentation, filtration, fluoridation, chlorination and other chemical condition occurs before temporary storage in an onsite clear well. Several large pumps then pressurize finished water into the distribution system. The plant produces approximately 22.6 million gallons of potable water each day. The NFWB main office, testing facilities and meter shop are located at this facility. Since construction, minimal repairs or improvements have been performed.

Please find below detailed information on the existing facilities that are in need of improvements. Refer to Appendix H for photographs of these facilities.

1. SCADA Control System
   The current control system is original to the plant construction from late 1990's. Minimal improvements have been made to the system since then. System currently consists of programmable logic controllers (PLC's) that are connected to field devices such as motors, pumps, variable frequency drives (VFD's), analyzers, instruments and various other equipment. The PLC's are integral to the plant and control work by turning equipment on and off, lowering or raising equipment speeds, monitoring processes and recording data.

2. Security
   A main component of plant security is a metal chain link fence with barb wire around perimeter of plant. This fence is lengthy as it encompasses the plant buildings, clear well and surrounding grounds.

3. Chlorine System
   The existing chlorine system consists of bulk chlorine containers, , regulators, chlorinators, venturis, piping, valves, and injectors.

4. Emergency Backup Generator
   Backup power generation is provide by two (2) 1250 kilowatt diesel generators. Multiple maintenance and operation issues exist with these units such as transfer gears, controls and radiator. Generators are operated under a simplistic manual mode. Limited automated transfer is available that is only reliable in open transition. This results in plant power shutdown and requires manual restart and additional manpower. This is due to failing transfer switch gear and control systems. Additionally, the two main plant feed lies are not on automated transfer which further impairs ability to engage backup power during emergencies.

5. HVAC System

   Five (5) roof top HVAC units exist with currently one (1) operational and remaining four (4) inoperable. These units are original to plant construction in the late 1990's. The HVAC units are for heating and cooling administrative offices, maintenance rooms, lab room and control room as well as providing fresh air to the building and occupants.

6. Fluoride System

   The fluoride system consists of a wooden bulk storage tank with liner, motor, transfer pump and nearby ventilation equipment. Majority of system is from plant construction in late 1990's. One motor and transfer pump has been replaced in the past.

D. Districts

In the City of Niagara Falls, NY in general, and the proposed project location herein specified, the Niagara Falls Water Board is solely responsible for providing potable water service for both domestic and firefighting needs.

E. Water Demands

The existing traditional demands for the City of Niagara Falls in general are as follows. Refer to Appendix G 2020 Water Quality Report for further information :

Average Day	22.6M g.p.d.
Maximum Day	25.2M g.p.d.
Peak Hourly Rate	31.2M g.p.d.

IV. Need for Project

A. Water Distribution System

The water system is comprised of main, valves and hydrants that vary in age with some being over 100 hundred years old. Also, various pipe materials are used within the system such as cast iron, asbestos cement, concrete, ductile iron and PVC. Several of these older mains are undersized and are not sufficient for current operation.

1. System Operations & Maintenance Functions

   The aged mains, valves and hydrants result in fluctuation of flow, pressure, tuberculation, and freezing during winter. Each failure negatively impacts not only quality of life issues through service interruptions, but is very costly in terms of repeated water break damage restoration, increasing with each repeat occurrence.

2. Fire Protection

   Simply stated, interruptions in flow due to the water breaks themselves and the efforts associated in achieving an isolation of the water mains in question, hinder firefighting operations. In some instances, as in the immediate areas of the broken main, valves and hydrants, water for fire suppression may not be available for miles, necessitating trucking and ultimately, unwarranted exposure to risk.

B. Water Treatment Plant

The water treatment plant was built in the late 1990's and has been operational for approximately 25 years. Improvements, repairs and replacement of critical components are required. Failure to implement these projects would result in a plant unable to provide safe drinking water and also during emergency situations such as a power outage.

1. SCADA Control System

   The SCADA system is integral to the plant and a critical system for proper operation in producing safe drinking water. The existing control equipment is aged and in need of replacement and upgrades to allow for continued plant operation and integration of SCADA system improvements that have been made in the past 20 years. A poorly operating control system would result in treatment non-compliance, wasting of costly chemicals and electricity, possible damage to equipment such as pumps and motors, and significant operator labor to manual check and operate the water treatment system. Therefore, improvements are needed to replace aging control system and provide new, modern equipment that will enhance plant operation and reduce staff maintenance time. The existing control equipment and panels would be removed and replaced with new, standardized equipment. Additional sensors and data logging would be installed. Together, these improvements would allow for the treatment plant to operate at peak efficiency while required less maintenance.

2. Security

   The existing perimeter fence has had minimal repairs since installation in the late 1990's. Many sections are in poor condition and need replacement or repair. Preventing illegal access to a critical infrastructure item such as the water plant is paramount to proving safe drinking water to the City of Niagara Falls.

   Also, additional security cameras and key card/remote door control access is required to provide enhanced site security that is required for a critical infrastructure facility such as the treatment plant.

3. Chlorine System

   Improvements are needed to make the system more robust and redundant. Currently, an injection point is located at the raw water feed within plant. During low water pressure scenarios, the chlorine level is inefficient due to current equipment. Installation of a skid mounted system with two 5 horsepower pumps, variable frequency drives, pressure transducers and piping are necessary to provide proper chlorination levels and low water pressure occurrences. Additional piping would be installed to provide redundant feed lines.

4. Emergency Backup Generator

   Reliable, backup electricity during emergency situations is critical to allow treatment plant to continue producing drinking water and pressurize the distribution system. Without continued plant operation, fire hydrants would be unusable and lack of water at critical care facilities such as hospitals, police departments, assisted living facilities and residences. Loss of system pressure below 20 psi would result in boil water alerts further impacting these facilities. Therefore, improvements are needed to backup generator system to allow for proper operation during emergency situations. Improvements would consist of reconditioning the two existing generators, radiator repairs, replacing transfer and control equipment.

5. HVAC System

   Four out of five HVAC units are inoperable and not able to provide sufficient heating, cooling and air circulation for majority of the treatment plant. Operation of all units is required to provide a safe and healthy work environment for the office staff, operators and maintenance crews. Replacement of all units is required.

6. Fluoride System

   A majority of the system equipment is aged and beyond its useful life expectancy. Operation of system is automated (pump flow paced only), but there are no online or real time analyzers. This requires additional operator time to monitor and adjust the system. Also, necessary changes take some time to perform which could impair finished drinking water. The chemical feed piping is severely deteriorated due to constant chemical exposure and frequently cracks resulting in repairs. The day tank and bulk storage tank liner is in need of replacement to safely store fluoride chemicals. The fluoride chemical is very corrosive and has deteriorated majority of the system storage, piping and injection equipment which require replacement.

V. Alternatives Considered

A. Description

1. Existing System — "Null Alternative"

   Estimated Capital Cost: $0

   This alternative proposes to "do nothing". The water system and treatment plant would continue to be operated as is. Each watermain, valve and hydrant location of poor performance would continue to worsen while exposure to risk increases. Also, lead service laterals will still remain within the distribution system.

   The water plant performance would degrade from equipment failure and treatment non-compliance leading to insufficient safe drinking water. Also, plant operation during emergency events could not be available with failure of backup generator equipment.

   These facilities will continue to age, deteriorate and result in system failure without improvements.

2. Alternative 1— Water main, hydrant and valve replacements, and water treatment plant improvements.

   These facilities are aged with system components over 100 years old and equipment at treatment plant over 20 years ago. Continued maintenance, repairs and replacement of these items is required to provide safe and uninterruptable drinking water to the City of Niagara Falls. The NFWB maintains a Capital Improvement Plan that identifies improvements necessary to allow for providing this safe and reliable water. Below are items from this Capital Plan that have been selected by the NFWB for improvements. Refer to Appendix D for Engineers Cost Estimate.

   Estimated Capital Cost: $9,729,000

   Water System Estimated Capital Costs:

   W1 - Hydrant Replacement, various locations - $ 850k
   W2 - 20" main from Beech Ave Storage Tank to Ontario Street- $ 2M
   W3 - Large Valve Replacement, various locations - $ 1M
   W17 - Laughlin Drive Main - 82nd Street to Bollier Avenue - $ 929K
   W21 - Ontario Avenue Main - 13th Street to Main Street - $ 1.36M
   W25 - Van Rensselaer Avenue - 900 Block - $ 143K
   W29 - Witkop Avenue and 85th Street Loop - $ 839K

   Water Treatment Plant Estimate Capital Costs

   WTP-2.1 - SCADA Control System Upgrades - $ 500K
   WTP-2.2 - Security Upgrades - $ 50K
   WTP-6.1 - Chlorine System Upgrades - $500K
   WTP-6.2 - Emergency Backup Generator Upgrades - $500k
   WTP-6.3 - HVAC Upgrades - $600K
   WTP-6.4 - Fluoride System Upgrades - $458k

   This alternative proposes to install new water main, valves, hydrant and new non-lead water service. These will help to increase pressure and flow reliability with the added benefit of reduced water age. Also, improvements will be made to critical facilities at treatment plant that will allow for continued production of safe drinking water including during emergency situations to the City of Niagara Falls.

B. Design Criteria

The proposed water distribution system improvements system will be designed in accordance with the following reference standards:

- Any/all applicable AWWA Standard Requirements governing the Installation of
- Ductile Iron Water Mains
- The Recommended Standards for Water Works (Ten-State Standards)
- NYS Department of Health/Niagara County Health Dept.
- NYS Department of Transportation — restoration requirements
- City of Niagara Falls Standards for Construction within the Right-of-Way - Any/all applicable State and Local codes, laws and ordinances

C. Map

The proposed water distribution system improvements are shown schematically on the annotated NFWB Distribution System Map included in Appendix A. Proposed water treatment plant improvements are also shown on the annotated facility plans included in Appendix B.

D. Environmental Impacts

There are no anticipated negative environmental impacts associated with the project. However, an SEQR based environmental review will be performed for the project. All construction will be done in existing municipal Right-of-Ways (or legal easements, if necessary) and proper construction mitigation and restoration efforts will be implemented as dictated by the above-referenced construction standards

E. Advantages/Disadvantages

Although there are significant costs associated with Alternative 1, it is the only viable alternative that addresses any known or foreseeable deficiencies of the existing water system deficiencies more effectively than the "Null Alternative". The advantages of Alternative 1 are as follows:

1. It will replace the deteriorated water system with a system composed of superior materials utilizing modern installation procedures.
2. Provide improved pressures and flows through system.
3. It will restore reliability to both the domestic water users as well as the firefighting capabilities required for risk mitigation.
4. Will remove toxic lead containing materials from water system via service lateral replacement.
5. Reduce operating costs at treatment plant and emergency repairs in system.
6. Allow treatment plant to continue producing safe drinking water under emergency conditions.

VI. Recommended Alternative

The recommended alternative is **Alternative 1— Water main, hydrant and valve replacements, and water treatment plant improvements.**

A. Project Design

1. Water Treatment & Supply

The potable water treatment and supply will be from the Niagara Falls Water Board.

2. Storage

Additional storage is not required as part of these proposed project(s).

3. Pumping Stations

A pump station is not required as part of these proposed project(s).

4. Distribution Layout

The entire distribution network is shown in Appendix A of this report. The Niagara Falls Water Board is, and will continue to be responsible for system operation and maintenance.

5. Water Services

The portion of the water service from the right-of-way to the main line will be installed by the Niagara Falls Water Board for these referenced capital improvement project(s). All service line ownership and maintenance responsibilities will continue to be as dictated by existing local ordinances. Water Service piping size and materials will be as identified elsewhere in this report.

6. Hydraulic Analysis

The hydraulic analysis of the system includes the evaluation of available pressures and flows for the proposed water main extensions. Upon completing static and flow tests in the vicinities of the proposed projects, the following preliminary assessment is: It is anticipated, based on existing residential usage that no significant increase of consumption will be experienced. Average daily usage for the entire NFWB system will remain as listed earlier in this report as the areas slated for replacements each represents usage well below 1% of daily facility production.

Additionally, based on existing pressure and flow rates and the anticipated improvements to be obtained with new piping and valving it was determined the proposed system will provide pressures between 65 psi and 75 psi though traditional, diurnal and isolated event-driven (i.e. fire flows) peak flow ranges typically experienced.

B. Proposed Project Costs

Engineer's estimates for the Scoping/Preliminary Design portion of these proposed distribution system improvements are listed in Appendix D of this report.

They are based upon traditional bid item costs experienced by the City and the Water Board, adjusted statistically over the course of several decades, in addition to standard construction "Time & Material" Heavy/Highway Construction estimating techniques. Other significant factors considered in the estimate process is the NFWB's minimum requirements of a bonded and insured labor force paid at current NYSDOL Prevailing Wage Rates along with self enforced MWBE requirements.

[NOTE: These estimates are reflective of budgeted capital improvement project as a portion of a standard five year plan and as such, offer no calculations for borrowing or bonding costs]

VII. Miscellaneous Information

A. Service Line Information

1. A new water service line (Type "K" Copper, 1" nom. dia.) will be installed to all buildings, from the proposed new water main to the existing curb valve within the right-of-way, for connection to the public water system by a municipally licensed master plumber in adherence to all current local laws and ordinances.
2. Service Types/Quantities
    a. W1 - Hydrant Replacement, various locations.….0
    b. W2 - 20 inch main from Beech Ave Storage Tank to Ontario Street…0
    c. W3 - Large Valve Replacement, various locations….0
    d. W17 - Laughlin Drive Main - 82nd Street to Bollier Avenue…38 residential
    e. W21 - Ontario Avenue Main - 18th Street to Main Street…60 residential
    f. W25 - Van Rensselaer Avenue - 900 Block….8 residential
    g. (viii) W29 - Witkop Avenue and 85th Street Loop…54 residential

B. Fire Appurtenance Information

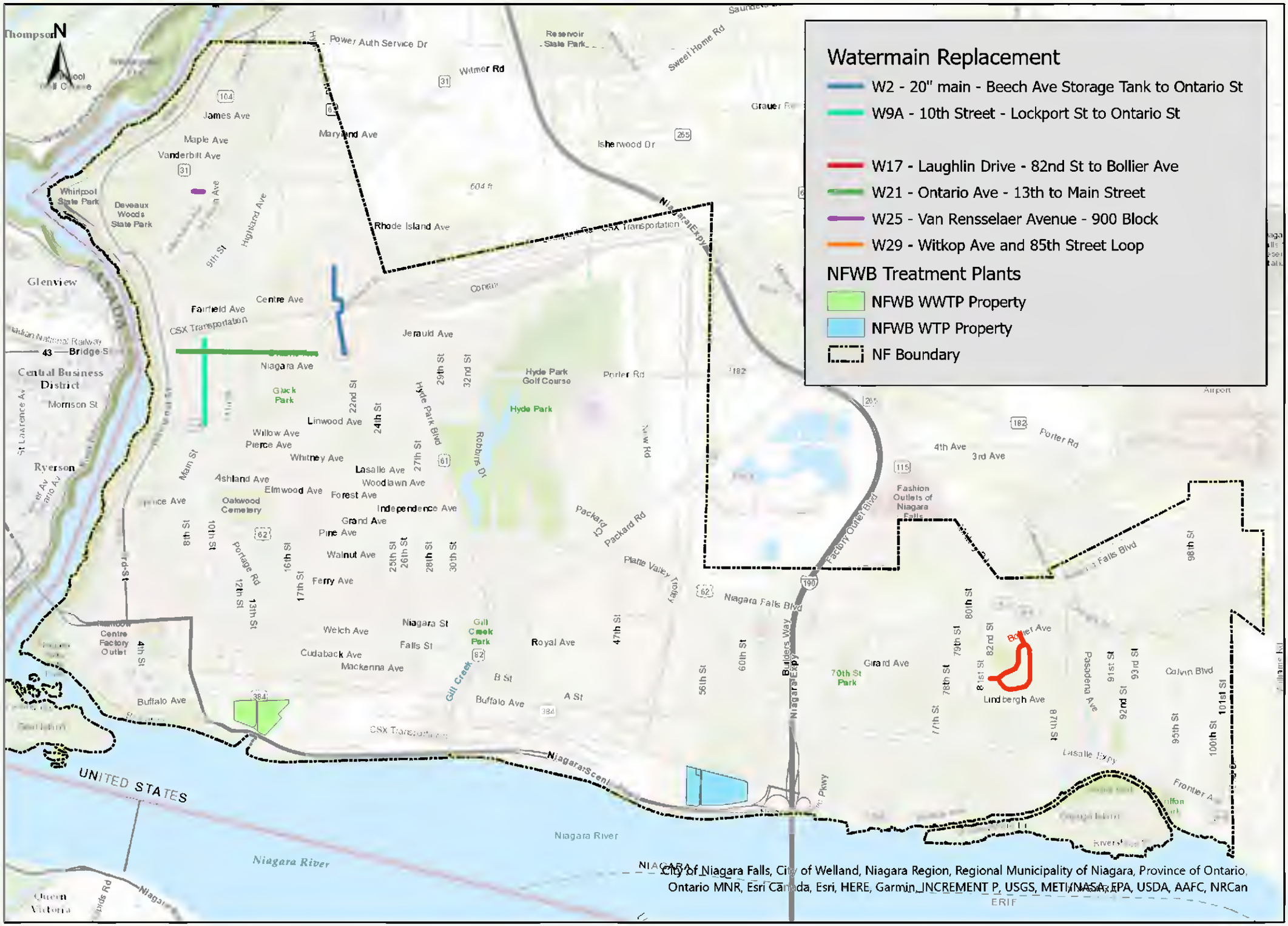
1. Standardization and modernization with installation of new ductile iron fire hydrants
2. Valving and thrust restraint optimized via modern specifications.
3. Installation of self-draining appurtenances avoiding extra winter maintenance
4. Revised/updated spacing to current specifications
    a. Revised placement also allows new hydrants to avoid modern traffic issues

VIII. Conclusions

The Niagara Falls Water Board and its partner, the City of Niagara Falls, NY, is committed to providing safe, reliable, lead free potable water supply and fire protection to its residents. These specific capital improvements project will be instrumental in preserving that goal. It is recommended that the Niagara Falls Water Authority, through the actions of its Board and the commissioning/submission of this report, seek funding for completion of the aforementioned projects.

Appendix A

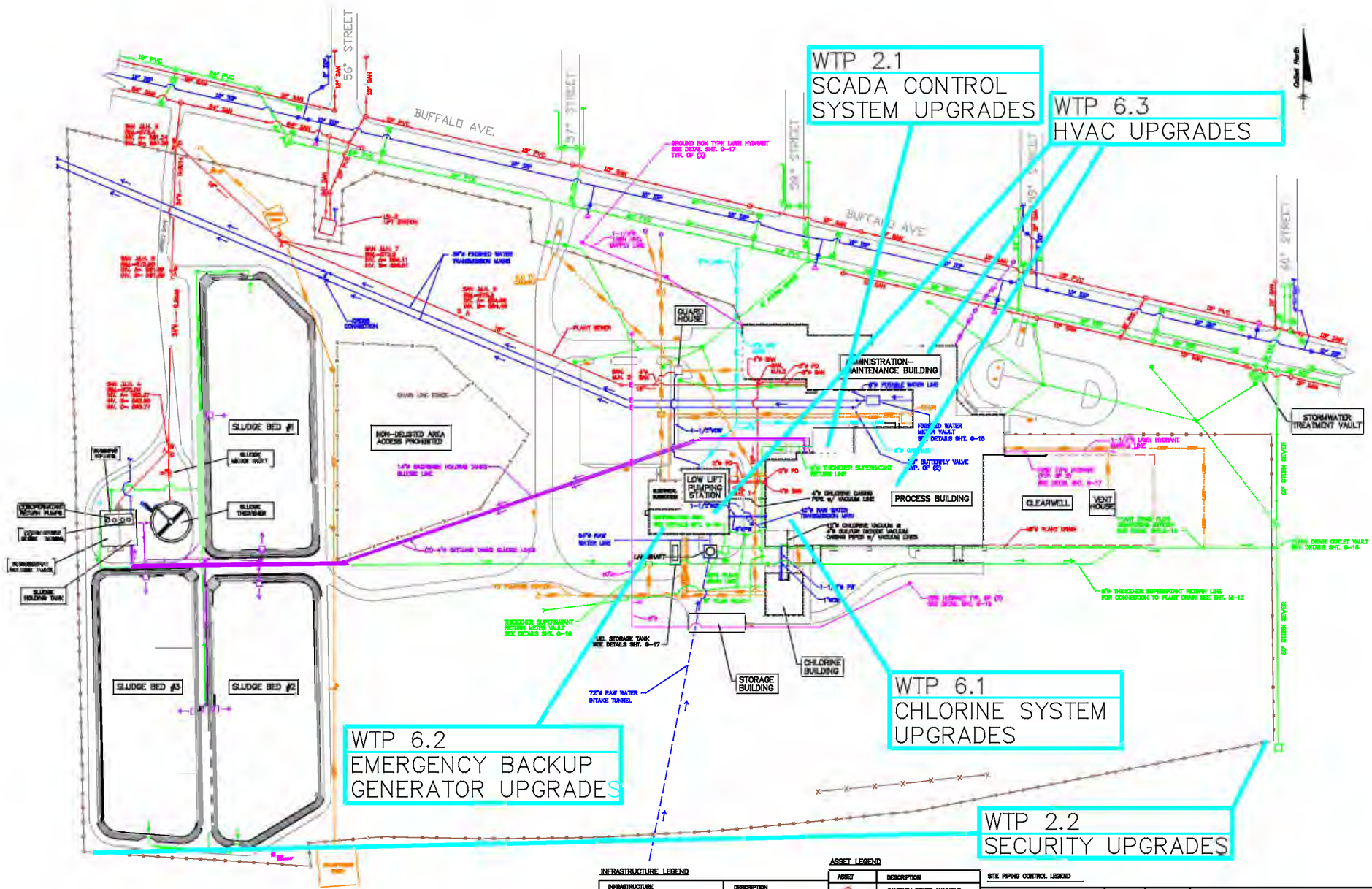
ANNOTATED NFWB SYSTEM MAP



NFWB - 2021 Project Locations

Appendix B

WATER TREATMENT PLANT SITE PLAN



INFRASTRUCTURE LEGEND

INFRASTRUCTURE	DESCRIPTION
	SANITARY SEWER
	STORM SEWER
	WATER MAIN
	GAS LINE
	WTP HYDRANT WATER LINE
	WTP STORM SEWER
	WTP RAINWATER INTAKE
	WTP SLUDGE PIPING
	WTP CHLORINE PIPING
	OVERHEAD ELECTRICAL WIRES
	UNDERGROUND ELECTRICAL WIRES
	OVERHEAD TELEPHONE WIRES
	UNDERGROUND TELEPHONE WIRES
	FENCE

ASSET LEGEND

ASSET	DESCRIPTION
	SANITARY SEWER MANHOLE
	STORM SEWER MANHOLE
	STORM SEWER CATCH BASIN
	WATER VALVE
	WATER HYDRANT
	POST TYPE WATER HYDRANT
	UTILITY POLE
	WATER-BREAK LINE
	SANITARY SEWER-BREAK LINE
	STORM SEWER-BREAK LINE
	GAS-BREAK LINE
	ELECTRICAL-BREAK LINE
	ELECTRICAL-PULL BOX
	POLE
	ELECTRICAL LIGHT POLE

SITE PIPING CONTROL LEGEND

STRUCTURE	NORTHING	EASTING	DESCRIPTION
FINISHED WATER METER VAULT	662.08	1784.67	OUTSIDE FACE OF EAST WALL AT CENTERLINE OF TRANS. MAIN
PLANT DRAIN DIST. VAULT	446.76	1537.80	OUTSIDE FACE OF EAST WALL AT CENTERLINE OF PLANT DRAIN
PLANT DRAIN FLOW MONITORING STA.	446.76	2269.02	CENTER OF M.H.
THICKENER SUPERNATANT RETURN METER VAULT	416.50	1430.00	OUTSIDE FACE OF EAST WALL AT CENTERLINE OF PIPE
THICKENED SLUDGE METER VAULT	550.00	729.00	OUTSIDE FACE OF SOUTH WALL AT CENTERLINE OF PIPE
SANITARY M.H. 1	537.25	1580.83	CENTER OF M.H.
SANITARY M.H. 2	677.25	1580.83	CENTER OF M.H.
SANITARY M.H. 3	677.25	1430.83	CENTER OF M.H.
SANITARY M.H. 4	578.33	729.08	CENTER OF M.H.
SANITARY M.H. 5	826.87	730.85	CENTER OF M.H.
SANITARY M.H. 6	765.89	1160.51	CENTER OF M.H.
SANITARY M.H. 7	877.80	994.31	CENTER OF M.H.
SANITARY M.H. 8	1009.57	747.99	CENTER OF M.H.

WTP Designed by Contract No.3 Sludge Beds and Storage Building built later
Checked by DSW
Updated by DSW

1"=50' 50 0 50 100

NIAGARA FALLS WATER BOARD

MICHAEL C. O'LAUGHLIN MUNICIPAL WATER PLANT

JOB: WIIA GRANT APPLICATION

FILE NO.

DATE 11/12/21

SHEET: 1

Appendix C

2021 CAPITAL IMPROVEMENT PLAN

NFWB 5 YEAR CAPITAL IMPROVEMENT PLAN (2022 - 2026) (WORK IN PROGRESS, 10-27-21 UPDATE) DATE: 11/9/2021 (WORK IN PROGRESS, 10-27-21 UPDATE)

ITEM	NO.	PROJECT NAME	PROJECT DESIGN AND ADMINISTRATION	CONTRACT AMOUNT	START	END	DAYS	PERCENT	CONSTRUCTION CONTRACTS	CONTRACT AMOUNT	CONSTRUCTION STATUS	FUNDING	FORECASTED EXPENDITURES 2022	2023	2024	2025	2026	Deferred
COMBINED PROJECTS (WATER AND WASTEWATER) - C																		
C	1	IT Plan Implementation	Develop & implement IT solution		1/1/21	12/31/21	312	86%	Ongoing - yearly		Ongoing - yearly	Annual Coverage Transfer	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000
C	2	Meter Replacement & Upgrades	Replace inaccurate & old meters		1/1/21	12/31/21	312	86%	Ongoing - yearly		Ongoing - yearly	Annual Coverage Transfer	$70,000	$70,000	$70,000	$70,000	$70,000	$70,000
C	3	Fleet Replacement	Replenish fleet		1/1/21	12/31/21	312	86%	Ongoing - yearly		Ongoing - yearly	Annual Coverage Transfer	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000
C	4	Water/sewer GIS/GPS Mapping	Document system assets		1/1/21	12/31/21	312	86%	Ongoing - yearly		Ongoing - yearly	Annual Coverage Transfer	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
C	5	Combined Projects - Miscellaneous	Projects not forecasted or based on an emergency		1/1/21	12/31/21	312	86%	As needed		As needed	Annual Coverage Transfer	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
												FORECASTED EXPENDITURES - SUBTOTALS PER YEAR	$285,000	$285,000	$285,000	$285,000	$285,000	$285,000
WASTEWATER TREATMENT PLANT INFRASTRUCTURE PROJECTS - WWTP																		
WWTP	1	Project No.1 - Sedimentation Basins and Scum Collection System Modification (WWTP Rehab Phase 4A)	Project no.1 of the NYSDEC Order on Consent Design/Bidding (AECOM) - completed Construction Administration (CPL) - ongoing	$409,000.00 $470,000.00	11/16/20	12/5/24	358	24%	General contract (Hohl Industrial) Electrical contract (CIR Electric) CONTRACTS TOTAL	$7,422,010.00 $894,100.00 $9,195,110.00	Working on basin no.5 concrete walls Ongoing Project completion anticipated in November 2024	SAM Grant #15688 Phase I Project 1 Bid Est. $9,195,110 #15688 Matching Funds	$1,326,975 $2,653,949 $1,326,975	$1,326,975 $2,653,949 $1,326,975	$1,326,975 $2,653,949			$0
WWTP	2	Project No.2 - Gorge Pump Station Rehabilitation (WWTP Rehab Phase 4B)	Project no.2 of the NYSDEC Order on Consent also includes WWTP-11.2 Design/Bidding (GHD) - completed Construction Administration (GHD) - ongoing	$198,230.00 $216,700.00	7/9/20	7/2/22	488	67%	General contract (STC Construction) Electrical Contract (CIR Electric) HVAC Contract (JW Danforth) CONTRACTS TOTAL	$3,215,000.00 $418,300.00 $964,400.00 $4,912,630.00	Ongoing Ongoing Ongoing September 2021 completion date to be extended	SAM Grant #15688 Phase I Project 2A Bid Est. $3,276,065 #15688 Matching Funds	$984,897 $1,969,794 $984,897					$0
WWTP	3	Project No.3 - Screenings and Grit Transport Equipment Improvements, Polymer Equipment Upgrades, and Dewatering Equipment Control Upgrades (WWTP Rehab Phase 4C)	Project no.3 of the NYSDEC Order on Consent Design/Bidding (Arcadis) - completed Construction Administration (Arcadis) - ongoing	$166,786.00 $147,529.00	12/18/20	12/31/21	326	86%	General contract (Hohl Industrial) Electrical contract (CIR Electric) CONTRACTS TOTAL	$1,527,000.00 $140,800.00 $1,982,115.00	Ongoing in Polymer area Ongoing in Polymer area September 2021 completion date likely extended	SAM Grant #15688 Phase I Project 3 Bid Est. $1,982,115 #15688 Matching Funds						$0
WWTP	4	Project No.4 - Granular Activated Carbon and Carbon Support Gravel Replacement (WWTP Rehab Phase 4D)	Project no.4 of the NYSDEC Order on Consent Design/Bidding (AECOM) - completed Construction Administration (AECOM) - completed	$66,608.00 $134,000.00					General Contract (Carbon Activated) CONTRACTS TOTAL	$1,798,840.00 $1,999,448.00	Completed	SAM Grant #15688 Phase I Project 4 Const. Est. $1,999,448 #15688 Matching Funds						$0
WWTP	5	Project No.5 - Electrical Systems Improvements (WWTP Rehab Phase 4E)	Project no.5 of the NYSDEC Order on Consent Design/Bidding (EI Team) - completed Construction Administration (EI Team) - on hold	$133,566.40 $65,374.40					Electrical Contract (TBD) CONTRACTS TOTAL	TBD TBD	On hold, received construction drawings (stamped and signed) on 9/14/21 No bids received on 8/26/21	SAM Grant #15688 Phase I Project 5 Cost Est. $2,610,000 #15688 Matching Funds	$240,649 $481,299 $240,649	$721,948 $1,443,896 $721,948				$0
WWTP	6	Project No.6 - Effluent Disinfection (WWTP Rehab Phase 4F)	Project no.6 of the NYSDEC Order on Consent Design/Bidding (AECOM) - completed Construction Administration (AECOM) - completed	$116,000.00 $74,000.00					Mechanical Contract (Mollenberg-Betz) Electrical contract (Ferguson Electric) CONTRACTS TOTAL	$1,366,000.00 $508,000.00 $2,064,000.00	Completed Completed	SAM Grant #15688 Phase I Project 6 Const. Est. $2,064,000 #15688 Matching Funds						$0
WWTP	7	Project No.7 - HVAC Improvements (WWTP Rehab Phase 4G)	Project no.7 of the NYSDEC Order on Consent Design/Bidding (EI Team) - completed Construction Administration (EI Team) - ongoing	$112,000.00 $28,520.00	7/21/21	8/1/22	111	30%	HVAC contract (JW Danforth) Electrical contract (CIR Electric) CONTRACTS TOTAL	$782,000.00 $177,363.00 $1,099,883.00	Submittals ongoing, long equipment lead times Submittals ongoing Mobilize May 2022, complete work in 90 days	SAM Grant #15688 Phase I Project 7 Bid Est. $1,099,883 #15688 Matching Funds	$503,802 $1,007,603 $503,802					$0
WWTP	8	Project No.8 - Backwash Blower & Piping (WWTP Rehab Phase 4H)	Project no.8 of the NYSDEC Order on Consent (In-House)						General Contract (NFWB) Mechanical Contract (Mollenberg-Betz)		Completed Completed	SAM Grant #15688 Phase I Project 8 Const. Est. $90,118 #15688 Matching Funds						$0
WWTP	9	Project No.9 - Interior Piping Improvements (WWTP Rehab Phase 4I)	Project no.9 of the NYSDEC Order on Consent Design/Bidding (JM Davidson) - completed Construction Administration (JM Davidson) - ongoing	$65,900.00 $25,525.00	8/5/21	3/2/22	96	46%	Mechanical contract (MLP Plumbing) CONTRACTS TOTAL	$428,300.00 $519,725.00	Submittals just starting Pre-con meeting held on 8/5/21 Final Completion Date: March 2, 2022	SAM Grant #15688 Phase I Project 9M Bid Est. $601,516 SAM Grant Matching Funds	$263,776 $527,551 $263,776					$0
WWTP	10	Project No.10 - SCADA Improvements (WWTP Rehab Phase 4J)	Project no.10 of the NYSDEC Order on Consent Construction Administration (CPL/NFWB) - ongoing		7/1/19		862		Phase I Design/Construction Contract (KAMAN) Phase II Design/Construction Contract (KAMAN) TOTAL	$352,450.00 $146,200.00 $498,650.00	Completed Ongoing	SAM Grant #15688 Phase I Project 10 Bid Est. $498,650 #15688 Matching Funds	$48,465 $96,930 $48,465	$48,465 $96,930 $48,465	$48,465 $96,930 $48,465			$0
WWTP	11.1	Project No.12 (WWTP Phase II Grant) - Wastewater Treatment Plant Protective Measures, Contract 68 (Canceled)	Project no.12 of the NYSDEC Order on Consent included with WWTP-15 below Design/Bidding (GHD) - original design completed, redesign (canceled) Construction Administration (GHD) - redesign (canceled)	$208,000.00 $325,700.00					General Contract	Canceled	The NFWB decided against appealing FEMA's Period of Performance extension request decision for the HMGP: 4204-0003 grant on 9/7/21	Sam Grant Project ID #15689 Cost Est. $3.92M (25%)= $980,000 #15689 Matching Funds						$0
WWTP	11.2	Project No.2 (WWTP Phase II Grant) - Relocate Outfall 003 from the Falls Street Tunnel to the Gorge Pump Station	Project no.2 of the NYSDEC Order on Consent (WWTP-11.2) Redirecting of CSO Outfall 003 flows to GPS Outfall 006 (work included in CIP item no. WWTP-2 Project No.2 Gorge Pump Station Rehabilitation above)	Included in Project No.2 above					General Contract (STC Construction)	Included in Project No.2 above	Completed	Sam Grant Project ID #19209 Project 2B Bid Est. $1,666,265 #19209 Matching Funds						$0
WWTP	11.3	Project No.11 (WWTP Phase II Grant) - Exterior Piping Improvements (Upgrades to the Sewer Line from Sedimentation Basin No.5)	Project no.11 of the NYSDEC Order on Consent Design/Bidding (JM Davidson) - completed Construction Administration (JM Davidson) - ongoing	$68,855.00 Included above	8/5/21	3/2/22	96	46%	General contract (JW Danforth) TOTAL	$626,800.00 $695,655.00	Submittals just starting Pre-con meeting held on 8/5/21 Final Completion Date: March 2, 2022	Sam Grant Project ID #19246 Project 11G Bid Est. $695,655 #19246 Matching Funds	$173,914 $347,828 $173,914					$0
WWTP	11.4	Project No.11 (WWTP Phase II Grant) - Exterior Piping Improvements (Replacement of Sludge and Hypochlorite Pipelines)	Project no.11 of the NYSDEC Order on Consent Design/Bidding (JM Davidson) - completed Construction Administration (JM Davidson) - ongoing	Included above Included above	8/5/21	3/2/22	96	46%	General contract (JW Danforth) TOTAL	Included above Included above	Submittals just starting Pre-con meeting held on 8/5/21 Final Completion Date: March 2, 2022	Sam Grant Project ID #20545 Project 11G Bid Est. $695,655 #20545 Matching Funds	$173,914 $347,828 $173,914					$0
WWTP	11.5	Project No.12 (WWTP Phase II Grant) - WWTP Intermediate Pump Upgrades	Project no.12 of the NYSDEC Order on Consent WWTP Intermediate Pump Assessment (TBD) - RFI to be developed Design/Bidding/Construction Administration & Inspection (TBD)	$75,000 TBD TBD					General Contract (TBD)	$3,000,000 TBD	Received approval letter from the NYSDEC on 9/14/21	SAM Grant #? WWTP Int. Pumps Project 12 Cost Est. $3,075,000 #? Int. Pumps Matching Funds	$37,500 $75,000 $37,500	$750,000 $1,500,000 $750,000	$750,000 $1,500,000 $750,000			$0
WWTP	12	WWTP Roof Repairs	Replace & repair large sections of the WWTP roofs						Potential 2021 grant application		Potential 2021 grant application	2021 grant application (TBD) Project Cost Estimate $2,000,000 Future Matching Funds		$600,000 $1,000,000 $400,000	$600,000 $1,000,000 $400,000			$1,800,000
WWTP	13	WWTP Chemical Bulk Storage	Replacement of sodium hypochlorite tank no.216						Potential 2021 grant application		Potential 2021 grant application	2021 grant application (TBD) Project Cost Estimate $150,000 Future Matching Funds		$90,000 $150,000 $60,000				$50,000
WWTP	14	WWTP Structural/Masonry Repairs	Repair aging and failing structural components						Potential 2021 grant application		Potential 2021 grant application	2021 grant application (TBD) Project Cost Estimate $150,000 Future Matching Funds		$90,000 $150,000 $60,000				$554,000
WWTP	15	Wastewater Treatment Plant Protective Measures, Contract 68 (Canceled)	Flood Hazard Mitigation Grant Project included with WWTP-11.1 above Design/Bidding (GHD) - original design completed, redesign (canceled)	Included in WWTP-11.1 above					General Contract	Canceled	The NFWB decided against appealing FEMA's Period of Performance extension request decision for the HMGP: 4204-	FEMA Grant #4204-0003 Phase II Cost Est. $3.92M (75%)= $2,940,000						$0
WWTP	15	WWTP Biological Conversion Projects (3 phases of construction)	Necessary to improve effluent water quality and meet regulatory standards						Future grant application		Future grant application	Project Cost Estimate $188,371,200						$0
WWTP	15	WWTP Biological Conversion - MBR System Design and Bidding	Necessary to improve effluent water quality and meet regulatory standards						Future grant application		Future grant application	Future grant application (TBD) Project Cost Estimate $34,233,200 Future Matching Funds						$0
WWTP	15.1	WWTP Biological Conversion - Construction (Phase 1)	Necessary to improve effluent water quality and meet regulatory standards						Future grant application		Future grant application	Future grant application (TBD) Project Cost Estimate $51,379,333 Future Matching Funds						$0
WWTP	15.2	WWTP Biological Conversion - Construction (Phase 2)	Necessary to improve effluent water quality and meet regulatory standards						Future grant application		Future grant application	Future grant application (TBD) Project Cost Estimate $51,379,333 Future Matching Funds						$0
WWTP	15.3	WWTP Biological Conversion - Construction (Phase 3)	Necessary to improve effluent water quality and meet regulatory standards						Future grant application		Future grant application	Future grant application (TBD) Project Cost Estimate $51,379,333 Future Matching Funds						$0
WWTP	16	WWTP Standby Generator	Necessary to improve effluent water quality and meet regulatory standards						Potential 2021 grant application		Potential 2021 grant application	Future grant application (TBD) Project Cost Estimate $500,000 Future Matching Funds		$300,000 $500,000 $200,000				$0
WWTP	17	WWTP Infrastructure Projects - Miscellaneous	Repairs / replacements not associated with Phased Projects		1/1/21	12/31/21	312	86%	As needed		As needed	Annual Coverage Transfer	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
												SAM Grant #15688 Phase I	$3,368,563	$2,097,387	$1,375,440	$0	$0	
												#15688 Matching Funds	$3,368,563	$2,097,387	$1,375,440	$0	$0	
												SAM Grant #19246	$173,914	$0	$0	$0	$0	
												#19246 Matching Funds	$173,914	$0	$0	$0	$0	
												Sam Grant #20545	$173,914	$0	$0	$0	$0	
												#20545 Matching Funds	$173,914	$0	$0	$0	$0	
												SAM Grant #? WWTP Int. Pumps	$37,500	$750,000	$750,000	$0	$0	
												#? Int. Pumps Matching Funds	$37,500	$750,000	$750,000	$0	$0	
												2021 grant application (TBD)	$0	$1,090,000	$600,000	$0	$0	
												Future Matching Funds	$0	$720,000	$400,000	$0	$0	
												Annual Coverage Transfer	$100,000	$100,000	$100,000	$100,000	$100,000	
												FORECASTED EXPENDITURES - SUBTOTALS PER YEAR	$7,607,781	$7,594,775	$5,350,879	$100,000	$100,000	$2,504,000

FEMA GRANT PROJECT #4204-0003 Phase II (total grant amount = $2,853,778) - $ AMOUNT PD
Project has been eliminated
Project or work has been completed
Project or work is ongoing
TBD - To Be Determined

NFWB 5 YEAR CAPITAL IMPROVEMENT PLAN (2022 - 2026) (WORK IN PROGRESS, 10-27-21 UPDATE) DATE: 11/9/2021 (WORK IN PROGRESS, 10-27-21 UPDATE)

ITEM	NO.	PROJECT NAME	PROJECT DESIGN AND ADMINISTRATION	CONTRACT AMOUNT	START	END	DAYS	PERCENT	CONSTRUCTION CONTRACTS	CONTRACT AMOUNT	CONSTRUCTION STATUS	FUNDING	FORECASTED EXPENDITURES 2022	2023	2024	2025	2026	Deferred
SEWER INFRASTRUCTURE PROJECTS - S																		
S	1	GPS Elevator	Replace and upgrade GPS elevator						General Contract (Hohl Industrial/DCB Elevator)		Completed	COMPLETED						$0
S	2	Sanitary Lift Station Electrical Upgrades	Provide standby power generation and SCADA to lift stations						Electrical Contract (Ferguson Electric/KAMAN)		Completed	COMPLETED						$0
S	3	LaSalle Area Sewer Improvements (SSO)	Engineering Planning Grant Projects Engineering & SSES Study (Arcadis) - on hold WQIP Grant Projects Design/Bidding (Arcadis) - TBD Sewer repairs to mitigate SSO's - TBD						Engineering draft report completed, 2021 EPG and WQIP grant applications submitted on 7/30/21		TBD	EPG Grant (TBD) Project Cost Estimate $180,000 EPG Matching Grant Funds (TBD) WQIP Grant (TBD) Project Cost Estimate (TBD) WQIP Matching Grant Funds (TBD)	$100,000 $250,000 $150,000 $433,333 $288,889	 $325,000 $433,333 $288,889	 $325,000 $433,333 $288,889	 $325,000 $433,333 $288,889		$0 $0
S	4	Combined Sewer Overflow Long Term Control Plan (CSO LTCP) Implementation	Implement sewer improvements to mitigate CSO's						On hold (* part of WWTP-2)		On hold (* part of WWTP-2)	ON HOLD						$0
S	5	CSO Outfall Structural Repairs	Repairs to CSO outfalls on lower river						On hold (* part of WWTP-2)		On hold (* part of WWTP-2)	ON HOLD						$1,000,000
S	6	Tunnel Inspection	Inspect large diameter conveyance systems						On hold (* part of WWTP-2)		On hold (* part of WWTP-2)	ON HOLD						$350,000
S	7	Falls Street Tunnel Regulator Repairs	Electrical and air leak repairs to the FST regulators						Completed (NFWB)		Completed (NFWB)	COMPLETED						$0
S	8	Sewer/GPS Infrastructure Projects - Miscellaneous	Sewer/GPS projects not forecasted or arise based on an emergency situation		1/1/21	12/31/21	312	86%	As needed		As needed	Annual Coverage Transfer	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
												Grants	$100,000	$325,000	$325,000	$325,000	$0	
												Matching Grant Funds (TBD)	$350,000	$308,333	$308,333	$308,333	$0	
												Annual Coverage Transfer	$100,000	$100,000	$100,000	$100,000	$100,000	
												FORECASTED EXPENDITURES - SUBTOTALS PER YEAR	$350,000	$533,333	$533,333	$533,333	$100,000	$1,450,000
WATER TREATMENT PLANT INFRASTRUCTURE PROJECTS - WTP																		
WTP	1	WTP Pump Replacements	Replacement of old WTP pumps necessary to process drinking water						Ongoing		Ongoing	Annual Coverage Transfer	$30,000	$30,000	$30,000	$30,000	$30,000	$100,000
WTP	2.1	WTP SCADA Control System Upgrades	Automate WTP operations and perform necessary VA identified upgrades						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD) Project Cost Estimate $500,000 Future EFC Matching Funds		$150,000 $250,000 $100,000	$150,000 $250,000 $100,000			$0
WTP	2.2	WTP Security Upgrades	Automate WTP operations and perform necessary VA identified upgrades						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD) Project Cost Estimate $50,000 Future EFC Matching Funds		$15,000 $25,000 $10,000	$15,000 $25,000 $10,000			$0
WTP	3	WTP Vent Line Replacement	Replace corroding process vent piping						On hold		On hold	ON HOLD						$100,000
WTP	4	WTP Laboratory Instrumentation	New instruments for sample analysis						As needed		As needed	As needed						$100,000
WTP	5	WTP Roofing Work	Repair aging and failing structural components						2021 - Highland Masonry		As needed	Annual Coverage Transfer	$50,000	$50,000	$50,000	$50,000	$50,000	$125,000
WTP	6	WTP Building Improvements and Caulking	WTP renovations necessary for operation						As needed (RFP being developed for HVAC Improvements)		As needed	Annual Coverage Transfer	$50,000	$50,000	$50,000	$50,000	$50,000	$150,000
WTP	6.1	WTP Chlorine System Upgrades	WTP renovations necessary for operation						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD) Project Cost Estimate $500,000 Future EFC Matching Funds		$150,000 $250,000 $100,000	$150,000 $250,000 $100,000			$0
WTP	6.2	WTP Emergency Backup Generator Upgrades	WTP renovations necessary for operation						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD) Project Cost Estimate $500,000 Future EFC Matching Funds		$150,000 $250,000 $100,000	$150,000 $250,000 $100,000			$0
WTP	6.3	WTP HVAC Rooftop & Make Up Air	WTP renovations necessary for operation						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD) Project Cost Estimate $600,000 Future EFC Matching Funds		$180,000 $300,000 $120,000	$180,000 $300,000 $120,000			$0
WTP	6.4	WTP Fluoride System Upgrades	WTP renovations necessary for operation						2021 grant application submitted 10/1/21		2021 grant application submitted 10/1/21	2021 EFC Grant Application (TBD) Project Cost Estimate $458,000 Future EFC Matching Funds		$180,000 $300,000 $120,000	$180,000 $300,000 $120,000			$0
WTP	7	Water Treatment Plant Infrastructure Projects - Miscellaneous	WTP projects not forecasted or arise based on an emergency situation		1/1/21	12/31/21	312	86%	As needed		As needed	Annual Coverage Transfer	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
												2021 EFC Grant Application (TBD)	$0	$825,000	$825,000	$0	$0	
												Future EFC Matching Funds	$0	$495,000	$495,000	$0	$0	
												Annual Coverage Transfer	$230,000	$230,000	$230,000	$230,000	$230,000	$675,000
												FORECASTED EXPENDITURES - SUBTOTALS PER YEAR	$230,000	$1,605,000	$1,605,000	$230,000	$230,000	

PROJECT GRANT FUNDING LEGEND

Wastewater Infrastructure Engineering Planning Grant Project No.93794 (total grant amount = $100,000)

2021 EPG and WQIP grant applications submitted on 7/31/21

2021 NYS EFC WIIA Grant Projects, Drinking Water State Revolving Fund (DWSRF)
Potential Grant Application

2021 NYSDOH Grant Funding for Drinking Water Fluoridation

NFWB 5 YEAR CAPITAL IMPROVEMENT PLAN (2022 - 2026) (WORK IN PROGRESS, 10-27-21 UPDATE) DATE: 11/9/2021 (WORK IN PROGRESS, 10-27-21 UPDATE)

ITEM	NO.	PROJECT NAME	PROJECT DESIGN AND ADMINISTRATION	CONTRACT AMOUNT	START	END	DAYS	PERCENT	CONSTRUCTION CONTRACTS	CONTRACT AMOUNT	CONSTRUCTION STATUS	FUNDING	FORECASTED EXPENDITURES 2022	2023	2024	2025	2026	Deferred
WATER INFRASTRUCTURE PROJECTS - W																		
W	1	Hydrant Replacement	Hydrant Replacement - old and inoperable hydrants						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD)	$102,000	$102,000	$102,000	$102,000	$102,000	$80,000
												Project Cost Estimate $850,000	$170,000	$170,000	$170,000	$170,000	$170,000	
												Future EFC Matching Funds	$68,000	$68,000	$68,000	$68,000	$68,000	
W	2	20 inch main from Beech Ave Storage Tank to Ontario Street	Water Main Replacement - CIPP lining of water mains near Beech Avenue Water Tank						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD)			$600,000	$600,000		$6,000,000
												Project Cost Estimate $2,000,000			$1,000,000	$1,000,000		
												Future EFC Matching Funds			$400,000	$400,000		
W	3	Large Valve Replacement	Valve Replacement - water valves >12"						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD)	$120,000	$120,000	$120,000	$120,000	$120,000	$50,000
												Project Cost Estimate $1,000,000	$200,000	$200,000	$200,000	$200,000	$200,000	
												Future EFC Matching Funds	$80,000	$80,000	$80,000	$80,000	$80,000	
W	4	Buffalo Avenue Water Valves	Valve Replacement - water valves that are damaged						Completed (NYSDOT Project)		Completed (NYSDOT Project)	COMPLETED						$0
W	5	Leak Detection / Distribution Modeling	Water Distribution Study - Identify and control system losses						TBD		TBD	Annual Coverage Transfer		$50,000				$150,000
W	6	Abandon 20" Victory Pipe WM	Water Main Abandon - unnecessary and failing watermain						Eliminated - covered by items W2 & W10		Eliminated - covered by items W2 & W10	ELIMINATED						$0
W	7	Loop "D" Street Main - Falls Street to Gill Creek	Install new automatic blow-off						Completed (NFWB)		Completed (NFWB)	COMPLETED						$0
W	8	Loop Niagara Avenue Main to Parkview Drive	Install new automatic blow-off						On going in house by NFWB		On going in house by NFWB	Annual Coverage Transfer	$7,000					$0
W	9	10th Street and Michigan Avenue Mains - Lockport Street to Ontario Avenue (8") and 10th Street to 11th Street (8")	Water Main Replacement - replace main and install new services						TBD		TBD	2018 NYS EFC WIIA Grant		$450,000				$0
			Design/Bidding (City Engineering) - ongoing		8/5/20		461					Project Cost Estimate $750,000		$750,000				
			Construction Administration (City Engineering/NFWB) - 2022									2018 EFC Grant Matching Funds		$300,000				
W	10	18th Street Main - Ontario Avenue to Whitney Avenue (14" PE Sliplining)	Water Main Replacement - replace main and install new services						TBD		TBD	2018 NYS EFC WIIA Grant	$330,000	$330,000				$0
			Design/Bidding - (City Engineering) - CPL proposal to complete work 9/24/21	$108,850.00	10/25/21		15					Project Cost Estimate $1,100,000	$550,000	$550,000				
			Construction Administration (CPL/NFWB) - 2022									2018 EFC Grant Matching Funds	$220,000	$220,000				
W	11	77th Street Main - Frontier Avenue to Niagara Falls Boulevard (8")	Water Main Replacement - replace main and install new services						TBD		TBD	2018 NYS EFC WIIA Grant	$330,000	$330,000				$0
			Design/Bidding (CPL) - ongoing, proposal received 6/1/21, approved 6/28/21	$77,390.00	6/28/21		134					Project Cost Estimate $1,100,000	$550,000	$550,000				
			Construction Administration (CPL) - 2022	$82,410.00								2018 EFC Grant Matching Funds	$220,000	$220,000				
W	12	80th Street - Niagara Falls Blvd. to Rick Manning Drive	Water Main Replacement - replace main and install new services						Potential future grant application		Potential future grant application	Future EFC grant application				$180,000		$0
												Project Cost Estimate $300,000				$300,000		
												Future EFC Matching Funds				$120,000		
W	13	81st Street Main - Frontier Avenue to Niagara Falls Boulevard	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$850,000
W	14	Bollier Avenue Main - 82nd Street to Military Road	Water Main Replacement - replace main and install new services						General Contract (4th Generation Construction)		Completed - 2020	2017 NYS EFC WIIA Grant						$0
												Project Bid Estimate $534,810						
												2017 EFC Grant Matching Funds						
W	15	College Terrace - Madison to College Avenue	Water Main Replacement - replace main and install new services						Potential future grant application		Potential future grant application	Future EFC grant application				$93,000		$0
												Project Cost Estimate $155,000				$155,000		
												Future EFC Matching Funds				$62,000		
W	16	LaSalle Avenue Main - Hyde Park Blvd to 11th Street	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$1,600,000
W	17	Laughlin Drive Main - 82nd Street to Bollier Ave	Water Main Replacement - replace main and install new services						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD)			$556,844			$0
												Project Cost Estimate $928,074			$928,074			
												Future EFC Matching Funds			$371,230			
W	18	McKoon Avenue Main - DeVeaux Avenue to James Avenue	Water Main Replacement - replace main and install new services						Potential future grant application		Potential future grant application	Future EFC grant application				$528,000		$0
												Project Cost Estimate $880,000				$880,000		
												Future EFC Matching Funds				$352,000		
W	19	Military Road Main - Jacob Place to Bollier Avenue	Water Main Replacement - replace main and install new services						TBD		TBD	2018 NYS EFC WIIA Grant	$120,000					$0
			Design/Bidding (Urban Engineers) - ongoing		8/5/20		461					Project Cost Estimate $200,000	$200,000					
			Construction Administration (Urban Engineers) - 2021									2018 EFC Grant Matching Funds	$80,000					
W	20	Military Road Main - Jacob Place to Cayuga Drive	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$210,000
W	21	Ontario Avenue Main - 13th Street to Main Street	Water Main Replacement - replace main and install new services						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD)				$493,510		$0
												Project Cost Estimate $822,517				$822,517		
												Future EFC Matching Funds				$329,007		
W	22	Pierce Avenue Main - 11th Street to 18th Street	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$570,000
W	23	Pierce Avenue Main - 18th Street to Hyde Park Blvd.	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$750,000
W	24	Rivershore Drive Main - S.86th Street to 91st Street	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$280,000
W	25	Van Rensselaer Ave - 900 Block	Water Main Replacement - replace main and install new services						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD)			$84,069			$0
												Project Cost Estimate $140,115			$140,115			
												Future EFC Matching Funds			$56,046			
W	26	Welch Avenue Main - 19th Street to 24th Street (16")	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$600,000
W	27	Whitney Avenue Main - 11th Street to Hyde Park Blvd.	Water Main Replacement - replace main and install new services						TBD		TBD	2018 NYS EFC WIIA Grant	$555,000	$555,000				$0
			Design/Bidding (CPL) - ongoing, proposal received 6/1/21, approved 6/28/21	$134,920.00	6/28/21		134					Project Cost Estimate $1,850,000	$925,000	$925,000				
			Construction Administration (CPL) - 2022	$118,070.00								2018 EFC Grant Matching Funds	$370,000	$370,000				
W	28	Willow Avenue Main - 11th Street to 17th Street (8")	Water Main Replacement - replace main and install new services						On hold		On hold	ON HOLD						$460,000
W	29	Witkop Avenue and 85th Street Loop (all 8")	Water Main Replacement - replace main and install new services						Potential 2021 grant application		Potential 2021 grant application	2021 EFC Grant Application (TBD)			$500,780			$0
												Project Cost Estimate $834,633			$834,633			
												Future EFC Matching Funds			$333,853			
W	30	Water Infrastructure Projects - Miscellaneous	Water Projects - not forecasted or arise based on an emergency situation		1/1/21	12/31/21	312	86%	TBD		As needed	Annual Coverage Transfer	$120,000	$120,000	$120,000	$120,000	$120,000	$100,000
												2018 NYS EFC WIIA Grant	$1,335,000	$1,665,000	$0	$0	$0	
												2018 EFC Grant Matching Funds	$890,000	$1,110,000	$0	$0	$0	
												2021 NYS EFC WIIA Grant	$222,000	$222,000	$1,963,693	$1,315,510	$222,000	
												2021 EFC Grant Matching Funds	$148,000	$148,000	$1,309,129	$877,007	$148,000	
												Future EFC grant application	$0	$0	$0	$801,000	$0	
												Future EFC Matching Funds	$0	$0	$0	$534,000	$0	
												Annual Coverage Transfer	$127,000	$170,000	$120,000	$120,000	$120,000	
												FORECASTED EXPENDITURES - SUBTOTALS PER YEAR	$2,722,000	$3,315,000	$3,392,822	$3,647,517	$490,000	$11,700,000
												FORECASTED EXPENDITURES -TOTALS PER YEAR	$11,194,781	$13,333,108	$11,167,035	$4,795,850	$1,205,000	$16,614,000

Project No.18435 (total grant amount = $240,000)

2018 NYS EFC WIIA Grant Projects, Drinking Water State Revolving Fund (DWSRF)
Project No.18588 (total grant amount = $3,000,000)

2021 NYS EFC WIIA Grant Projects, Drinking Water State Revolving Fund (DWSRF)
Potential Grant Application

Project has been eliminated

Red font means not currently in place

TBD - To Be Determined

TOTAL FORECASTED EXPENDITURES

Fund Sources Total	2022	2023	2024	2025	2026	Sum 2022 - 2026
Annual Coverage Transfer	$842,000	$885,000	$835,000	$835,000	$835,000	$4,232,000
Current Grants	$5,088,891	$4,512,387	$2,125,440	$0	$0	$11,726,718
Current Grant Matching Funds	$4,643,891	$3,957,387	$2,125,440	$0	$0	$10,726,718
Future Grants	$322,000	$2,452,000	$3,713,693	$2,441,510	$222,000	$9,151,203
Future Grant Matching Funds	$298,000	$1,526,333	$2,367,462	$1,519,340	$148,000	$5,859,136
FORECASTED EXPENDITURES -TOTALS PER YEAR	$11,194,781	$13,333,108	$11,167,035	$4,795,850	$1,205,000	$41,695,774

Appendix D

ENGINEER ESTIMATES

Item W1 - Hydrant Replacement, various locations

QUANTITY	UNITS	DESCRIPTION	UNIT COST	TOTAL COST
100	EA	New Hydrant Assembly	$7,500.00	$750,000.00
100	EA	Ex. Hydrant Assembly Removal	$1,000.00	$100,000.00
			TOTAL	**$850,000.00**

Item W2 - 20 inch main from Beech Ave Storage Tank to Ontario Street

20th St. - 20" Watermain sliplining with 14" PE pipe

QUANTITY	UNITS	DESCRIPTION	UNIT COST	TOTAL COST
1	LS	Project Survey & Stakeout	$11,025.00	$11,025.00
0	EA	Tap & Crop. Stop (1" dia.)	$500.00	$0.00
900	LF	Cleaning	$35.00	$31,500.00
1800	LF	Video	$10.00	$18,000.00
3	EACH	Butterfly Valves (14" dia.)	$10,000.00	$30,000.00
900	EACH	Polyethylene Pipe (14" dia.)	$230.00	$207,000.00
1	LS	Abandon Existing Watermain	$15,000.00	$15,000.00
3	EACH	Watermain Interconnections	$22,000.00	$66,000.00
1	LS	Maint./Traffic control	$29,400.00	$29,400.00
1	LS	Mobilization	$18,375.00	$18,375.00
			SUBTOTAL	**$426,300.00**

Centre Ave. - 20" Watermain sliplining with 14" PE pipe

QUANTITY	UNITS	DESCRIPTION	UNIT COST	TOTAL COST
1	LS	Project Survey & Stakeout	$23,325.75	$23,325.75
0	EA	Tap & Crop. Stop (1" dia.)	$500.00	$0.00
1665	LF	Cleaning	$35.00	$58,275.00
3330	LF	Video	$10.00	$33,300.00
9	EACH	Butterfly Valves (14" dia.)	$10,000.00	$90,000.00
1665	EACH	Polyethylene Pipe (14" dia.)	$230.00	$382,950.00
1	LS	Abandon Existing Watermain	$15,000.00	$15,000.00
9	EACH	Watermain Interconnections	$22,000.00	$198,000.00
1	LS	Maint./Traffic control	$62,202.00	$62,202.00
1	LS	Mobilization	$38,876.25	$38,876.25
			SUBTOTAL	**$901,929.00**

21st St. (Centre Ave. to Ontario Ave.) - 20" Watermain sliplining with 14" PE pipe

QUANTITY	UNITS	DESCRIPTION	UNIT COST	TOTAL COST
1	LS	Project Survey & Stakeout	$17,395.50	$17,395.50
0	EA	Tap & Crop. Stop (1" dia.)	$500.00	$0.00
1610	LF	Cleaning	$35.00	$56,350.00
3220	LF	Video	$10.00	$32,200.00
4	EACH	Butterfly Valves (14" dia.)	$10,000.00	$40,000.00
1610	EACH	Polyethylene Pipe (14" dia.)	$230.00	$370,300.00
1	LS	Abandon Existing Watermain	$15,000.00	$15,000.00
3	EACH	Watermain Interconnections	$22,000.00	$66,000.00
1	LS	Maint./Traffic control	$46,388.00	$46,388.00
1	LS	Mobilization	$28,992.50	$28,992.50
			SUBTOTAL	**$672,626.00**
			TOTAL	**$2,000,855.00**

Item W3 - Large Valve Replacement, various locations

QUANTITY	UNITS	DESCRIPTION	UNIT COST	TOTAL COST
50	EA	Gate Valve w/Box (12" dia.)	$3,000.00	$150,000.00
50	EA	Gate Valve w/Box (14" dia.)	$4,000.00	$200,000.00
50	EA	Gate Valve w/Box (16" dia.)	$5,000.00	$250,000.00
50	EA	Gate Valve w/Box (24" dia.)	$8,000.00	$400,000.00
			TOTAL	**$1,000,000.00**

Item W17 - Laughlin Drive Main - 82nd Street to Bollier Ave				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
	LF	Watermain 4in DIP	$150.00	$0.00
	LF	Watermain 6in DIP	$170.00	$0.00
2450	LF	Watermain 8in DIP	$180.00	$441,000.00
	LF	Watermain 10in DIP	$190.00	$0.00
5	EA	Fire Hydrants	$7,500.00	$37,500.00
11	EA	Valves	$3,000.00	$33,000.00
49	EA	Water Services	$2,000.00	$98,000.00
1225	SF	Sidewalk	$10.00	$12,250.00
4900	SF	Lawn Restoration	$3.00	$14,700.00
1	LS	Mobilizaton (3%)	$19,093.50	$19,093.50
1	LS	MP&T (3%)	$19,093.50	$19,093.50
1	LS	Engineering (15%)	$95,467.50	$95,467.50
1	LS	Construction Admin (10%)	$63,645.00	$63,645.00
1	LS	Legal (5%)	$31,822.50	$31,822.50
1	LS	Contingency (10%)	$63,645.00	$63,645.00
			TOTAL	**$929,217.00**

Item W21 - Ontario Avenue Main - 18th Street to Main Street				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
1800	LF	Watermain 4in DIP	$150.00	$270,000.00
	LF	Watermain 6in DIP	$170.00	$0.00
2100	LF	Watermain 8in DIP	$180.00	$378,000.00
	LF	Watermain 10in DIP	$190.00	$0.00
10	EA	Fire Hydrants	$7,500.00	$75,000.00
13	EA	Valves	$3,000.00	$39,000.00
60	EA	Water Services	$2,000.00	$120,000.00
2400	SF	Sidewalk	$10.00	$24,000.00
8200	SF	Lawn Restoration	$3.00	$24,600.00
1	LS	Mobilizaton (3%)	$27,918.00	$27,918.00
1	LS	MP&T (3%)	$27,918.00	$27,918.00
1	LS	Engineering (15%)	$139,590.00	$139,590.00
1	LS	Construction Admin (10%)	$93,060.00	$93,060.00
1	LS	Legal (5%)	$46,530.00	$46,530.00
1	LS	Contingency (10%)	$93,060.00	$93,060.00
			TOTAL	**$1,358,676.00**

Item W25 - Van Rensselaer Ave - 900 Block				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
	LF	Watermain 4in DIP	$150.00	$0.00
	LF	Watermain 6in DIP	$170.00	$0.00
	LF	Watermain 8in DIP	$180.00	$0.00
300	LF	Watermain 10in DIP	$190.00	$57,000.00
1	EA	Fire Hydrants	$7,500.00	$7,500.00
6	EA	Valves	$3,000.00	$18,000.00
6	EA	Water Services	$2,000.00	$12,000.00
150	SF	Sidewalk	$10.00	$1,500.00
600	SF	Lawn Restoration	$3.00	$1,800.00
1	LS	Mobilizaton (3%)	$2,934.00	$2,934.00
1	LS	MP&T (3%)	$2,934.00	$2,934.00
1	LS	Engineering (15%)	$14,670.00	$14,670.00
1	LS	Construction Admin (10%)	$9,780.00	$9,780.00
1	LS	Legal (5%)	$4,890.00	$4,890.00
1	LS	Contingency (10%)	$9,780.00	$9,780.00
			TOTAL	**$142,788.00**

Item W29 - Witkop Avenue and 85th Street Loop				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
	LF	Watermain 4in DIP	$150.00	$0.00
	LF	Watermain 6in DIP	$170.00	$0.00
2200	LF	Watermain 8in DIP	$180.00	$396,000.00
	LF	Watermain 10in DIP	$190.00	$0.00
5	EA	Fire Hydrants	$7,500.00	$37,500.00
10	EA	Valves	$3,000.00	$30,000.00
43	EA	Water Services	$2,000.00	$86,000.00
1200	SF	Sidewalk	$10.00	$12,000.00
4400	SF	Lawn Restoration	$3.00	$13,200.00
1	LS	Mobilizaton (3%)	$17,241.00	$17,241.00
1	LS	MP&T (3%)	$17,241.00	$17,241.00
1	LS	Engineering (15%)	$86,205.00	$86,205.00
1	LS	Construction Admin (10%)	$57,470.00	$57,470.00
1	LS	Legal (5%)	$28,735.00	$28,735.00
1	LS	Contingency (10%)	$57,470.00	$57,470.00
			TOTAL	**$839,062.00**

Item WTP 2.1 - SCADA Control System Upgrades				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
1	LS	Remove Existing Equipment	$50,000.00	$50,000.00
1	LS	Install New Equipment	$375,000.00	$375,000.00
1	LS	Program New Equipment	$50,000.00	$50,000.00
1	LS	Startup & Tranining	$25,000.00	$25,000.00
			TOTAL	**$500,000.00**

Item WTP 2.2 - Secutiry Upgrades				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
300	LF	Remove Exiting Fence	$25.00	$7,500.00
300	LF	New Chain Link Fence	$75.00	$22,500.00
5	EA	Security Cameras	$3,000.00	$15,000.00
4	EA	Control Door Access	$1,250.00	$5,000.00
			TOTAL	**$50,000.00**

Item WTP 6.1 - Chlorine System Upgrades				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
1	LS	Remove Existing Equipment	$10,000.00	$10,000.00
1	LS	New Injection Point & Piping	$10,000.00	$10,000.00
2	EA	Skid Mounted Injection System with VFD's	$225,000.00	$450,000.00
1	LS	Redundant Feed Lines	$20,000.00	$20,000.00
1	LS	Startup & Testing	$10,000.00	$10,000.00
			TOTAL	**$500,000.00**

Item WTP 6.2 - Emergency Backup Generator Upgrades				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
2	LS	Recondition Units	$125,000.00	$250,000.00
2	LS	Transfer Equipment Replacement	$50,000.00	$100,000.00
2	LS	Control Replacement	$25,000.00	$50,000.00
2	LS	Radiator Repairs	$40,000.00	$80,000.00
2	LS	Startup & Testing	$10,000.00	$20,000.00
			TOTAL	**$500,000.00**

Item WTP 6.3 - HVAC Upgrades				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
5	EA	Remove Existing Units	$15,000.00	$75,000.00
5	EA	New Units	$100,000.00	$500,000.00
1	LS	Startup & Testing	$25,000.00	$25,000.00
			TOTAL	**$600,000.00**

Item WTP 6.4 - Fluoride System Upgrades				
QUANTITY	**UNITS**	**DESCRIPTION**	**UNIT COST**	**TOTAL COST**
1	LS	Engineering Report	$25,000.00	$25,000.00
1	LS	Design & Bidding Documents	$50,000.00	$50,000.00
1	LS	Construction Administration	$10,000.00	$10,000.00
1	LS	Construction Inspection	$15,000.00	$15,000.00
1	LS	Temporary Feed	$25,000.00	$25,000.00
1	LS	Room Demolition	$10,000.00	$10,000.00
1	LS	Room Renovation	$60,000.00	$60,000.00
1	LS	Ventilation	$35,000.00	$35,000.00
1	LS	Storage Tank	$120,000.00	$120,000.00
1	LS	Day Tank	$10,000.00	$10,000.00
1	EA	Scale	$10,000.00	$10,000.00
1	EA	Transfer Pump	$5,000.00	$5,000.00
2	EA	Feed Pumps	$7,500.00	$15,000.00
1	EA	Analyzer	$8,000.00	$8,000.00
1	LS	Contingency (10%)	$39,800.00	$39,800.00
1	LS	Legal, Administration (5%)	$19,900.00	$19,900.00
			TOTAL	**$458,000.00**

TOTAL ALL PROJECTS **$9,728,598.00**

Appendix E

ENGINEERING REPORT CERTIFICATION

Engineering Report Certification

To Be Provided by the Professional Engineer Preparing the Report

During the preparation of this Engineering Report, I have studied and evaluated the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed project or activity for which assistance is being sought from the New York State Clean Water State Revolving Fund. In my professional opinion, I have recommended for selection, to the maximum extent practicable, a project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account the cost of constructing the project or activity, the cost of operating and maintaining the project or activity over the life of the project or activity, and the cost of replacing the project and activity.

Title of Engineering Report: WATER SYSTEM & WATER TREATMENT PLANT CAPITAL IMPROVEMENT PROJECTS ENGINEERING REPORT AND ESTIMATES

Date of Report: November 2021

Professional Engineer's Name: Douglas S. Williamson, P.E., Niagara Falls Water Board

Signature: Douglas S. Williamson

Date: 11/16/21

Appendix F

SMART GROWTH ASSESSMENT FORM

NEW YORK STATE OF OPPORTUNITY. | Department of Health | Environmental Facilities Corporation

Smart Growth Assessment Form

This form should be completed by an authorized representative of the applicant, preferably the project engineer or other design professional.[1]

Section 1 – General Applicant and Project Information

Applicant: Niagara Falls Water Board Project No.: 2021 Water Grant Application

Project Name: 2021 Water System & Treatment Plant Improvements

Is project construction complete? ☐ Yes, date: ☑ No

Please provide a brief project summary in plain language including the location of the area the project serves:

To improve water system by replacing hydrants, valves, water main along 6 street sections and improvements to treatment plant such as control, security, chlorine, HVAC, fluoride and backup generator systems.

Section 2 – Screening Questions

A. Prior Approvals

1. Has the project been previously approved for Environmental Facilities Corporation (EFC) financial assistance? ☐ Yes ☑ No
2. If yes to A(1), what is the project number(s) for the prior approval(s)? Project No.:
3. If yes to A(1), is the scope of the previously-approved project substantially the same as the current project? ☐ Yes ☐ No

If your responses to A(1) and A(3) are both yes, please proceed to Section 5, Signature.

B. New or Expanded Infrastructure

1. Does the project involve the construction or reconstruction of new or expanded infrastructure? ☐ Yes ☑ No

Examples of new or expanded infrastructure include, but are not limited to:

(i) The addition of new wastewater collection/new water mains or a new wastewater treatment system/water treatment plant where none existed previously;

(ii) An increase of the State Pollutant Discharge Elimination System (SPDES) permitted flow capacity for an existing wastewater treatment system; and OR

[1] If project construction is complete and the project was not previously financed through EFC, an authorized municipal representative may complete and sign this assessment.

(iii) An increase of the permitted water withdrawal or the permitted flow capacity for the water treatment system such that a Department of Environmental Conservation (DEC) water withdrawal permit will need to be obtained or modified, or result in the Department of Health (DOH) approving an increase in the capacity of the water treatment plant.

If your response to B(1) is no, please proceed to Section 5, Signature.

Section 3 –Smart Growth Criteria

Your project must be consistent will all relevant Smart Growth criteria. For each question below please provide a response and explanation.

1. Does the project use, maintain, or improve existing infrastructure?
   ☑ Yes ☐ No

   Explain your response: Project is to improve existing water system facilities within distribution system and at treatment plant.

2. Is the project located in a (1) municipal center, (2) area adjacent to a municipal center, or (3) area designated as a future municipal center, as such terms are defined herein (please select one response)?

   ☑ Yes, my project is located in a municipal center, which is an area of concentrated and mixed land uses that serves as a center for various activities, including but not limited to: central business districts, main streets, downtown areas, brownfield opportunity areas (see *www.dos.ny.gov* for more information), downtown areas of local waterfront revitalization program areas (see *www.dos.ny.gov* for more information), areas of transit-oriented development, environmental justice areas (see *www.dec.ny.gov/public/899.html* for more information), and hardship areas (projects that primarily serve census tracts or block numbering areas with a poverty rate of at least twenty percent according to the latest census data).

   ☑ Yes, my project is located in an area adjacent to a municipal center which has clearly defined borders, is designated for concentrated development in the future in a municipal or regional comprehensive plan, and exhibits strong land use, transportation, infrastructure, and economic connections to an existing municipal center.

   ☐ Yes, my project is located in an area designated as a future municipal center in a municipal or comprehensive plan and is appropriately zoned in a municipal zoning ordinance

   ☐ No, my project is not located in a (1) municipal center, (2) area adjacent to a municipal center, or (3) area designated as a future municipal center.

   Explain your response and reference any applicable plans:

   Project has various locations throughout the City of Niagara Falls. Some locations are within or located nearby to City center.

3. Is the project located in a developed area or an area designated for concentrated infill development in a municipally-approved comprehensive land use plan, local waterfront revitalization plan, and/or brownfield opportunity area plan?

☐Yes ☑No

Explain your response and reference any applicable plans:

Not applicable. Project is to improve existing water infrastructure.

4. Does the project protect, preserve, and enhance the State's resources, including surface and groundwater, agricultural land, forests, air quality, recreation and open space, scenic areas, and significant historic and archaeological resources?

☑Yes ☐No

Explain your response:

Project will replace and or improve existing water infrastructure within currently developed street right of ways. Therefore, no additional impacts to these resources will be made.

5. Does the project foster mixed land uses and compact development, downtown revitalization, brownfield redevelopment, the enhancement of beauty in public spaces, the diversity and affordability of housing in proximity to places of employment, recreation and commercial development, and the integration of all income and age groups?

☐Yes ☑No

Explain your response:

Not applicable. Project is to improve existing water infrastructure.

6. Does the project provide mobility through transportation choices including improved public transportation and reduced automobile dependency?

☐Yes ☐No ☑N/A

Explain your response:

Not applicable. Project is to improve existing water infrastructure.

7. Does the project involve coordination between State and local government, intermunicipal planning, or regional planning?

☐Yes ☑No

Explain your response and reference any applicable plans:

Not applicable. Project is to improve existing water infrastructure. Therefore minimal coordination is required.

8 Does the project involve community-based planning and collaboration?

☐Yes ☑No

Explain your response and reference any applicable plans:

Not applicable. Project is to improve existing sewer plant facilities.

9. Does the project support predictability in building and land use codes?

☑Yes ☐No ☐N/A

Explain your response:

Project is to improve existing sewer plant facilities that will provide reliability of sewer treatment.

10. Does the project promote sustainability by adopting measures such as green infrastructure techniques, decentralized infrastructure techniques, or energy efficiency measures?

☐Yes ☑No

Explain your response and reference any applicable plans:

Not applicable. Project is to improve existing sewer plant facilities.

11. Does the project mitigate future physical climate risk due to sea-level rise, storm surges, and/or flooding, based on available data predicting the likelihood of future extreme weather events, including hazard risk analysis data, if applicable?

☐Yes ☑No

Explain your response and reference any applicable plans:

Not applicable. Project is to improve existing sewer plant facilities.

Section 4 – Miscellaneous

1. Is the project expressly required by a court or administrative consent order? ☐ Yes ☑ No

   If yes, and you have not previously provided the applicable order to EFC/DOH, please submit it with this form.

Section 5 – Signature

By signing below, you agree that you are authorized to act on behalf of the applicant and that the information contained in this Smart Growth Assessment is true, correct and complete to the best of your knowledge and belief.

Applicant: Niagara Falls Water Board	Phone Number: 716-283-9700 x2290
Name and Title of Signatory: Douglas S. Williamson, P.E., Sr. Engineer	
Signature: Douglas S. Williamson	Date: 11/16/21

Appendix G

2020 ANNUAL WATER QUALITY REPORT

Niagara Falls Water Board
Annual Drinking Water Quality Report for 2020
5815 Buffalo Avenue, Niagara Falls, NY 14304
(Public Water Supply #NY3100568)

INTRODUCTION
To comply with State and Federal regulations, the Niagara Falls Water Board issues an annual report describing the quality of your drinking water. The purpose of this report is to increase your understanding of drinking water and awareness of the need to protect our drinking water sources. Last year, your tap water met all State drinking water health standards. We are pleased to report that our system has never violated a state established maximum contaminant level. This report provides an overview of last year's water quality. Included are details about where your water comes from, what it contains, and how it compares to New York State standards.

If you have any questions about this report or concerning your drinking water, please contact our Chief Operator, Robert Rowe at (716) 283-9770 ext. 2030, or our Water Quality Laboratory at ext. 2050. We want you to be informed about your drinking water. If you want more information, please contact the Acting Executive Director, Sean Costello at (716) 283-9770 or attend any of our regularly scheduled Niagara Falls Water Board meetings. The meetings are held at the Michael C. O'Laughlin Water Plant at 5815 Buffalo Ave., Niagara Falls, NY. For a schedule of dates of these meetings, please visit our website at https://nfwb.org/reports/minutes/ or call for more information.

WHERE DOES OUR WATER COME FROM?
In general, the sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and can pick up substances resulting from the presence of animals or from human activities. Contaminants that may be present in source water include: microbial contaminants; inorganic contaminants; pesticides and herbicides; organic chemical contaminants; and radioactive contaminants. In order to ensure that tap water is safe to drink, the State and the EPA prescribe regulations which limit the amount of certain contaminants in water provided by public water systems. The State Health Departments and the EPA's regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Our water source is the upper Niagara River. During 2020, our system did not experience any restriction on our water source. The placement of the intake allows water to be drawn that is least affected by runoff. At the Low Lift pump station, water passes through screens to remove excess debris. It is then pumped to the pre-treatment tanks where chlorine is added as a disinfectant. Powdered activated carbon may also be added during the summer months to aid in taste and odor abatement. In the rapid mix chamber, poly-aluminum chloride (PACl) is then added to enhance particulate removal. The water then travels to the flocculation basins. These basins gently mix the PACl and any particles, allowing them to form a floc. The water then travels to sedimentation basins and the floc settles to the bottom of the basins. The water then flows into rapid sand filters. The filters remove any particles that remain. After filtration, the treated water is chlorinated again and stored in reservoirs before being pumped into the distribution system. The Niagara Falls water system is one of the many systems in New York State that adds a low level of fluoride to drinking water in order to provide consumers dental health protection. According to the United States Centers for Disease Control, fluoride is very effective in preventing cavities when present in drinking water at a level of 0.7 mg/L (parts per million). Our fluoride addition facility is designed and operated to meet this optimal range. As a service to the community, a Poly-Orthophosphate blend is also added to prevent household lead and copper contamination.

SOURCE WATER ASSESSMENT PROGRAM (SWAP) SUMMARY
The New York State Department of Health completed a Source Water Assessment of the supplies raw water source under the States Source Water Assessment Program (SWAP). The purpose of this program is to compile, organize, and evaluate information regarding possible and actual threats to the quality of public water supply (PWS) sources. It is important to note that source water assessment reports estimate the potential for untreated drinking water sources to be impacted by contamination. These reports do not address the safety or quality of treated finished potable tap water. The Great Lakes' watershed is exceptionally large and too big for a detailed evaluation in the SWAP. General drinking water concerns for public water supplies which use these sources include: storm generated turbidity, wastewater, toxic

sediments, shipping related spills, and problems associated with exotic species (e.g. zebra mussels - intake clogging and taste and odor problems). The SWAP is based on the analysis of the contaminant inventory compiled for the drainage area deemed most likely to impact drinking water quality at this public water supply raw water intake. This assessment found an elevated susceptibility to contamination for this source of drinking water. The amount of agricultural and residential lands in the assessment area results in elevated potential for microbial, disinfection byproduct precursors and pesticides contamination. There is also a high density of sanitary wastewater discharges, which results in elevated susceptibility for numerous contaminant categories. Non-sanitary wastewater could also impact source water quality. There is also noteworthy contamination susceptibility associated with other discrete contaminant sources, and these facility types include: Chemical Bulk Storage facilities, Inactive Hazardous Waste Sites, Landfills, Toxic Release Inventory data, and Resources Conservation and Recovery Act (RCRA) facilities. Anyone interested in obtaining a copy of our SWAP can do so by submitting a written request to the Niagara Falls Water Board or by visiting our web site at www.nfwb.org.

FACTS AND FIGURES

Our water system serves about 50,000 people through 18,000 service connections. The total water produced in 2020 was over 8.2 billion gallons. The daily average of water treated and pumped into the distribution system was 22.6 million gallons per day. Our highest single day was about 25.2 million gallons. The annual amount of water delivered to customers was about 2.3 billion gallons. This leaves about 5.9 billion gallons unaccounted for. Unaccounted for water includes such conditions as flushing of water mains, meter inaccuracies, illegal consumption, fire hydrant usage, authorized unmetered usage (street cleaning, etc.) and underground pipe leakage. In 2020, water customers were charged $4.57 per 1000 gallons.

FLUORIDE IN OUR DRINKING WATER

Our system is one of the many drinking water systems in New York State that provides drinking water with a controlled, low level of fluoride for consumer dental health protection. According to the United States Centers for Disease Control, fluoride is very effective in preventing cavities when present in drinking water at a properly controlled level. To ensure that the fluoride supplement in your water provides optimal dental protection, we monitor fluoride levels on a daily basis to make sure fluoride is maintained at a target level of 0.7 mg/L. During 2020, monitoring showed that fluoride levels in your water were within 0.1 mg/l of the target level for over 99% of the time. None of the monitoring results showed fluoride at levels that approach the 2.2 mg/l MCL for fluoride.

ARE THERE CONTAMINANTS IN OUR DRINKING WATER?

As the State regulations require, we routinely test your drinking water for numerous contaminants. These contaminants include: total Coliform, turbidity, inorganic compounds, nitrate, lead and copper, volatile organic compounds, total trihalomethanes, haloacetic acids, radiological and synthetic organic compounds. During 2020, Water Board staff performed over 15,000 individual water quality tests. The table presented below depicts which compounds were detected in your drinking water. A more detailed supplemental list of all monitored constituents is available by calling (716) 283-9770 and requesting a copy. It should be noted that all drinking water, including bottled drinking water, may be reasonably expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline (800-426-4791) or the Niagara County Health Department at (716) 439-7444. Please refer to the following tables containing monitoring results of contaminants. New York State allows us to monitor for some contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of our data, though representative, is more than one year old.

As with many contaminants, there are possible health effects related to some of them listed below. For a list of these contaminants and more, including the possible health effects, please visit our website at the following link https://nfwb.org/app/uploads/2021/05/Health-Effects-Language-for-Contaminants.pdf

REGULATED DETECTED CONTAMINANTS							
Metals, Inorganics Physical Tests	Violation Yes/No	Date of Sample (mo./year)	Level Detected (Avg/Max) (Range)	Unit Measurement	MCLG	MCL	Source in Drinking Water
Barium	No	6/2020	0.019	mg/L	NE	2	Erosion of natural deposits
Chloride	No	2020	24.0 20.3-28.5	mg/L	250	NE	Naturally occurring or indicative of road salt contamination
Chlorine Entry Point	No	2020	1.23 1.12 – 1.36	mg/L	MRDLG = 4.0	MRDL = 4.0	Added for disinfection
Copper[1] Distribution	No	7/2020-9/2020	0.047[2] <0.020 - 0.105	mg/L	1.3	AL = 1.3	plumbing systems, erosion of natural deposits
Fluoride, Entry Point[6]	No	2020	0.68 0.59 – 0.78	mg/L	2.2	2.2	Erosion of natural deposits; water additive which promotes strong teeth; discharge from fertilizer and aluminum factories
Lead[1] Distribution	No	7/2020-9/2020	10.9[2] <0.50 –29.2	ug/L	0	AL = 15	Corrosion of household plumbing plumbing systems, erosion of natural deposits
Nickel, Total	No	6/2020	0.0006	mg/L	NR	NR	Naturally occurring or industrial discharges
Nitrate	No	2/2020	0.21	mg/L	10	MCL = 10	Runoff from fertilizer use; leaching from septic tanks, sewage: erosion of natural deposits
pH	No	2020	7.6 7.0 – 8.0	SU	NR	NE	Naturally occurring
Sodium[5]	No	6/2020	10.5	mg/L	(see Health Effects)	NE	Naturally occurring; Road salt; Water softeners; Animal waste
Phosphates Distribution	No	2020	0.08 0.03- 0.14	mg/L	NR	NE	Corrosion inhibitor added to prevent lead & copper leaching in houses
Turbidity[3] Entry Point	No	2020	0.02 0.01 - 0.06	NTU	NE	TT = 95% of samples <0.3 NTU	Soil Runoff
Turbidity[4] Distribution	No	2020	0.11 0.06– 1.87	NTU	NE	5.00 NTU monthly average	Iron build up in water mains in distribution system
Chlorine, Free Distribution	No	2020	0.75 0.05 – 1.24	mg/l	NE	MRDL = 4.0	Result of drinking water chlorination

1 – Lead or Copper is not present in the drinking water that is treated and delivered to your home. Lead or Copper in drinking water is primarily from materials and components associated with service lines and home plumbing. If present, elevated levels of lead or copper can cause serious health problems, especially for pregnant women and young children. The NFWB is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead and copper exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead or copper in your water, you may wish to have your water tested; information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline (800-426-4791) or at http://www.epa.gov/safewater/lead.

2 – The level presented represents the 90th percentile of the thirty samples collected. The action level for lead or copper was not exceeded.

3– Turbidity is a measure of the composite effluent clarity of the water; the lower the turbidity, the clearer the water. Turbidity testing is a good indicator of the effectiveness of our filtration system. State regulations require that turbidity must always be below 1 NTU. Our highest single turbidity measurement for the year occurred on 12/29/2020 (0.056 NTU). The regulations require that 95% of the turbidity samples collected have measurements below 0.3 NTU.

4– Turbidity in the distribution system is a snap shot picture of the clarity of water at predetermined locations collected during the year. There are 15 locations throughout the city used with a total of 841 samples collected in 2020. A violation occurs when the monthly average of the results of all distribution samples collected in any calendar month exceeds the MCL of 5 NTU. Sporadic high results can occur when there is a disruption in the flow due to a water main break, fire department usage or even street sweepers filling from a hydrant.

5-Health Effects of Sodium**:** Water containing more than 20 mg/l of sodium should not be used for drinking by people on severely restricted sodium diets. Water containing more than 270 mg/l of sodium should not be used for drinking by people on moderately restricted sodium diets.

6-On April 27, 2015 the U.S. Department of Health and Human Services (DHHS) released the final Public Health Service (PHS) recommendation for the optimal fluoride level in drinking water to prevent tooth decay. The new recommendation is for a single level of 0.7 milligrams of fluoride per liter (parts per million, ppm) of water. It updates and replaces the previous recommended range (0.7 to 1.2 milligrams per liter) issued in 1962.

Organic Compounds	Violation Yes/No	Date of Sample (mo./year)	Level Detected (Avg/Max) (Range)	Unit Measurement	MCLG	MCL	Source in Drinking Water
Stage 2 Disinfection Byproducts Rule – Promulgated 11/2012							
Total Trihalomethanes	No	2020	53.88[1] 20.39 – 56.34	µg/L	NE	MCL = 80	Byproduct of drinking water chlorination
Total Haloacetic Acids	No	2020	27.4[1] <1.0 – 42.31	µg/L	NE	MCL = 60	Byproduct of drinking water chlorination

1 -Results for Total Trihalomethanes (TTHMs) and Total Haloacetic Acids (HAA5s) are reported as the highest locational running annual average (LRAA). This level represents the LRAA calculated from data collected from four quarterly samples at eight points in the 2019 calendar year.

Radioactive Compounds	Violation Yes/No	Date of Sample (mo./year)	Level Detected	Unit Measurement	MCLG	MCL	Source in Drinking Water
Radium 226	No	6/2017	0.0270+/-0.414			5	
Radium 228		6/2017	0.122+/-0.203	pCi/L[1]	NE	5	Erosion of natural deposits
Uranium		6/2017	0.1483			20	
Gross Alpha		6/2017	-0.737+/-0.788			15	
Gross Beta		6/2017	0.887+/-0.593			3.0	

1 – Picocuries per liter is a measure of the radioactivity in water.

Microbiological Parameters	Violation Yes/No	Date of Sample (mo./year)	Level Detected (Avg/Max) (Range)	Unit Measurement	MCLG	MCL	Source in Drinking Water
Heterotrophic Plate Count	No	2020	6 0 - 201	cfu/1.0ml	NE	500	HPC measures a range of bacteria that are naturally present

UNREGULATED SUBSTANCES										
Metals, Inorganics Physical Tests	Date of Sample (mo.=./year)	Level Detected (Avg/Max) (Range) mg/L	MCLG	MCL		Metals, Inorganics Physical Tests	Date of Sample (mo./year)	Level Detected (Avg/Max) (Range) mg/L	MCLG	MCL
Alkalinity	2020	83.7 76.9– 91.2	NE	NR		Hardness	2010	119.4 116.5 – 122.0	NE	NR
Calcium	2020	31.8 27.3 – 36.4	NE	NR		Odor	6/2016	0 TON	NE	NR
Conductivity	2020	282.3 µS/cm 274.1 – 296.0	NE	NR		Sulfate	6/2020	26.0	NE	NR
Corrosivity	6/2013	-0.71				Total Dissolved Solids	6/2020	148	NE	NR
Magnesium	6/2020	8.7	NE	NR		Total Organic Carbon F/w	2020	1.68 1.57 – 1.84	NE	NR
						Total Organic Carbon R/w	2020	2.04 1.89-2.29	NE	NR
UNREGULATED CONTAMINANT MONITORING RULE 4[3]										
Organic Compounds / Disenfection Byproducts	Date of Sample (mo.=./year)	Level Detected (Avg/Max) (Range) ug/L	MCLG	MCL		Metals, Inorganics Physical Tests	Date of Sample (mo./year)	Level Detected (Avg/Max) (Range) ug/L	MCLG	MCL
Bromochloroacetic Acid (BCAA)	2020	2.83 <0.3– 4.90	NE	NR		Bromide	2020	32.55 <20.0-59.3	NE	NR
Bromodichloroacetic Acid (BDCAA)	2020	2.89 <0.50 – 4.30	NE	NR						
Chlorodibromoacetic Acid (CDBAA)	2020	0.78 <0.3 – 1.30	NE	NR		Manganese	5/2020	0.61	NE	NR
Dibromoacetic Acid	2020	0.80 <0.30-1.50								
Dichloroacetic Acid (DCAA)	2020	6.50 0.25-12.80	NE	NR						
Monobromoacetic Acid (DBAA)	2020	0.41 <0.30-0.74	NE	NR						
Trichloroacetic Acid (TCAA)	2020	5.85 <0.50-9.90	NE	NR						

1 – Samples taken from entry point to the distribution system 2 – Samples taken from the distribution system

3 – UCMR4 = EPA monitoring program consisting of 4 sets of samples taken between 2018–2020. The 1996 Safe Drinking Water Act (SDWA) amendments require that once every five years EPA issue a new list of no more than 30 unregulated contaminants to be monitored by public water systems (PWSs). The first Unregulated Contaminant Monitoring Rule (UCMR 1) was published on September 17, 1999, the second (UCMR 2) was published on January 4, 2007, the third (UCMR 3) was published on May 2, 2012 and the fourth (UCMR4) was published on December 20, 2016. This monitoring provides a basis for future regulatory actions to protect public health.

Abbreviations and Terms:

AL = Action Level: The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

cfu/1.0ml = Colony forming units per 1.0 milliliters.

LSI – Langelier Saturation Index: Provides an indicator of the degree of saturation of water with respect to calcium carbonate. A negative LSI has no scale potential whereas with a positive LSI scale can form.

MCL = Maximum Contaminant Level: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible.

MCLG = Maximum Contaminant Level Goal: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

mg/L = Milligrams per liter: One part per million.

µg/L = Micrograms per liter: One part per billion.

µS/cm = Micro Siemens per centimeter

MRDL = Maximum Residual Disinfectant Level: The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

MRDLG = Maximum Residual Disinfectant Level Goal: The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contamination.

NE = Not Established.

NR = Not Regulated.

NTU = Nephelometric Turbidity Unit: A measure of the clarity of water. Turbidity in excess of 5 NTU is just noticeable to the average person.

PtCo = Platinum Cobalt Color Units

SU = Standard Units: Used for the measurement of pH.

TON = Threshold Odor Number

TT = Treatment Technique: A required process intended to reduce the level of a contaminant in drinking water.

IS OUR WATER SYSTEM MEETING OTHER RULES THAT GOVERN OPERATIONS?

As you can see by the table, our system had no violations. We have learned through our testing that some contaminants have been detected; however, these contaminants were detected below the level allowed by the State. During 2020, our system was in compliance with all applicable State & Federal drinking water requirements.

WHAT ABOUT SECURITY?

Since the events of September 11, we have all become more aware of security issues in our daily lives. The staff of the Michael C. O'Laughlin Water Plant is certainly no exception. The water department has undertaken several security improvements to safeguard your water supply, both at the plant and out in the distribution system. We encourage the community to call our facility at (716) 283-9770 or the police (911) if you happen to observe any unusual or suspicious activity around the water plant or at one of our storage tanks.

WHY SAVE WATER AND HOW TO AVOID WASTING IT?

Although our system has an adequate amount of water to meet present and future demands, there are a number of reasons why it is important to conserve water:

- Saving water saves energy and some of the costs associated with both of these necessities of life;
- Saving water reduces the cost of energy required to pump water, pumping systems and water towers;
- Saving water lessens the strain on the water system during a dry spell or drought, helping to avoid severe water use restrictions so that essential firefighting needs are met.

You can play a role in conserving water by becoming conscious of the amount of water your household is using, and by looking for ways to use less whenever you can. It is not hard to conserve water. Conservation tips include:

- Automatic dishwashers can use 15 gallons for every cycle, regardless of how many dishes are loaded. So get a run for your money and load it to capacity.
- Turn off the tap when brushing your teeth.
- Check every faucet in your home for leaks. Just a slow drip can waste 15 to 20 gallons a day. Fix it up and you can save almost 6,000 gallons per year.
- Check your toilets for leaks by putting a few drops of food coloring in the tank, watch for a few minutes to see if the color shows up in the bowl. It is not uncommon to lose up to 100 gallons a day from one of these otherwise invisible toilet leaks. Fix it and you save more than 30,000 gallons a year.
- Use your water meter to detect hidden leaks. Simply turn off all taps and water using appliances, then check the small diamond on the meter, if it moves, you may have a leak.

SYSTEM IMPROVEMENTS

The Niagara Falls Water Board is continually making capital improvements to its distribution system. The following improvements were made in 2020:

1. Applications for grants to improve the distribution system in growing numbers.
2. Approximately 100 fire hydrants replaced with new and many repaired for better fire protection and flushing capabilities. .
3. Over 1280 feet of water mains were replaced, many of which were part of the Bollier Avenue project.

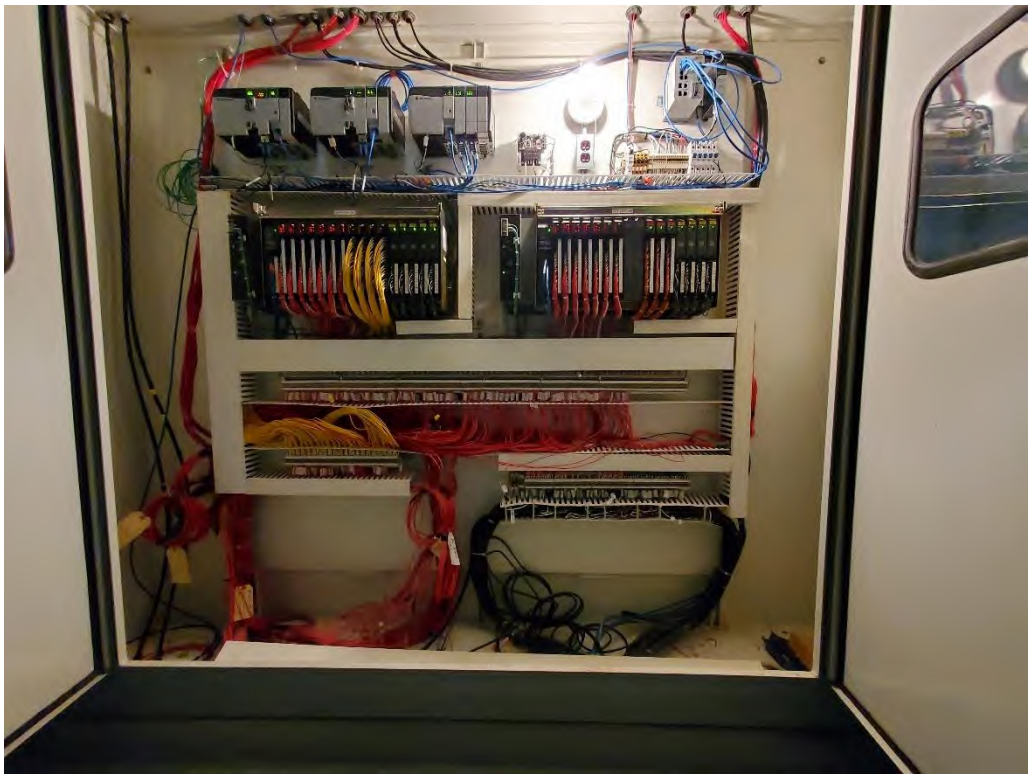
CLOSING

Thank you for allowing us to continue to provide your family with quality drinking water this year. We ask that all our customers help us protect our water sources, which are the heart of our community and our way of life. Please call our office at (716) 283-9770 if you have any questions. For other information, you can call the following Monday through Friday 8 AM to 4 PM: Water Billing and Collection – (716) 286-4350
Water Quality Laboratory – (716) 283-9770 ext. 2050
Water Related Emergencies 24 hours a day – (716) 283-9770

Appendix H

PHOTOGRAPHS

WTP-2.1 - SCADA Control System Upgrades – existing oprator control center



WTP-2.1 - SCADA Control System Upgrades – existing, aged control panels

WTP-2.2 - Security Upgrades – existing chain link fence in poor condition. Located along main highway.

WTP-2.2 - Security Upgrades – close up view of existing chain link fence in poor condition.

WTP-6.1 - Chlorine System Upgrades – existing, aged storage tanks

WTP-6.1 - Chlorine System Upgrades – existing, aged injection equipment

WTP-6.2 - Emergency Generator – existing, aged generator

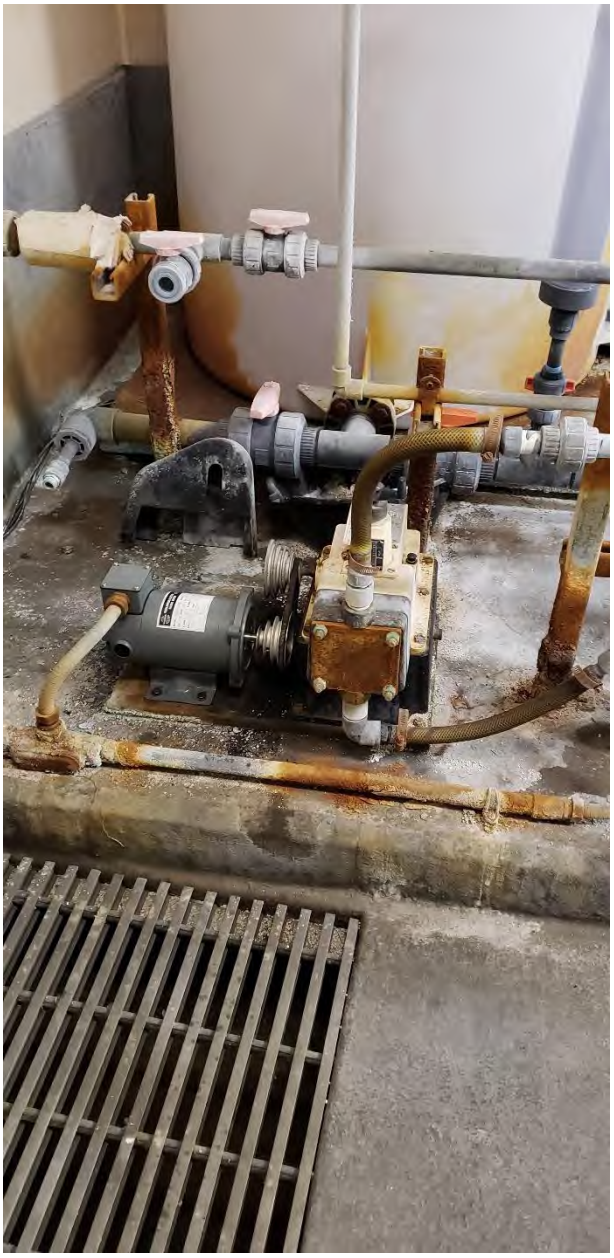
WTP-6.2 - Emergency Generator – existing, aged generator and control center

WTP-6.3 - HVAC Upgrades – existing, aged rooftop units

WTP-6.3 - HVAC Upgrades – existing, aged rooftop units

WTP-6.4 - Fluoride System Upgrades – existing chemical storage tanks with liner in need of replacement.

WTP-6.4 - Fluoride System Upgrades – existing chemical day tank and injection equipment in poor condition.



WTP-6.4 - Fluoride System Upgrades – close up view of equipment in need of replacement.

NIAGARA FALLS PUBLIC WATER AUTHORITY RESOLUTION # 2025-02

OMNIBUS RESOLUTION
ANNUAL REVIEW OF GOVERNANCE AND OPERATIONAL PERFORMANCE, POLICIES, AND STATEMENTS

WHEREAS, the Niagara Falls Public Water Authority ("Authority") finds it appropriate and convenient to memorialize by Resolution its review of certain matters relating to its 2023 performance, its compliance with statutes, including the Public Authorities Law ("PAL"), and its operations and governance;

NOW THEREFORE BE IT

1. **RESOLVED,** that the Authority designates all three sitting Authority Board members as members of the Audit, Governance, and Finance Committees until its next annual reorganization meeting.

2. **RESOLVED,** that for the purpose of filing annual reports, the Authority confirms that in 2024:
    a. It paid no compensation to any Authority Member;
    b. It neither had nor has paid any staff, relying on employees of the Niagara Falls Water Board for carrying out its limited day-to-day functions; and
    c. It did not acquire or dispose of any real or personal property.

3. **RESOLVED,** that whereas the Niagara Falls Water Board ultimately pays the Authority's expenses, the Authority recommends that the Water Board budget $25,000 for Authority consultants, and $25,000 for Authority attorney fees, and $5,000 for undesignated services as may be required for debt issuances, refinancing, or preparation of required reports, these being the estimated Authority expenses associated with bond issuances or refinancing in any given fiscal year.

4. **RESOLVED,** that the Authority has adopted the following Mission Statement:

    In accordance with its enabling legislation, the mission of the Niagara Falls Public Water Authority is to finance the acquisition and improvement by the Niagara Falls Water Board of the water, wastewater, and stormwater systems serving the City of Niagara Falls. In this capacity, the Authority has been able substantially to reduce the burden of debt on users of the systems, and benefits the people of the City, the service area, and the State through the improvement of their health, welfare, and prosperity.

    At its meeting on September 10, 2025, the Authority reviewed its mission statement, finds the statement remains clear and complete as its mission has not changed, and that the Authority's performance goals continue to support its mission.

5. **RESOLVED,** that upon consideration of its 2024 activities, the Authority adopts the following as its Annual Report on Operations and Accomplishments:

   In 2024, the Water Authority acted favorably on a request by the Niagara Falls Water Board to authorize the issuance of bonds not exceeding $263,224,352 for a project to improve the wastewater treatment plant. The Authority maintained its "A" credit rating.

6. **RESOLVED,** that the following constitutes the Authority's 2024 Performance Measurement Report, based on the Performance Measurements previously adopted by the Authority:

   a. Meeting annually, and within one month of any request by the Niagara Falls Water Board for a meeting of the Authority.

   2024 Result: Goal achieved.

   b. Timely financing or refinancing of water, wastewater, and stormwater system acquisition or improvements upon the request of the Water Board.

   2024 Result: The Authority acted promptly in connection with a request by the Water Board to authorize the issuance of bonds as described in the Authority's Annual Report on Operations and Accomplishments. Goal achieved.

   c. Timely payment of all debt service and related amounts on obligations of the Authority.

   2024 Result: Goal achieved.

7. **RESOLVED,** pursuant to Section 2800(2)(9) of the PAL, the Authority has prepared the following assessments of the effectiveness of its internal controls:

   The Authority has reviewed the 2024 independent auditors' report on internal control. It is not aware of any material weakness in the internal controls over its financial reporting. It relies upon the expertise of the Water Board's Director of Financial Services and the Trustee of its accounts, and does not have any reason to believe that there are any material misstatements in any of its financial statements.

8. **RESOLVED,** with respect to the 2024 annual Independent Audit and Audit Report:

   The Authority is the subject of annual independent financial audits. It is audited at the same time as the Niagara Falls Water Board, and for audit purposes is considered a blended component unit of the Niagara Falls Water Board.

Although they are legally separate entities, blended component units are, in substance, part of the government entity's operations. The Authority is considered a component unit of the Water Board because the Water Board is obligated to pay debt service and fund other accounts of the Authority. Thus, the Authority is fiscally dependent upon the Board to establish rates and collect fees necessary to pay these debts. Further, the Authority is "blended" with the Board in the financial statements because the Authority exists solely to provide services that predominantly benefit the Board.

The Authority has received and accepted the independent auditors' reports of the audit of the year ended December 31, 2024.

9. **RESOLVED,** that all policies and procedures adopted pursuant to Authority Resolution 2019-01 or otherwise and not specifically amended or superseded remain in effect.

On September 10, 2025, the question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	Yes	**No**	**Abstain**	**Absent**
Michael Monaco	**[ ]**	**[ ]**	**[ ]**	**[ ]**
Daniel Weiss	**[ ]**	**[ ]**	**[ ]**	**[ ]**
Jason Murgia	**[ ]**	**[ ]**	**[ ]**	**[ ]**

Vote Witnessed By:

_____

Sean W. Costello, Secretary to the Authority

Continuing Disclosure Report

Introduction

This 2024 Continuing Disclosure Report, prepared in September 2024 (the "2024 CDR" or the "2024 Report"), provides information to supplement and update information presented in the Feasibility Report of the Consulting Engineer and Rate Consultant, prepared in August 2005 (the "2005 Report"), included in the Official Statement for the 2005 Authority Bonds, the Feasibility Report prepared in June 2013, included in the Official Statement for the 2013 Bonds (the "2013 Report"), the Feasibility Report prepared in November 2016, included in the Official Statement for the 2016 Bonds (the "2016 Report"), the Feasibility Report prepared in March 2022, included in the Official Statement for the 2022 Bonds (the "2022 Report"), the 2007 Continuing Disclosure Report prepared in June 2007, the 2008 Continuing Disclosure Report prepared in June 2008, the 2009 Continuing Disclosure Report prepared in July 2009, the 2010 Continuing Disclosure Report prepared in July 2010, the 2011 Continuing Disclosure Report prepared in June 2011, the 2012 Continuing Disclosure Report prepared in June 2012, the 2014 Continuing Disclosure Report prepared in July 2014, the 2015 Continuing Disclosure Report prepared in July 2015, the 2016 Continuing Disclosure Report prepared in July 2016, the 2017 Continuing Disclosure Report prepared in September 2017, the 2018 Continuing Disclosure Report prepared in September 2018, the 2019 Continuing Disclosure Report prepared in September 2019, the 2020 Continuing Disclosure Report prepared in September 2020, the 2021 Continuing Disclosure Report prepared in September 2021, the 2022 Continuing Disclosure Report prepared in September 2022, and the 2023 Continuing Disclosure Report prepared in September 2023 collectively referred to as the "Prior Reports". Except where noted, the table numbers and titles used in the 2024 CDR correspond to the table numbers and titles in the Prior Reports. In matters presented in the Prior Reports where we have been advised by the Board that no material change has occurred since the preparation of the Prior Reports, no additional information is presented in this 2024 CDR. Throughout the 2024 CDR, references are made to the Water, Wastewater and Stormwater System of the Board (the "System") which serves the City of Niagara Falls, NY (the "City") and provides water service to small portions of adjacent communities.

Board and Authority Members

Mr. Nicholas J. Forster became the Chairman of the Board in March 2021. Other members of the Board include Ms. Colleen Larkin, Ms. Renae Kimble, Mr. Richard Sirianni and Mr. James S. Dean.

Mr. Jason Murgia is the Chairperson of the Authority (having previously been a member of the Authority). Mr. Daniel Weiss is the Vice Chairman of the Authority, and Mr. Michael Monaco is its third member.

Organization and Staff of the Board

Dr. Abderrahman Zehraoui served as Executive Director of the Niagara Falls Water Board from June 2021 until his resignation on September 8, 2023. He had more than 25 years of water/wastewater treatment system experience and holds a Philosophical Doctorate (Ph.D) degree in Environmental Engineering from University of Cincinnati, a Masters of Sciences degree in Management of Complex Systems from Pavia University (Pavia, Italy) as well as Bachelor of Science degree from University Mohammed V (Rabat, Morocco). Prior to his appointment as Executive Director, Dr. Zehraoui served as the Director of Utilities at the City of East Chicago, IN.

Effective on Dr. Zehraoui's resignation, the Water Board appointed Michael S. Eagler, Sr., its Chief of Outside Infrastructure and a 13-year employee, to serve as Acting Executive Director. After conducting a careful search through local/national employment resources and water and wastewater industry trade groups, in May 2024, the Water Board selected Sean W. Costello, who had served as its in-house General Counsel since 2018, as its Executive Director. Mr. Costello holds a Juris Doctor Degree from Syracuse University College of Law, and a Bachelor of Arts Degree in International Relations, *magna cum laude*, from Syracuse University College of Arts and Sciences. He previously served as Acting Executive Director during portions of 2020 and 2021. He began working on Water Board matters as an outside contractor in 2012. Mr. Costello has had an active role at the Water Board in operational, regulatory, labor relations, and legal affairs. He is a member of various professional organizations, including the American Water Works Association (AWWA), New York Water Environment Association (NYWEA), Water Environment Federation (WEF), and the Niagara Frontier Section of the Air and Waste Management Association (AWMANFS).

The table presented below illustrates the staffing levels for the System as of June 30, 2024.

Table 1 – System Staffing

	Staff Positions *
Water Facilities Division	48.0
Wastewater Facilities Division	58.0
Total System	106.0

* Denotes filled positions. Authority and Board members as well as personnel providing support services are not included in the above figures. The above totals also do not include staff members that are currently on unpaid leave.

The City provided certain support services to the System in the form of engineering, legal, billing and collection, accounting and fleet maintenance services during the initial years of the Board's operations. Under the terms of the Operations Agreement between the City and the Board, the Board notified the City that it wished to assume direct responsibility for certain support services provided by the City. For example, the Board installed a new financial management system and began billing customer accounts during 2008. The City continues to work with the Board, including in providing collection services for accounts and tax collection services. Under the terms of the agreement, the Board will pay the City approximately $100,000 per year for the services it receives.

Water Treatment

The average daily output from the Board's water treatment plant for 2020 through 2023 is shown in the following table.

Table 2 – Average Daily Production of Treated Water

Year	2020	2021	2022	2023
Flow (MGD)	22.57	21.26	19.82	19.05

Water Distribution System

The distribution system consists of approximately 260 miles of various diameter water mains, 2,287 fire hydrants, over 5,000 valves, two elevated water storage tanks and over 19,000 metered services. The distribution system is a single pressure system. The Water System services the City and several "out-of-town" customers adjoining the City. The Water System also has two major inter-municipal interconnections with the Niagara County Water District that allow for the purchase/sale of water in either direction for emergency or shut down maintenance events.

Treated water is pumped from the water treatment plant to the Water System's 260 miles of pipe and also to the 56th Street elevated water storage tank that has a capacity of 2 million gallons ("mg"). The elevated tank provides added reliability to the Water System, as it will transparently pick up full system demand if the high-lift pump station is shutdown. A second 2 mg elevated storage tank at Beech Avenue is currently shut down and isolated from the Water System. Demolition and replacement of the Beech Avenue water tank is anticipated and the Board is seeking grant funding to offset the cost of that project. The Beech Avenue water tank is being used to generate revenues through the lease of space for cellular antennas. The water distribution system utilizes various materials of construction including lined and unlined cast or ductile iron, polyvinyl chloride (PVC), reinforced concrete pressure pipe (RCPP), and high density polyethylene (HDPE) varying in size from 6 inch to 30 inch.

The following tables provide information on the water mains and the approximate age of the pipes comprising the water distribution system:

Table 3 – Water Distribution System Piping

Water Main	Material Type	Length (ft)
6-inch	PVC	1,500
8-inch	PVC	2,610
10-inch	PVC	700
12-inch	Asbestos Cement	5,500
20-inch	Cast/Ductile Iron	7,800
24-inch	RCPP	5,600
30-inch	RCPP	13,370
36-inch	RCPP	16,810
42-inch	RCPP	7,850
2-inch	Cast/Ductile Iron	700
4-inch	Cast/Ductile Iron	95,030
6-inch	Cast/Ductile Iron	596,540
8-inch	Cast/Ductile Iron	239,680
10-inch	Cast/Ductile Iron	121,455
12-inch	Cast/Ductile Iron	102,045
14-inch	HDPE	6,540
16-inch	Cast/Ductile Iron	59,660
20-inch	Cast/Ductile Iron	46,730
24-inch	Cast/Ductile Iron	26,230
30-inch	Cast/Ductile Iron	9,060
	Total	1,365,410

Table 4 – Niagara Falls Water Distribution System
Approximate Age of Pipe

Age	Feet	Percent
1890-1910	65,802	5%
1911-1930	515,179	38%
1931-1950	288,940	21%
1951-1970	251,682	18%
1971-1990	144,121	11%
1991-2021	101,772	7%
Total	1,367,496	100%

Unbilled Water

In Prior Reports, this section was described as unaccounted-for water. The term unaccounted-for water is redefined below and a definition is provided for unbilled water. The Water Facilities Division calculates the percentage of unbilled water based on the difference in quantity between the treated water pumped into the Water System and the number of billed units provided to customers, divided by the treated water pumped. Unbilled water includes both known uses that are not measured or billed (e.g., water used in firefighting and hydrant flushing) and unaccounted-for water such as losses due to leaks in the System. Unbilled water has been 66% percent or more of treated water for the last five years, a percentage that is higher than typical industry averages. This percentage has decreased since 2019 though efforts to identify and to repair leaks and to test, calibrate, and replace large meters over the past three years appear to have had modest success. The table presented below shows the average percentages of unbilled water by year.

Table 5 – Unbilled Water

Year	Percent of Treated Water
2019	71%
2020	72%
2021	68%
2022	66%
2023	68%

The marginal cost to the Board of treating and pumping water that is not sold is relatively low; mostly the cost of treatment chemicals and electricity, as other fixed costs of production such as personnel, treatment facilities, and distribution piping may be attributed to the billed water and are not increased to provide the unsold water. Notwithstanding the absence of a significant cost incentive, the CIP for the Water System is focused primarily on improvements to the distribution system that will maintain system reliability and, over time, together with the increased focus on

identifying lost water, should result in a decline in unaccounted-for water. In 2012, and 2013 through 2015 the Board embarked on an aggressive meter replacement program. In 2012 a pilot study was performed that included replacement of 450 meters. In 2013 through 2015, 16,000 residential and commercial meters have been replaced. The new meters are auto-read (drive by), which will reduce labor necessary to obtain meter readings and free up personnel for more important tasks. The objective of the meter replacement program is to improve the accuracy of the water meters as metered water use is the means by which revenue is generated. Based on the experiences of other water utilities in similar situations, the implementation of these programs should lead to a reduction in unaccounted-for water.

To improve the water distribution system, the NFWB has undertaken a program to map and hydraulically model the existing water distribution system. The hydraulic model is being used to identify areas where water pressure is insufficient and to plan for future upgrades to the distribution system. Additionally, in 2017, the NFWB identified out-of-service fire hydrants as a major issue, and an aggressive program has been undertaken by the NFWB to repair or replace all out-of-service fire hydrants. The objective was to return all fire hydrants to a fully functional status, and having accomplished that goal in 2019, repairs/replacements now focus on hydrants that either are newly damaged or that are older models which are nearing the end of their useful service life. Many of these hydrants that are being replaced were also a source of water leakage. The system includes 2,236 fire hydrants. Since 2019, fire hydrants repair/replacements have been as follows:

	Replaced	Repaired
2019	58	34
2020	100	21
2021	68	38
2022	41	44
2023	72	35
2024*	76	7

* As of August 31, 2024.

Water System Staffing

The table on the following page illustrates the number of personnel in each of the seven (7) sections of the Water System as of June 30, 2024.

Table 6 – Water System Staffing

Section	Staff Positions
Laboratory	3.0
Information Technology	3.0
Engineering	4.0
Purification Operations	9.0
Inside Water Maintenance	13.0
Outside Water Maintenance	11.0
Meter Shop	5.0
Total Water System Staff	48.0

We believe that the Water System is adequately staffed and key management personnel have the qualifications and experience commensurate with their responsibilities.

Wastewater Treatment

The following table identifies the historical flows through the wastewater treatment plant ("WWTP").

Table 7 – Average Daily Wastewater Volume Treated

Year	2020	2021	2022	2023
Flow (MGD)	24.10	24.24	23.54	24.08

Wastewater Facilities

The facilities of the Wastewater System include a wastewater treatment plant ("WWTP"), 8 pumping stations, over 255 miles of combined and separate sanitary sewer lines and 6 combined sewer overflow points. The Wastewater System uses a collection system of lateral, collection and trunk sewers that convey wastewater to the WWTP. The majority of the service area utilizes combined sewers that carry both wastewater and storm water in one pipe. Pipe sizes range from 8 inches to 72 inches in diameter. The Wastewater System also includes approximately 15 miles of large conveyance structures ranging in size from 36 inches to 32 feet in diameter (tunnels).

The eastern portion of the City has a separated sanitary system and storm sewer system. This portion of the Wastewater System uses pumps to alleviate sanitary sewer overflows that occur during certain wet weather events. This procedure complies with the terms of the Board's permit from the DEC. The pumping stations of the Board are listed in the table on the following page.

Table 8 – Pump Station and Bypass Station Capacities

Lift Station	Location	Approximate Capacity (MGD)
Gorge	Gorge Pump Station Site	19.5
LS-1	Stephenson & 81st Streets	4.3
LS-2	Griffon Avenue	1.0
LS-3	Buffalo Avenue & 56th Street	1.7
LS-4	91st Street & Luick Avenue	1.7
LS-6	81st Street & Frontier Avenue	4.3
LS-7	Boiler Avenue & Military Road	0.8
LS-8	101st Street	1.0
BPS-1	Cayuga Drive & South Military Road	2.9
BPS-2	West Rivershore Drive	1.0

Like most urban systems of its age with combined storm water and sanitary sewer systems, the Wastewater System has incurred problems with infiltration whereby storm water and ground water enter the pipes devoted to wastewater. This has resulted in added treatment expense.

Like the Water System, the Wastewater System obtains low-cost hydropower from National Grid, which is made available through NYPA. In the case of the Wastewater System, this amounts to approximately 1.6 megawatts per year.

Wastewater System Staffing

The table presented below illustrates the number of personnel in each of the six (6) sections of the Wastewater System as of June 30, 2024:

Table 9 – Wastewater System Staffing

Section	Staff Positions
Monitoring and Compliance	6.0
Analytical Services	2.0
Sewer Collection System Maintenance (1)	12.0
Administrative / Technical	5.0
Plant Operations	18.0
Plant Maintenance	15.0
Total Wastewater System Staff	58.0

1) Includes sanitary sewers, combined sewers and storm sewers. Positions for stormwater maintenance were paid for through the City's General Fund, prior to acquisition of the System by the Board.

Wastewater System Customer Base

The Wastewater System serves the City and, through a mutual services agreement, limited portions of the Town of Niagara. The Wastewater System serves a population of approximately 47,136 according to the 2020 U.S. Census. The table below shows consumption and revenue information by category of customer.

Table 10 – Wastewater Demand, Revenue and Account Information by Customer Class

Class of Customer	2019	2020	2021	2022	2023
Residential/Commercial					
Consumption (CCF)	1,252,451	1,236,314	1,240,942	1,237,586	1,203,216
Number of Accounts	17,918	17,920	17,880	17,811	17,652
Revenues	$ 6,613,490	$ 6,631,300	$ 6,876,161	$ 8,006,756	$ 8,587,377
Industrial					
Consumption (CCF)	912,621	887,571	966,867	930,581	810,042
Number of Accounts	244	258	256	255	255
Revenues	$ 3,879,443	$ 3,165,994	$ 3,752,812	$ 4,251,287	$ 4,817,252
Significant Industrial Users (SIU)					
Consumption (CCF)	890,139	930,712	1,115,955	1,090,861	914,467
Number of Accounts	23	23	23	23	23
Revenues	$ 7,917,883	$ 10,811,521	$ 12,733,281	$ 11,709,705	$ 12,204,666
Total					
Consumption (CCF)	3,055,211	3,054,597	3,323,764	3,259,028	2,929,313
Number of Accounts	18,185	18,201	18,159	18,089	17,956
Revenues	$ 18,410,816	$ 20,608,815	$ 23,362,254	$ 23,967,748	$ 25,609,295
Plus: Other Departmental Revenues	$ 1,374,123	$ 396,687	$ 942,727	$ 590,863	$ 792,588
Less: Adjustments	-	-	-	-	-
Total Departmental Revenue	$ 19,784,939	$ 21,005,502	$ 24,304,981	$ 24,558,611	$ 26,401,883

Preliminary Capital Improvement Program (CIP)

The Board and the Authority have the responsibility to adopt and implement the CIP for the System. Table 11 presents the CIP for the System for 2024 through 2028. The CIP is updated periodically. The updated CIP as presented herein was most recently updated by the executive staff as of August 31, 2024 and is a work-in-progress from the formal CIP approved by the Board on February 28, 2022.

Table 11 – Capital Improvement Plan ("CIP")

Description	2024	2025	2026	2027	2028	Total
COMBINED PROJECTS (WATER AND WASTEWATER)						
IT Plan Implementation	$30,000	$30,000	$30,000	$30,000	$30,000	$150,000
Meter Replacement & Upgrades	70,000	70,000	70,000	70,000	70,000	350,000
Fleet Replacement	80,000	80,000	80,000	80,000	80,000	400,000
Water/sewer GIS/GPS Mapping	5,000	5,000	5,000	5,000	5,000	25,000
Combined Projects - Miscellaneous	100,000	100,000	100,000	100,000	100,000	500,000
WASTEWATER INFRASTRUCTURE PROJECTS						
WWTP Rehab Phase 4A	2,500,000	1,000,000	-	-	-	3,500,000
WWTP Rehab Phase 4C	250,000	500,000	500,000	-	-	1,250,000
WWTP Rehab Phase 4E	750,000	-	-	-	-	750,000
WWTP SCADA Improvements	100,000	50,000	-	-	-	150,000
WWTP Roof Repairs	-	250,000	250,000	-	-	500,000
WWTP Chemical Bulk Storage	150,000	300,000	-	-	-	450,000
WWTP Structural / Masonry Repairs	-	425,000	425,000	-	-	850,000
WWTP Building and Site Projects	750,000	750,000	750,000	750,000	750,000	3,750,000
WWTP Infrastructure Projects - Miscellaneous	200,000	200,000	200,000	200,000	200,000	1,000,000
WASTEWATER INFRASTRUCTURE PROJECTS						
Lasalle Area Sewer Improvements (SSO)	250,000	300,000	300,000	-	-	850,000
Sewer /GPA Infrastructure Projects - Miscellaneous	100,000	100,000	100,000	100,000	100,000	500,000
WATER TREATMENT PLANT INFRASTRUCTURE PROJECTS						
WTP Pump and Piping Replacements	150,000	30,000	30,000	30,000	30,000	270,000
WTP SCADA Control System Upgrades	-	250,000	250,000	-	-	500,000
WTP Security Upgrades	25,000	25,000	-	-	-	50,000
WTP Building Improvements and Caulking	500,000	50,000	50,000	50,000	50,000	700,000
WTP Roofing Work	500,000	-	-	-	-	500,000
WTP Chlorine System Upgrades	100,000	-	-	-	-	100,000
WTP Fluoride System Upgrades	-	50,000	200,000	200,000	-	450,000
WTP Infrastructure Projects	200,000	200,000	200,000	200,000	200,000	1,000,000

(continued)

(concluded)

Description	2024	2025	2026	2027	2028	Total
WATER INFRASTRUCTURE PROJECTS						
10th Street and Michigan Avenue Mains	50,000	400,000	400,000	-	-	850,000
77th Street Main - Stephenson Ave to Niagara Falls	1,700,000	-	-	-	-	1,700,000
81st street	-	80,000	1,000,000	1,000,000	-	2,080,000
College Terrace	20,000	250,000	250,000	-	-	520,000
Laughlin Drive Main - 82nd Street to Bollier Ave	50,000	250,000	700,000	-	-	1,000,000
Military Road Main - Jacob Place to Bollier Avenue	200,000	-	-	-	-	200,000
Ontario Avenue Main - 13th Street to Main Street	-	40,000	400,000	400,000	-	840,000
Van Rensselaer Ave - 900 Block	-	8,000	140,000	-	-	148,000
West Rivershore Drive	40,000	500,000	500,000	-	-	1,040,000
Large Valve Replacement	200,000	200,000	200,000	200,000	200,000	1,000,000
Hydrant Replacement	170,000	170,000	170,000	170,000	170,000	850,000
20 inch main from Beach Ave. Storage Tank to Ontario St	-	-	500,000	1,000,000	500,000	2,000,000
Leak Detection/Distribution Modeling	-	50,000	-	-	-	50,000
Witkop Avenue and 85th Street Loop (all 8")	40,000	400,000	400,000	-	-	840,000
Water Infrastructure Projects - Miscellaneous	120,000	120,000	120,000	120,000	120,000	600,000
Total	**$9,400,000**	**$7,233,000**	**$8,320,000**	**$4,705,000**	**$2,605,000**	**$32,263,000**

On a System-wide basis, the CIP includes provisions for the implementation of new technology which is primarily focused on the monitoring and control of water and wastewater facilities. Such technology will enable Board personnel to continue to attempt to operate more efficiently and effectively. The past improvements have allowed for some significant reductions in personnel.

The NFWB is also currently proceeding with various Capital Improvements at the 1201 Buffalo Ave. Wastewater Treatment Plan (WWTP). The improvements are in response to the Order on Consent, entered with the NYDEC in 2017. Work is funded through a combination of grants and low interest loans administered by the NYS Environmental Facilities Corporation (EFC). Capital improvements at the WWTP will continue to constitute a large share of short-term budgeted funds for 2024 and 2025. However, the aforementioned capital expenditures are reimbursed at 50% with the remaining expenses converted to long term low interest loans. On the following page is a comprehensive list of the current Capital Improvements Projects and status to date.

- **Capital Project #1 Sedimentation Basin Upgrades**
  - Design and bidding phases have concluded.
  - Demolition and improvements of the scum building and sedimentation basins #3, #4 and #5 have been basically completed.
  - Currently, sedimentation basin #2 work is ongoing.
  - There have been some ongoing change orders that have slowed the progress of the work.
  - Construction completion is currently anticipated for March 2025.

- **Capital Project #2 Gorge Pump Station Improvements**
  - Design and bidding phases have concluded
  - Replacement of existing pumps, channel grinders, and various ancillary components within the Gorge Pump Station have been completed.
  - The project was closed out by the end of March 2023.

- **Capital Project #3 Screenings and Grit Conveyance Improvements**
  - Design and bidding phases have concluded.
  - Currently construction is nearly completed to the improvements to the existing screening, grit, and polymer systems.
  - Belt filter press improvements will further extend the project completion date.
  - Construction completion is currently anticipated extending into 2025.

- **Capital Project #4 Activated Carbon Filter Media Replacement**
  - Replacement of activated carbon and gravel underdrain media within various filter beds prioritized on the basis of age and filter efficiency.
  - Design, bidding, and construction phases have concluded.

- **Capital Project #5 Electrical System Improvements.**
  - Design has been completed for the replacement and/or upgrade of various high voltage electrical components integral to the operability of the Wastewater Treatment Plant and electrical improvements through multiple phases.
  - The replacement of power center no. 2 transformers has been completed and the no. 5 transformers are ongoing.
  - Construction completion is currently anticipated for December 2024.

- **Capital Project #6 Chemical Treatment System Optimization.**
  - Project included improvements to improve operational efficiency of existing chlorination system, including pumping, distribution, and monitoring.
  - Design, bidding and construction phases have concluded on Phase 1 work.
  - Design work has been ongoing for Phase 2 work that includes replacement of sodium hypochlorite tank no. 2016, chemical feed pumps and controls.

- Construction is anticipated to be completed in Spring 2025.

- **Capital Project #7 Heating and Ventilation System Upgrades**
  - Design and bidding phases have concluded.
  - Construction has concluded including improvements to the existing heating and ventilation system throughout the Wastewater Treatment Plant. Improvements to replace failing equipment that has deteriorated due to the harsh operating environment is completed.
  - Construction was completed by the end of June 2023.

- **Capital Project #8 Replacement of Air Scour Blower.**
  - Project included repair and/or replacement of air scour blower equipment associated with the carbon filter bed system.
  - Design, bidding, and construction phases have concluded.

- **Capital Project #9 Plant Waterline and Process Piping Replacement.**
  - Project included replacement of sections of failing process piping and ancillary equipment throughout the Wastewater Treatment Plant.
  - Design, bidding, and construction phases have concluded.

- **Capital Project #10 SCADA Improvements**
  - Bidding phase has concluded.
  - Design and construction phase has been underway with ongoing capital projects.
  - Construction completion is currently anticipated into 2025.

- **Capital Project #11 Exterior Piping Improvements**
  - Design and bidding phase has concluded.
  - Construction phase is currently underway with ongoing capital projects.
  - Construction was completed in Spring 2023.

- **Capital Project #12 Intermediate Pumps Assessment**
  - Study phase has been completed.
  - Design report was received in January 2023.
  - Work on intermediate pump no. 1 has been completed, which included replacement of a 42” butterfly valve on the suction piping from the wet well, reconditioning service to the motor and refurbishing of the rotating element, impellers and bearings. Similar repair work on intermediate pump no. 2 has begun and will also include work on pumps no. 3 and no. 4.
  - Construction is currently anticipated within the next 2 years.

In addition the NFWB has recently embarked on a number of initiatives including the following:

- The NFWB has recently leased 10 new vehicles. The vehicles are more energy efficient and include two hybrids. As a result, the age of the fleet went from an average age of 12 years old to 7 years old. Over the five-year lease the NFWB is projected to save $300,000.
- The NFWB has established a hydrant truck which routinely tests fire flows and performs hydrant maintenance. The initiative will improve the reliability of the NFWB's hydrant system.
- The NFWB has implemented a 3-D scanning project to scan existing facilities at the wastewater treatment plants. The initiative will save money in engineering design projects, provide accurate measurements for existing facilities, will be used in employee training programs.
- The wastewater treatment plant replaced entrance gates for improved security.
- A professional development program has been financed which will include leadership training, state certified operator license training, and provide access to up-to-date training materials.

In the Water Distribution System, the CIP is focused primarily on distribution system improvements to enhance overall water quality, system reliability and reduce water loss, including a water main, hydrant and large valve replacement programs. In addition, the meter replacement program has become an important part of reducing the cost of reading meters and replacement of older faulty meters. The City of Niagara assists with providing design, contract administration and inspection services on both projects.

The CIP also includes funds for specific water distribution main replacement projects, continued replacement of large valves, continued leak detection & distribution system modeling to reduce leakage rates, and funding for unplanned system repairs. The specific areas identified for replacement have been prioritized based on factors such as the history of main breaks, known areas of leakage, the need to upgrade the size or materials of the main and other factors. The 18th Street Main (Ontario Avenue to Whitney Avenue) was a high priority project that was awarded in June of 2022 with construction completed in 2023. The Whitney Avenue watermain replacement project was bid out in May of 2023 but was not awarded due to the bid amount being well over budgeted costs. The 77th Street watermain replacement project will be completed by November 2024. The 10th Street, Laughlin Drive, Ontario Avenues, Van Rensselaer Avenue, Witkcop Avenue, 81st Steet, College Terrace and Rivershore Drive watermain replacement projects have been under design and will be put out to bid in the near future. The NFWB continues to prioritize and assess the water distribution system to determine which mains need to be replaced. The continued implementation of a watermain replacement program should, over time, reduce the level of unaccounted-for water in the Water System.

The NFWB also continues to prioritize and access the LaSalle area sewer system improvements in response to the Order on Consent, entered with the NYDEC in 2008.

In the opinion of management, the CIP is reasonable and will help ensure that quality water and wastewater services are provided to customers in a reliable manner. There continue to be unanswered questions regarding the potential outcome of the 2015 Turbidity Study and the related 2017 Consent Order studies pertaining to alternative wastewater treatment processes. The WWTP's SPDES permit also is in the process of being renewed, potentially with tighter limits on certain effluent parameters. The studies on new SPDES permit requirements may result in the NFWB being required to construct additional WWTP improvements, and the NFWB believes it could meet current and foreseeable future permit requirements most efficiently by converting the WWTP from the current physical-chemical treatment technology to a biological treatment process. The NFWB will seek external grants to undertake any major expenditure for plant upgrades or changing the treatment technology at the WWTP.

Sources and Uses of Funds

Table 12 shown below presents the anticipated sources and uses of funds for the CIP. The amounts shown are preliminary, pending policy decisions of the Board.

Table 12 – Sources and Use of Funds for the CIP

	2024	2025	2026	2027	2028
Opening balance, January 1:					
Remaining funds restricted for capital projects*	$ 786,581	$ 3,754,794	$ 3,302,644	$ 482,644	$ 377,644
Sources of CIP funds:					
Prior year coverage	1,035,000	1,600,000	1,600,000	1,600,000	1,600,000
Grants	6,424,840	3,158,510	2,600,000	2,000,000	1,500,000
Matching funds**	4,908,373	2,022,340	1,300,000	1,000,000	750,000
Use of CIP funds:					
CIP spending (per Table 11)	(9,400,000)	(7,233,000)	(8,320,000)	(4,705,000)	(2,605,000)
Ending balance, December 31	$ 3,754,794	$ 3,302,644	$ 482,644	$ 377,644	$ 1,622,644

* Represents debt proceeds (including NYPA) and annual contributions from operating funding coverage.

** Using available funds from operations for matching grant requirements.

It is anticipated that the cash requirements of the CIP for the 2024-2028 period will be met through 1) remaining funds currently on hand with the Board received from the New York Power Authority; 2) remaining funds on hand from cash surpluses from operations of the preceding years; and 3) interest on funds on hand whose use is restricted to capital improvements.

Outstanding Debt

The table below summarizes the outstanding bond issues and remaining principal amounts attributable to the System as of December 31, 2023.

Table 13 –Outstanding Debt

	Principal Balance December 31, 2023
Debt Instrument	
Niagara Falls Public Water Authority Bonds:	
Series 2022A Bonds	$ 35,930,000
Series 2013B Bonds	550,000
Series 2016A Bonds	20,130,000
NYSEFC Water Revolving Funds Revenue Bonds:	
Series 2013B - Clean Water	8,135,000
Series 2014B - Drinking Water	2,980,000
Series 2012B - Clean Water	4,475,000
New York State Power Authority:	
Series 2019 Mortgage Loan	1,161,962
Total Amount	**$ 73,361,962**

The outstanding debt decreased by $4,540,457 from 2022 to 2023 as a result of scheduled principal payments.

Historical Cash Flows and Debt Service Coverage

The Board acquired the System from the City in September 2003. The Board has now completed eighteen full years as the owner and operator of the System. A summary of the financial performance achieved during the years ending December 31, 2021, December 31, 2022, and December 31, 2023 is provided in Table 14 on the following page.

Table 14 –Historical Financial Performance

Line	Description	2021	2022	2023
1	Receipts from customers, users and grants	$ 35,410,495	$ 41,746,447	$ 38,014,239
2	Interest earnings	445,245	357,879	1,680,389
3	Proceeds from sales of assets	122,743	108,160	85,084
4	Total cash receipts	35,978,483	42,212,486	39,779,712
5	Payments to employees	11,413,328	12,226,030	12,304,744
6	Payments to suppliers	13,625,496	16,293,046	13,808,747
7	Total operating expenses	25,038,824	28,519,076	26,113,491
8	Cash available for debt service (line 4 - line 7)	10,939,659	13,693,410	13,666,221
9	Interest payment	3,087,532	2,030,159	2,523,880
10	Principal payment	4,485,326	4,449,598	4,572,457
11	Total debt service	$ 7,572,858	$ 6,479,757	$ 7,096,337
12	Surplus (line 8 - line 11)	$ 3,366,801	$ 7,213,653	$ 6,569,884
13	Debt service coverage (line 8/line 11)	1.44	2.11	1.93

The preceding table has been prepared based on cash flow information presented in the annual financial statements of the Board. The financial statements of the Board for the year ended December 31, 2023 were audited by the firm EFPR Group, CPAs, while the financial statements of the Board for the years ended December 31, 2022 and 2021 were audited by the firm Bonadio & Co., LLP.

The results for the year ending December 31, 2021 indicate that the actual debt service coverage achieved by the Board was 144%, also exceeding the minimum requirement of 115% of debt service. The results for the year ending December 31, 2022 indicate that the actual debt service coverage achieved by the Board was 211%, also exceeding the minimum requirement of 115% of debt service. The results for the year ending December 31, 2023 indicate that the actual debt service coverage achieved by the Board was 193%, also exceeding the minimum requirement of 115% of debt service.

In April 2017, the Board reached a settlement with the collective bargaining agreements of all four of its labor unions. The agreements resulted in substantial savings in healthcare costs for the Board while allowing employees and retirees to retain quality and affordable healthcare benefits. Employees share a modest 20% of costs and the Board contributes to employee Health Savings Plans to help offset costs associated with a high deductible health plan. Without burden to rate payers, other cost-savings measures such as comprehensive training, professional development, and greater utilization of technology in daily operations are also being implemented. The Board will spearhead an aggressive and long term public relations campaign to better educate the public on future initiatives such as its aggressive pursuit of funds through the New York State Clean Water Infrastructure Act.

Billing and Collection

All but a limited number of water and sewer customers are billed quarterly based on actual or estimated meter reads. Significant industrial users are billed monthly based on two estimated months followed by an actual meter read in the third month.

Customers of the Board can pay their water and sewer bills online, at Bank on Buffalo, or to the City of Niagara Falls Billing and Collection Department at City Hall. All revenues, including those collected by the City, are put immediately into the Board's depository account of the Local Water Fund. The City collects on delinquent accounts and, in particular, any unpaid balances that remain as of November 21 of each year create a lien on the property and are added to the next year's City tax bill. These liens then become due and payable with the tax collection. The City collects the funds, reconciles the tax roll and water/sewer liens and disburses a check to the Board in July and the following January for the two collection periods. These amounts are reconciled to the Board's records for verification of the receipts.

Having completed a major meter replacement project covering virtually all residential and small commercial meters in 2015, the Board from 2021 to 2023 has emphasized testing, and where necessary replacement, of large industrial meters in order to capture revenue that could be lost if consumption is not accurately metered and billed.

Table 15 – Water and Sewer Billings and Cash Collections – Historical

FYE 12/31	2019	2020	2021	2022	2023
Service Billings	$ 29,973,753	$ 31,874,002	$ 34,048,559	$ 35,969,824	$ 38,518,292
Penalties	405,651	430,808	637,524	588,687	722,661
Invoice Adjustments	(67,164)	169,058	953,024	719,764	867,249
Total Billed	$ 30,312,240	$ 32,473,868	$ 35,639,107	$ 37,278,275	$ 40,108,202
Total Cash Collections - Billings	28,481,104	31,302,901	32,896,275	35,227,195	35,415,578
Total Cash Collections - Property Tax Bill	1,530,987	1,223,117	1,370,344	1,487,440	1,826,310
Total Collections	$ 30,012,091	$ 32,526,018	$ 34,266,619	$ 36,714,635	$ 37,241,888
% of Total Cash Collections to Total Billed	99.0%	100.2%	96.1%	98.5%	92.9%

Compliance with Reserve Fund Requirements

Under the terms of the Financing Agreement between the Board and the Authority, the Board is required to maintain minimum balances in reserve funds relating to its operating expenses and debt service. The amounts on deposit in the Operation and Maintenance Reserve Fund must equal or exceed two months' of the anticipated operation and maintenance expenses in the upcoming year. The amounts on deposit in the Debt Service Reserve Fund must equal or exceed the maximum annual debt service in any future year. The amounts on deposit in the Board's Operation and Maintenance Reserve Fund and Debt Service Reserve Fund as of December 31, 2023 are in compliance with the requirements of the Financing Agreement. The Board expects to continue to be in compliance with these requirements during 2024.

Projected Cash Flows and Rates

The preliminary projection of cash flows of the System is presented in Table 16. These projections are preliminary and subject to change. The future cash flows of the Board are dependent upon many factors, including economic conditions and Board policy decisions regarding the size, scope and timing of the CIP. Future increases in rates and revenues are also dependent upon actual experience and assumptions for regarding customer demand as well as other factors. The achievement of any projection of future conditions is dependent upon the occurrence of other future events and circumstances such as changes in the local and national economy, demographic changes, variations in interest rates and inflation, new regulatory agency initiatives and other factors that cannot be predicted. Therefore, the actual financial requirements and performance of the System may vary from the estimates presented herein, and such variations could be material.

The projected cash flows in 2024 through 2028 assume that the Board will enact increases in water and wastewater rates and charges of 2% annually from 2025 through 2028. The projection indicates that under the conditions reflected herein, the System will generate operating revenues of approximately $39.8 million in 2024, which is expected to increase to $43.1 million through 2028.

Taking into consideration non-operating revenues, total revenues available for debt service and expenses are projected to be $10.9 million in 2024, decreasing to $10.1 million in 2028. These projections are preliminary and subject to change. The projected user payments reflect the assumption that water consumption by customers will remain stable throughout the projection period. If such projections in water sales are not achieved, then the Board will have to increase water and sewer rates at a pace that is greater than assumed and/or decrease expenses in order to achieve the debt service coverage requirement.

On a preliminary basis, operating expenses are projected to increase from approximately $28.9 million in 2024 to $32.9 million in 2028. Operating expenses in 2024 through 2028are expected to increase with inflation, with the exception of employee benefits which are projected using historical increases (and which have increased at rates significantly higher than inflation).

The projected debt service includes principal and interest payments on outstanding bonds. The Board does not anticipate issuing future debt throughout the projection period. These amounts and the timing of the potential issuance of debt are subject to change based on policy decisions by the Board. The proceeds of such bonds or notes will be used to pay a portion of the costs associated with the CIP.

In 2012, pursuant to its agreement with the City, the Board is obligated to make annual payments in lieu of taxes to the City. The projected amount to be paid from 2024 through 2028 is $700,000 per year.

The debt service coverage ratios in Table 16 are based on total revenues available for expenses and debt service minus Operating Expenses divided by Total Debt Service. It is projected that debt service coverage will be equal to, or greater than, the minimum requirement of 1.15 throughout the Projection Period. All projections are presented on a preliminary basis and are subject to change. This conclusion assumes the following: the Board adopts the projected rate increases described above, expenses are maintained at or below projected levels, and the future changes in customer usage are consistent with the assumed rate of change. As noted earlier, the actual financial requirements and performance of the System may vary from the estimates presented herein, and such variations could be material. With regard to the figures presented in Table 16, the preliminary

projections show that debt service coverage is maintained at approximately the minimum levels required by the Bond Resolution. Drescher & Malecki LLP recommends that the Board consider taking the actions necessary such that the debt service coverage and surplus exceed the minimum requirement of 1.15 throughout the Projection Period so that if adverse changes occur (e.g., a greater than assumed decline in customer usage), the Board will have some flexibility to address such changes.

Table 16 – Preliminary Projections of Cash Flows and Rates

		Estimated				
Line		**2024**	**2025**	**2026**	**2027**	**2028**
	Revenues					
1	Operating revenues	39,779,712	40,575,306	41,386,812	42,214,549	43,058,840
2	Total	39,779,712	40,575,306	41,386,812	42,214,549	43,058,840
	Operations and Maintenance Expenses					
3	Salaries and benefits	13,260,918	13,526,136	13,796,659	14,072,592	14,354,044
4	Chemicals/sludge	8,044,416	8,446,637	8,868,969	9,312,417	9,778,038
5	Insurance/safety	614,888	627,186	639,729	652,524	665,575
6	Maintenance	1,058,698	1,090,459	1,123,173	1,156,868	1,191,574
7	Utilities	3,841,472	4,033,546	4,235,223	4,446,984	4,669,333
8	Other expenses	1,183,067	1,206,729	1,230,863	1,255,481	1,280,590
9	Equipment	214,199	250,000	250,000	275,000	275,000
10	PILOT payment to City	700,000	700,000	700,000	700,000	700,000
11	Total	28,917,658	29,880,692	30,844,616	31,871,866	32,914,154
12	**Revenues available for debt service**	10,862,054	10,694,614	10,542,196	10,342,683	10,144,686
	Debt Service					
13	Debt service on outstanding bonds	7,963,410	8,332,243	8,307,885	8,286,262	8,242,174
14	Debt service on future Authority bonds	-	-	-	-	-
15	Total	7,963,410	8,332,243	8,307,885	8,286,262	8,242,174
16	**Surplus (line 12 - line 15)**	2,898,644	2,362,371	2,234,311	2,056,421	1,902,512
17	**Debt Service Coverage (minimum 1.15)**	1.36	1.28	1.27	1.25	1.23
18	**Actual/Proposed Rate Increase**	0.0%	2.0%	2.0%	2.0%	2.0%

Notes:

1) Projected cash flow and rates above are subject to change.

Water Sales by Customer Class

Table 17 below illustrates the water consumption by customer class for each of the last four years.

Table 17 – Water Consumption by Customer Class
(Units in ccf (100 cubic feet)

District 1 - Residential	**2020**	**2021**	**2022**	**2023**
1st billing	96,480	95,192	95,586	91,956
2nd billing	93,876	96,296	103,064	96,147
3rd billing	95,253	97,686	98,794	96,009
4th billing	108,183	106,845	106,703	98,368
Total	393,792	396,019	404,147	382,480
District 2 - Residential				
1st billing	112,723	117,401	111,954	108,673
2nd billing	109,077	107,758	109,012	109,659
3rd billing	124,671	121,515	119,215	122,925
4th billing	137,452	126,723	126,578	119,539
Total	483,923	473,397	466,759	460,796
District 3 - Residential				
1st billing	86,070	84,767	89,466	88,459
2nd billing	84,925	94,939	89,557	85,461
3rd billing	97,608	100,138	94,433	95,114
4th billing	89,996	91,682	93,224	90,906
Total	358,599	371,526	366,680	359,940
District - Industrial				
1st billing	229,987	232,518	257,908	215,974
2nd billing	210,701	206,858	199,982	163,110
3rd billing	180,448	251,887	206,656	178,408
4th billing	266,435	275,604	266,035	252,550
Total	887,571	966,867	930,581	810,042
District - SIU				
1st billing	210,440	207,284	263,932	232,730
2nd billing	225,585	295,772	258,084	207,002
3rd billing	248,179	320,257	303,606	237,446
4th billing	246,508	292,642	265,239	237,289
Total	930,712	1,115,955	1,090,861	914,467
District - NR				
1st billing	339	243	492	369
2nd billing	248	625	590	332
3rd billing	1,489	393	570	560
4th billing	402	523	427	327
Total	2,478	1,784	2,079	1,588
Grand Total ccf	3,057,075	3,325,548	3,261,107	2,929,313
% Change from Prior Year	0.00%	8.78%	-1.94%	-10.17%

As illustrated by Table 17, water consumption has seen steady increases through 2022, before incurring decreases in 2023, following the complete closure of a prior major customer in the Significant Industrial Users (SIU) category.

The ten largest water customers and wastewater customers are listed in Table 17A below.

Table 17A – Ten Largest Water and Wastewater Customers

	Name	12/31/2023 Revenue	% of Total	6/30/2024 YTD
1	Norampac Industries #50	$ 7,634,373	48.80%	$ 2,650,153
2	Niacet Corporation #17	1,439,309	9.20%	777,207
3	Seneca NF Gaming - Hotel	1,107,761	7.08%	469,089
4	Olin Corp #23	993,080	6.35%	468,114
5	Town of Niagara	977,561	6.25%	597,230
6	Covanta Niagara, LP #32	925,863	5.92%	429,685
7	Olin Corp	812,086	5.19%	290,837
8	Occidental Chemical #22	672,094	4.30%	383,892
9	Goodyear Tire & Rubber Co.	609,458	3.90%	254,792
10	Allied Waste Systems #67	473,714	3.03%	179,498
		$ 15,645,299	100%	$ 6,500,497

The following table illustrates the historical trends in water consumption as well as the distribution of water sales by customer class:

Table 17B – Water Demand, Revenue and Account Information by Customer Class

Class of Customer	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Residential/Commercial										
Consumption (CCF)	1,346,029	1,315,516	1,338,499	1,272,267	1,299,934	1,252,451	1,236,314	1,240,942	1,237,586	1,203,216
Number of Accounts	18,249	18,379	17,954	17,835	17,917	17,944	17,920	17,880	17,811	17,652
Revenues	$ 4,765,290	$ 4,728,578	$ 4,982,389	$ 4,822,853	$ 5,120,518	$ 4,985,808	$ 4,981,737	$ 5,167,139	$ 6,013,741	$ 6,452,465
Industrial										
Consumption (CCF)	745,073	741,580	804,241	852,457	926,684	912,621	887,571	966,867	930,581	810,042
Number of Accounts	255	256	248	261	245	245	258	256	255	255
Revenues	$ 1,975,744	$ 2,399,858	$ 2,956,785	$ 2,327,816	$ 2,722,250	$ 2,597,846	$ 2,358,805	$ 2,797,914	$ 2,989,506	$ 3,013,104
Significant Industrial Users (SIU)										
Consumption (CCF)	1,362,443	1,209,147	1,065,322	971,721	876,822	890,139	930,712	1,115,955	1,090,861	914,467
Number of Accounts	24	24	23	23	24	22	23	23	23	23
Revenues	$ 2,858,019	$ 2,553,174	$ 2,334,010	$ 2,166,094	$ 2,238,898	$ 2,067,362	$ 2,219,211	$ 2,790,450	$ 2,923,470	$ 2,702,668
Non-Resident Users*										
Consumption (CCF)	3,467	3,862	4,876	3,586	2,605	1,747	2,478	1,784	2,019	1,588
Number of Accounts	27	27	27	27	27	26	26	26	26	26
Revenues	$ 22,750	$ 35,981	$ 46,376	$ 30,912	$ 22,467	$ 22,232	$ 30,633	$ 42,265	$ 43,455	$ 34,579
Total										
Consumption (CCF)	3,457,012	3,270,105	3,212,938	3,100,031	3,106,045	3,056,958	3,057,075	3,325,548	3,261,047	2,929,313
Number of Accounts	18,555	18,686	18,252	18,146	18,213	18,237	18,227	18,185	18,115	17,956
Revenues	$ 7,641,243	$ 8,438,310	10,319,560	9,347,675	10,104,133	9,673,248	9,590,386	10,797,768	11,970,172	12,202,816
Plus: Other Departmental Revenues	3,981,869	3,466,847	1,137,966	1,497,008	1,450,379	1,921,647	1,351,427	1,193,950	1,053,754	1,503,503
Less: Adjustments	(100,245)	(82,143)	(311,134)	(304,026)	(25,013)	(10,629)	(1,124)	-	-	-
Total Departmental Revenue	$ 11,522,867	$ 11,823,014	$ 11,146,392	$ 10,540,657	$ 11,529,499	$ 11,584,266	$ 10,940,689	$ 11,991,718	$ 13,023,926	$ 13,706,319

Rates for Water Service and Wastewater Service

The rates for water service and wastewater service in 2024 did not increase for both customers within and outside the City. The Board provides wastewater service to Town of Niagara customers outside of the City. The Board reached an agreement with the Town of Niagara in 2015 that includes the use of wastewater flow meters for measuring actual wastewater volumes discharged to the NFWB collection system. These two changes should result in increased revenues from these Out of District users. In addition, the Board is aggressively pursuing water theft and the potential under-recording of water use to ensure that every customer pays their fair share. This includes timely investigation of low or zero meter readings and the recently completed meter replacement program. Water and wastewater rates for 2023 and 2022 are provided in the financial statements of the Board. The consumption-related water rates of the Board for 2022-23 are shown in Table 17C below. Historical rate increases for water and wastewater customers are presented in Table 18 that follows.

Table 17C – 2024 Rates for Water Customers

	Inside City ($/ccf)	Outside City ($/ccf)
First 20,000 CF	4.48	11.97
Next 60,000 CF	3.88	10.45
Next 120,000 CF	3.29	8.70
> 200,000 CF	2.72	7.33

Table 18 –Historical Percentage Increases in Rates for Water and Wastewater Customers

2016	2017	2018	2019	2020	2021	2022	2023	2024
4.40%	0.00%	2.40%	2.00%	0.00%	2.99%	16.90%	8.90%	0.00%

The rate structure for sewer service consolidates all consumers into two classes: Significant Industrial Users (SIU), and Commercial, Small Industrial, and Residential Users (CSIRU). The user charge system includes ten Substance of Concern charges that are assessed exclusively within the SIU class.

The 2024 wastewater user charges for the CSIRU class of customers are summarized in Table 19.

Table 19 – 2024 Wastewater Rates for CSIRU Customers

Minimum Charge	Volume Charge
All meter sizes and flow up to 1,300 cf	Usage in excess of 1,300 cf per quarter (per 100 cf)
$77.09	$5.93

Three of the wastewater user charges for the SIU class of customers in 2024 are summarized in Table 20.

Table 20 – 2024 Wastewater Rates & Charges for SIU Customers

Flow Charge ($/MG)	Solids Charge ($/lb)	SOC Charge ($/lb)
4,169	1.34	2.31

Interest Earnings

The System will earn interest on the funds maintained by the Board and the Authority. Based on the anticipated balances in each fund and the current investment rates, Table 21 presents the estimated interest earnings for 2024.

Table 21 – Estimated Interest Earnings - 2024

Fund	Average End of Month Balance	Interest Earnings Rate	Estimated Annual Earnings
Debt Service restricted cash	$ 13,532,123	Varies	$ 744,267
Unrestricted investments	13,540,389	Varies	$ 744,721
Capital Project restricted cash	786,581	0.35%	2,753
Operations and maintenance restricted cash	5,625,181	0.35%	19,688
Operating cash	16,667,990	0.15%	25,002
			$ 1,536,431

Interest earnings have increased throughout 2024, as compared to the most recent three years and may be available to provide additional revenues during the projection period.

System Operating Expenses

The System's expenses include the costs associated with the operation, maintenance and administration of the water treatment facilities and distribution system, as well as the costs associated with the operations of the wastewater collection and treatment facilities and stormwater facilities. The principal components of operating expenses other than labor as projected for 2024 are shown in Table 22.

Table 22 – Major Components of Expenses Other Than Labor - 2024

Item	Amount
Chemicals	$ 8,044,416
Utilities	3,841,472
Maintenance	1,058,698
Computer Service Contracts / Supplies / Professional Services	1,183,067
Insurance	614,888
Equipment	214,199

Chemicals are used in both the water treatment and the wastewater treatment processes although the majority of the cost of chemicals is wastewater related. The System receives low cost hydroelectric power from the New York Power Authority which significantly reduces its electrical costs relative to market rates. The Board will be proactively seeking opportunities to further reduce

such costs. Other expenses are assumed to be affected by inflation as well as the results of cost saving initiatives of the Board during the projection period.

The total operating expenses of the Board in 2021, 2022 and 2023 were $31.3 million, $31.2 million, and $31.8 million, respectively.

ECONOMIC AND DEMOGRAPHIC DATA

The following information was provided by other sources and provides updated information regarding the Board's Service Area. Since the Service Area consists primarily of the City of Niagara Falls, the information is limited to that portion of the Service Area that is within the boundaries of the City.

Major Employers in Niagara Falls Area

City / County	Employer	Employees
County	Niagara Falls Air Reserve Station	2787
City	Seneca Niagara Casino and Hotel	2715
County	Niagara County	1554
County	Fashion Outlets of Niagara	1434
County	General Motors Components Holdings, LLC	1400
City	Niagara Falls City School District	1263
County	Praxair Inc.	1200
City	Niagara Falls Memorial Medical Center	1004
County	St. Gobain Ceramics & Plastics	884
County	Niagara County Community College	713

Source: Niagara County Center for Economic Development

Population

Changes in the City's population compared to changes in the population of the County, the State and the United States are as follows:

	2000	2010	2020	% of Change 2000-2010	% of Change 2010-2020
City	55,593	50,193	48,671	-9.71%	-3.03%
County	219,846	216,469	212,666	-1.54%	-1.76%
State	18,876,457	19,378,102	20,201,249	2.66%	4.25%
United States	281,421,906	308,745,338	331,449,281	9.71%	7.35%

Source: United States Bureau of the Census

Civilian Labor Force – Annual Average (thousands)

	2019	2020	2021	2022	2023
City	21.2	21.3	20.6	20.5	20.8
County	100.8	99.5	97.3	97.8	99.3
State	9,470.4	8,628.0	8,857.0	9,178.6	9,717.7

Source: New York State Department of Economic Development: Bureau of Economic and Demographic Information (note that "City" refers to Niagara Falls city, NY Statistical Area).

Yearly Average Unemployment Rates

Year	City	County	State
2019	5.9%	5.0%	3.8%
2020	13.8%	10.4%	10.0%
2021	8.0%	7.2%	6.9%
2022	4.8%	3.8%	4.3%
2023	5.1%	4.0%	4.2%

Source: New York State Department of Labor, Bureau of Labor Statistics, Information not seasonally adjusted (note that "City" refers to Niagara Falls city, NY Statistical Area)

Monthly Unemployment Rates

Month	City	County	State
January, 2024	6.5%	5.3%	4.3%
February	6.4%	5.4%	4.5%
March	6.0%	5.1%	4.2%

Source: New York State Department of Labor, Bureau of Labor Statistics, Information not seasonally adjusted (note that "City" refers to Niagara Falls city, NY Statistical Area).

Comparative Housing, Income and Population Data (as of December 2013)

	City	State	U.S.
Age Distribution:			
% under 5 years	5.6	6.0	6.4
% 20 to 64	61.0	80.0	80.2
% 65 and over	15.0	13.8	13.4
Median age	39.4	38.1	37.3
Person / Household	2.28	2.61	2.63
Housing:			
% owner occupied housing units	55.8%	54.2%	64.9
Median value housing ($)	66,600	288,200	176,700
Median gross rent ($)	718	1,109	962
% housing built 1990 - 2000	7.0	6.0	13.9
% housing built before 1939	33.2	33.1	13.7
% with 5 or more units in structure	14.1	34.9	24.5
Income:			
Per capita income ($)	20,549	32,382	28,155
Median family income ($)	32,326	58,003	53,046
% below poverty level	24.9	15.3	15.4

Source: Census of Population and Housing, U.S. Department of Commerce, Bureau of Census (note that "City" refers only to Niagara Falls)

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

REPORT TO THE BOARD

July 18, 2025

The Board of Directors
Niagara Falls Water Board

Dear Board Members:

We have audited the financial statements of Niagara Falls Water Board (the Board), as of and for the year ended December 31, 2024 and have issued our report thereon dated July 18, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Principles

Management is responsible for the selection and use of appropriate accounting policies. Significant accounting policies used by the Board are described in note 1 to the financial statements. For the year ended December 31, 2024, the Board adopted Governmental Accounting Standards Board Statement No. 101 - Compensated Absences. We noted no transactions entered into by the Board during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

For the year ended December 31, 2024, we evaluated the key factors and assumptions used by management in determining that accounting estimates were reasonable in relation to the financial statements taken as a whole.

Significant Disclosures

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management, however, there were significant delays in performing and completing our audit as numerous accounts were not reconciled at the time of scheduled fieldwork.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this report, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Board's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to our retention as the Board's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. During our audit of the Board we identified an instance of noncompliance which is described in the schedule of findings and responses as item 2024-001.

Other Matters

We applied certain limited procedures to management's discussion and analysis and the other required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the other supplementary information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquires of management and evaluated the form content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

* * * * * *

This information is intended solely for the use of the Board of Directors and management of Niagara Falls Water Board and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

EFPR Group, CPAs, PLLC

EFPR GROUP, CPAs, PLLC

NIAGARA FALLS WATER BOARD

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

December 31, 2024 and 2023

NIAGARA FALLS WATER BOARD

Table of Contents

* * * * * *

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Niagara Falls Water Board:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Niagara Falls Water Board (the Board), as of and for the years ended December 31, 2024 and 2023, and the related notes to financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Board, as of December 31, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in note 1(i) to the financial statements, the Board adopted provisions of the Governmental Accounting Standards Board (GASB) Statement No. 101 - "Compensated Absences," during the year ended December 31 2024.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the additional information on pages 45 through 47 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of

inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Board's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 18, 2025 on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Board's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
July 18, 2025

NIAGARA FALLS WATER BOARD

Management's Discussion and Analysis

December 31, 2024 and 2023

As management of the Niagara Falls Water Board (the Board), we offer readers of the Board's financial statements this narrative and analysis of the financial activities of the Board for the years ended December 31, 2024 and 2023.

Following this Management's Discussion and Analysis (MD&A) are the financial statements of the Board together with the notes thereto. Please read the MD&A in conjunction with the Board's financial statements and the accompanying notes in order to obtain a full understanding of the Board's financial position and results of operations.

The Board was created by an Act of the State of New York, as more fully described in note 1 to the financial statements, and commenced operations on September 25, 2003. In accordance with an agreement with the City of Niagara Falls, New York (the City) the Board received all assets, liabilities and operating activities (including all personnel) of the City's former Water and Sewer Funds. In return, the Board issued debt, which was used to defease outstanding City bonded debt relating to its Water and Sewer Funds.

Financial Highlights

- Total net position of the Board was $12,374,624 and $11,802,060 at December 31, 2024 and 2023, respectively. At December 31, 2024 and 2023 the unrestricted net position (deficit) was, $(53,623,665) and $(52,226,188), respectively, which, may be used to meet the Board's ongoing obligations.
- The Board's operating income for the years ended December 31, 2024 and 2023 was $1,141,083 and $4,743,272, respectively.
- The Board's total bond indebtedness decreased by $5,297,043 and $4,670,211 during the years ended December 31, 2024 and 2023, respectively.
- The Board reflected a liability for other postemployment benefits of $79,692,591 and $81,404,487 at December 31, 2024 and 2023, respectively.
- The Board adopted provisions of the Governmental Accounting Standards Board Statement No. 101 - "Compensated Absences," during the year ended December 31 2024.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements which include the financial activities of the Board, the Niagara Falls Public Water Authority (the Authority) (a blended component unit), and the notes to financial statements. The reasons for blending the financial activities are explained in note 1 to the financial statements. An overview of the responsibilities of the Board and the Authority is presented as follows.

Board	Authority
* Owns the System	* Issues debt
* Operates and maintains the System	* Provides proceeds of debt for construction and improvements
* Responsible for System improvements	* Provides oversight regarding adequacy of revenue and System conditions
* Sets rates and collects revenue	
* Pays debt service on bonds	

The financial statements are designed to provide readers with a broad overview of the Board's finances in a manner similar to a private-sector business, and are organized as follows:

- The statements of net position presents information on all of the Board's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.
- The statements of revenue, expenses and changes in net position presents information on how the Board's net position changed during each reporting period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in these statements for some items that will result in cash flows for future fiscal periods (e.g., uncollected water and sewer rents, earned but unused vacation and other postemployment benefits).
- The statements of cash flows presents information depicting the Board's cash flow activities for each reporting period and the effect that these activities had on the Board's cash and equivalent balances.
- The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Board's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $12,374,624 at December 31, 2024, as compared to $11,802,060 at December 31, 2023, as presented as follows:

Condensed Statements of Net Position

	December 31,		
	2024	2023*	2022*
Current assets	$ 29,795,698	31,800,960	26,832,221
Noncurrent assets	163,538,345	163,743,878	161,850,009
Total assets	193,334,043	195,544,838	188,682,230
Deferred outflows	8,989,651	10,652,401	8,724,024
Current liabilities	25,559,197	22,556,159	13,752,927
Noncurrent liabilities	144,197,735	152,979,568	149,221,515
Total liabilities	169,756,932	175,535,727	162,974,442
Deferred inflows	20,192,138	18,859,452	27,045,740
Net investment in capital assets	48,819,352	44,084,363	45,933,589
Restricted	17,178,937	19,943,885	20,845,709
Unrestricted (deficit)	(53,623,665)	(52,226,188)	(59,393,226)
Total net position	$ 12,374,624	11,802,060	7,386,072

*Reclassifications of certain 2023 and 2022 balances were made to conform them to the 2024 presentation.

The Board's net investment in capital assets was $48,819,352 and $44,084,363 at December 31, 2024 and 2023, respectively. This results from the timing of the amortization of the Board's capital debt, as outstanding principal for most of the Board's serial bonds is not paid until late into the life of the debt, while depreciation occurs annually.

The Board's unrestricted net position (deficit) was $(53,623,665) and $(52,226,188) at December 31, 2024 and 2023, respectively. The restricted debt service portion of the Board's net position, $2,969,529 and $6,079,649 at December 31, 2024 and 2023, respectively, represents funds that are set aside to be used towards debt service. The restricted capital projects portion of the Board's net position, $786,581 at December 31, 2024 and 2023, represents funds that are set aside primarily for the reconstruction of the Falls Street Tunnel and capital projects. The restricted debt reserve fund portion of the Board's net position, $7,797,646 and $7,452,474 at December 31, 2024 and 2023, respectively, represents funds for future debt service payments. The restricted operating and maintenance reserve fund portion of the Board's net position, $5,625,181 at December 31, 2024 and 2023, respectively, represents funds to pay the cost of extraordinary repairs to and maintenance of the system.

The Board's unrestricted net position is the remainder of total net position after taking net investment in capital assets, restricted for capital projects, restricted for operations and maintenance and restricted for debt related reserves into account. Unrestricted net position (deficit) decreased in 2024 by $1,397,477 because of an increase in net investment in capital assets of $4,734,989 and a decrease of $2,764,948 in restricted net position. Unrestricted net position (deficit) increased in 2023 by $7,167,038 because of a decrease in net investment in capital assets of $1,849,226 and a decrease of $901,824 in restricted net position.

A comparison of current assets to current liabilities of the Board at December 31, 2024, 2023 and 2022 follows:

		2024	2023	2022
Current assets	$	29,795,698	31,800,960	26,832,221
Current liabilities	$	25,559,197	22,556,159	13,752,927
Ratio of current assets to current liabilities		1.17	1.41	1.95

The Board's total net position increased by $572,564 and $4,415,988, respectively, during the years ended December 31, 2024 and 2023. Key elements of the changes in net position is as follows:

Changes in Net Position

		2024	2023	2022
Total operating revenue	$	36,515,566	39,367,536	41,093,715
Total operating expenses		(35,374,483)	(34,624,264)	(31,795,850)
Operating income		1,141,083	4,743,272	9,297,865
Total nonoperating expenses		(568,519)	(327,284)	(2,023,580)
Change in net position	$	572,564	4,415,988	7,274,285

The Board's major sources of operating revenue are charges for water and sewer services which comprise approximately 99% and 98% of total operating revenue at December 31, 2024 and 2023, respectively. This was a $2,109,853 decrease from 2023 to 2024 and an increase of $2,187,781 increase from 2022 to 2023. These revenues are dependent upon rates charged for these services, with such rates being determined by the Board. Please see the section entitled "Economic Factors and Next Year's Rates" within this MD&A for a listing of the rates charged during 2024 and approved rates for 2025.

The Board's largest operating expense area is for contractual expenses which were approximately 42% and 41% of total operating expenses for the years ended December 31, 2024 and 2023, respectively. In 2024, these costs totaled approximately $15.0 million as compared to $14.3 million, representing an approximate $0.7 million increase in this area.

In 2023, these costs totaled approximately $14.3 million as compared to $12.8 million, representing an approximate $1.5 million increase in this area.

Within the nonoperating revenue (expenses) category, interest expense is by far the largest expense item and represents the cost of carrying serial bonds, which totaled $68,194,673 and $73,361,962, at December 31, 2024 and 2023, respectively.

The following is a summary of the Board's cash flow activities for the years ended December 31, 2024, 2023 and 2022:

	2024	2023	2022
Cash flows provided by (used in):			
Operating activities	$ 7,878,042	11,900,748	13,227,371
Capital and related financing activities	(14,401,740)	(7,669,342)	(14,046,325)
Investing activities	4,020,745	(616,701)	362,606
Change in cash and equivalents	(2,502,953)	3,614,705	(456,348)
Cash and equivalents at beginning of year	16,667,990	13,053,285	13,509,633
Cash and equivalents at end of year	$ 14,165,037	16,667,990	13,053,285

The Board's available cash and equivalents decreased by $2,502,953 during the year ended December 31, 2024, as compared to an increase of $3,614,705 during the year ended December 31, 2023. Cash provided by operating activities reflected a positive balance was $7,878,042 and $11,900,748, respectively, for the years ended December 31, 2024 and 2023.

Capital Assets and Debt Administration

Capital Assets - The Board's investment in capital assets (net of accumulated depreciation and amortization) as of December 31, 2024 and 2023, amounted to $131,845,344 and $129,505,080, respectively. This includes land, plant and transmission (infrastructure type assets), machinery and equipment, and construction in progress. The Board's greatest investment in capital assets comes in the form of infrastructure. Significant factors affecting capital assets during the reporting period include:

- The Board recorded total additions to capital assets of $9,618,204.

- Additions to construction in progress totaled $9,603,775. Completed capital projects transferred to depreciable asset categories totaled $7,957,017.
- The Board recorded total depreciation and amortization of $7,277,940 and $7,038,507 for the years ended December 31, 2024 and 2023, respectively.

A summary of capital assets, net of depreciation and amortization, where applicable, is as follows:

	2024	2023	2022
Land	$ 463,713	463,713	463,713
Construction in progress	15,440,883	13,794,125	16,172,883
Plant and transmission assets (water system)	39,018,079	36,436,072	37,319,932
Plant and transmission assets (wastewater system)	70,801,748	72,210,553	67,504,102
Machinery and equipment	6,060,330	6,451,546	6,389,726
Right to use lease assets	60,591	149,071	262,749
Total	$ 131,845,344	129,505,080	128,113,105

Construction in progress represents ongoing capital construction which will be transferred to the appropriate asset category (and begin to be depreciated) upon completion.

More detailed information about the Board's capital assets is presented in the note 4 to financial statements.

Bonds - At December 31, 2024 and 2023, the Board had outstanding bonds totaling $68,194,673 and $73,361,962, respectively. During the years ended December 31, 2024 and 2023, the Board made principal payments of $5,167,289 and $4,540,457, respectively, on these bonds.

The Board used bond debt to finance the original purchase of the assets (net of liabilities and including the water, sewer and storm water systems) from the City. In the future, the Board may utilize bond debt issuances as a primary source of funds for construction, renovations and system improvements.

Other Postemployment Benefits - Upon retirement, the Board's employees are entitled to continuous health insurance coverage. At December 31, 2024 and 2023, the liability recorded for these benefits amounted to $79,692,591 and $81,404,487, respectively.

Compensated Absences - Upon separation, Board employees are entitled to payment of unused sick and vacation time. The total liability relating to these payments at December 31, 2024 and 2023, is $713,303 and $672,585, respectively. The timing of the payments relating to compensated absences is dependent upon many factors, including the retirement or separation from service, and is therefore difficult to predict; however, the Board estimates that $35,666 and $33,629 of such liability is current at December 31, 2024 and 2023, respectively.

Economic Factors and Next Year's Rates

As noted earlier, the Board's largest sources of operating revenues are water and sewer rents from customers. These revenues result from rates charged based on water usage by the individual customer. Rates can be adjusted accordingly in order to help meet the expenses of the Board. When considering rate changes, the Board utilizes the services of a rate consultant to help forecast the magnitude and effects of potential changes. As required by law, the general public's opinions are also taken into consideration, through public hearings, when contemplating a change in rates charged for services. Water rates charged for 2024 and approved rates to be charged for 2025 are as follows:

	2025		2024	
	Amount to be charged (per 100 cubic feet)		Amount to be charged (per 100 cubic feet)	
Amount Consumed	Inside city	Outside city	Inside city	Outside city
First 20,000 cubic feet per quarter	4.48	11.97	4.48	11.97
Next 60,000 cubic feet per quarter	3.88	10.45	3.88	10.45
Next 120,000 cubic feet per quarter	3.29	8.70	3.29	8.70
Over 200,000 cubic feet per quarter	2.72	7.33	2.72	7.33
Minimum charge for water consumption per quarter	58.24	155.61	58.24	155.61

In addition to the above schedule of rates for water consumed, a demand charge is assessed for each user's meter, as set forth below:

Size and Type	2025 Rate (per quarter)	2024 Rate (per quarter)
Under 1" Disc	$ 3.70	3.70
1" Disc	25.00	25.00
2" Disc	40.00	40.00
2" Compound	40.00	40.00
3" Compound	50.00	50.00
4" Compound	100.00	100.00
6" Compound	220.00	220.00
8" Compound	250.00	250.00
10" Compound	275.00	275.00
12" Compound	400.00	400.00

In addition to charging for water consumption and services, the Board also charges users with respect to sewer and wastewater services provided. All users have been divided into two "user classes" - Commercial/Small Industrial/Residential Users (CSIRU) and Significant Industrial Users (SIU).

Sewer rates for the CSIRU class are determined by the total metered water consumption in each quarter. Rates charged for 2024 and rates to be charged during 2025 are as follows:

Amount Consumed	2025	2024
Minimum charge per quarter (up to 1,300 cubic feet)	$ 77.09	77.09
Additional usage in excess of 1,300 cubic feet ($/cubic feet)	5.93	5.93

Sewer rates for the SIU class are determined each quarter based on the actual measured quantities and composition of wastewater flow. Such rates are determined by the Board and are based upon six representative 24-hour composite samples taken quarterly. Rates for the SIU class for the year ended December 31, 2024 and approved for 2025 were $416,521 per million gallons for wastewater flow; $1.34 per pound for all suspended solids discharged; and $2.31 per pound for all soluble organic carbon compounds discharged. In addition, SIU's are charged fees, as needed, for certain other "substances of concern" which are discharged in their wastewater.

Contacting the Board's Financial Management

This financial report is designed to provide taxpayers, customers, and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Sean Costello, Michael O'Laughlin Municipal Water Plant, 5815 Buffalo Avenue, Niagara Falls, New York 14304.

NIAGARA FALLS WATER BOARD
Statements of Net Position
December 31, 2024 and 2023

Assets	2024	2023
Current assets:		
Cash and equivalents	$ 14,165,037	16,667,990
Accounts receivable, net of allowance for uncollectible accounts	11,535,480	10,825,192
Due from City of Niagara Falls, net of allowance for uncollectible accounts	3,062,527	2,918,203
Grants receivable	6,913	663,530
Current portion, leases receivable	144,614	168,634
Prepaid expenses	881,127	557,411
Total current assets	29,795,698	31,800,960
Noncurrent assets:		
Investments, unrestricted	20,315,916	19,952,151
Investments, restricted	10,767,175	13,532,123
Leases receivable	609,910	754,524
Capital assets, net	131,845,344	129,505,080
Total noncurrent assets	163,538,345	163,743,878
Total assets	193,334,043	195,544,838
Deferred Outflows of Resources		
Loss on refunding	1,558,257	1,714,055
Pension	2,635,184	3,002,030
OPEB	4,796,210	5,936,316
Total deferred outflows of resources	8,989,651	10,652,401

(Continued)

See accompanying notes to financial statements.

NIAGARA FALLS WATER BOARD
Statements of Net Position, Continued

Liabilities	2024	2023
Current liabilities:		
Accounts payable	$ 1,575,525	2,441,633
Accrued liabilities	1,631,437	1,653,583
EFC short-term financing	13,704,190	10,358,810
Current portion of noncurrent liabilities:		
Lease liability	59,881	64,868
Compensated absences	35,666	33,629
Total OPEB liability	2,654,123	2,707,159
Bonds payable	5,898,375	5,296,477
Total current liabilities	25,559,197	22,556,159
Noncurrent liabilities:		
Lease liability	59,130	119,010
Compensated absences	677,637	638,956
Net pension liability, proportionate share	2,839,477	4,042,310
Total OPEB liability	77,038,468	78,697,328
Bonds payable	63,583,023	69,481,964
Total noncurrent liabilities	144,197,735	152,979,568
Total liabilities	169,756,932	175,535,727
Deferred Inflows of Resources		
Pension	1,759,909	484,759
OPEB	17,124,160	16,823,828
Leases	703,195	884,995
Gain on refunding	604,874	665,870
Total deferred inflows of resources	20,192,138	18,859,452
Net Position		
Net investment in capital assets	48,819,352	44,084,363
Restricted	17,178,937	19,943,885
Unrestricted (deficit)	(53,623,665)	(52,226,188)
Total net position	$ 12,374,624	11,802,060

See accompanying notes to financial statements.

NIAGARA FALLS WATER BOARD
Statements of Revenue, Expenses and Changes in Net Position
Years ended December 31, 2024 and 2023

	2024	2023
Operating revenue:		
Water rents and charges	$ 12,787,093	12,842,591
Sewer rents and charges	23,517,829	25,572,184
Licenses and permits	175,997	211,989
Grants	9,285	734,746
Other services	25,362	6,026
Total operating revenue	36,515,566	39,367,536
Operating expenses:		
Personnel costs	7,010,164	6,809,309
Contractual expenses	15,032,354	14,331,060
Employee benefits	6,054,025	6,445,388
Depreciation expense	7,189,460	6,924,829
Amortization expense	88,480	113,678
Total operating expenses	35,374,483	34,624,264
Total operating income	1,141,083	4,743,272
Nonoperating revenue (expenses):		
Amortization of bond premium, gain and loss on refunding	34,951	34,951
Use of money and property	1,619,562	1,680,389
Gain on sale of property	11,502	85,084
Interest expense	(2,234,534)	(2,127,708)
Total nonoperating revenue (expenses)	(568,519)	(327,284)
Change in net position	572,564	4,415,988
Net position at beginning of year	11,802,060	7,386,072
Net position at end of year	$ 12,374,624	11,802,060

See accompanying notes to financial statements.

NIAGARA FALLS WATER BOARD
Statements of Cash Flows
Years ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Receipts from customers and users	$ 35,638,503	37,241,888
Receipts from grants	665,902	772,351
Payments to suppliers	(15,570,597)	(13,808,747)
Payments to employees	(12,855,766)	(12,304,744)
Net cash provided by operating activities	7,878,042	11,900,748
Cash flows from capital and related financing activities:		
Payments on lease liability	(64,867)	(76,216)
Purchases of capital assets	(10,156,068)	(9,388,331)
Proceeds on sale of assets	11,502	85,084
Repayments of capital debt	(5,374,789)	(4,572,457)
Issuance of capital debt	3,552,880	8,806,458
Interest paid on capital debt	(2,370,398)	(2,523,880)
Net cash used in capital and related financing activities	(14,401,740)	(7,669,342)
Cash flows from investing activities:		
Interest received	1,619,562	1,680,389
Change in restricted cash and investments	2,401,183	(2,297,090)
Net cash provided by (used in) investing activities	4,020,745	(616,701)
Change in cash and equivalents	(2,502,953)	3,614,705
Cash and equivalents at beginning of year	16,667,990	13,053,285
Cash and equivalents at end of year	$ 14,165,037	16,667,990

(Continued)

See accompanying notes to financial statements.

NIAGARA FALLS WATER BOARD
Statements of Cash Flows, Continued

	2024	2023
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$ 1,141,083	4,743,272
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	7,189,460	6,924,829
Amortization	88,480	113,678
Allowance for doubtful accounts	1,488,307	1,152,265
Changes in:		
Accounts receivable	(1,111,009)	(971,531)
Due from City of Niagara Falls	(1,231,910)	(1,553,724)
Grants receivable	656,617	37,605
Leases receivable	168,634	164,038
Prepaid expenses	(323,716)	(34,805)
Net pension asset, proportionate share	-	1,647,314
Accounts payable	(328,244)	485,264
Accrued liabilities	113,717	71,854
Compensated absences	40,718	67,180
Total OPEB liability	(1,711,896)	5,220,667
Net pension liability, proportionate share	(1,202,833)	4,042,310
Deferred outflows of resources - pension	366,846	492,221
Deferred outflows of resources - OPEB	1,140,106	(2,576,397)
Deferred inflows of resources - pension	1,275,150	(5,426,783)
Deferred inflows of resources - OPEB	300,332	(2,516,559)
Deferred inflows of resources - leases	(181,800)	(181,950)
Total adjustments	6,736,959	7,157,476
Net cash provided by operating activities	$ 7,878,042	11,900,748
Supplemental schedule of cash flow information - adjustment for capital assets financed by accounts payable	$ 793,787	1,331,651

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

The financial statements of the Niagara Falls Water Board (the Board) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Included in the Board's reporting entity is a blended component unit, the Niagara Falls Public Water Authority (the Authority).

(a) Reporting Entity

The Board was created by Chapter 325 of the Laws of 2002 of the State of New York (the State), codified as Sections 1231-a of Title 10-C of Article 5 of the Public Authorities Law of the State, as amended (the Board Act). The Authority was created by Chapter 275 of the Laws of 2002 of the State, constituting the Niagara Falls Public Water Authority Act, codified as Sections 1230-a through 1230-aa of Title 10-B of Article 5 of the Public Authorities Law of the State, as amended (the Authority Act).

The Board is a corporate municipal instrument of the State consisting of five members primarily responsible for the jurisdiction, control, possession, supervision and use of water, wastewater and storm water systems within the City of Niagara Falls, New York (the City).

The Authority is a public benefit corporation consisting of three members and is primarily responsible for obtaining financing for water, wastewater and storm water systems within the City.

Board members for both the Board and Authority are appointed pursuant to the enabling legislation.

Pursuant to the Board Act and the Authority Act, the Board, the Authority and the City executed an acquisition agreement effective September 25, 2003 whereby the Authority issued bonds enabling the Board to purchase all of the assets, net of liabilities, of the City's public water, wastewater and storm water systems. The Board began operations of these systems on that date.

Currently there are approximately 17,728 residential, 262 commercial and 16 large industrial type customers. Total population served by the water system is estimated at 47,599. The average daily demand is 19.0 million gallons per day. The Board's wastewater system generally covers the same service area and customer base as the water system. The wastewater treatment plant processes approximately 23.4 million gallons of wastewater per day.

Blended Presentation of Component Unit - Although they are legally separate entities, blended component units are, in substance, part of the government's operations. The following is a brief description of the blended component unit included in the primary government:

(1) Summary of Significant Accounting Policies, Continued

(a) Reporting Entity, Continued

Niagara Falls Public Water Authority - Among the powers given to the Authority is the ability to borrow money and issue negotiable or non-negotiable notes, bonds or other obligations for the acquisition, renovation and improvement to the regional water system.

The Authority may also apply for licenses, permits and approval of plans associated with the acquisition, renovation and improvement of the regional water system. In the process of borrowing funds to improve facilities, professional consultants may be retained to offer technical services and advice for the purpose and benefit of acquiring or improving the systems.

The Authority has entered into an agreement with the Board to make payments for the debt service required by these bonds. The Board is also required to make payments for Authority expenses. The obligation to make debt service is a general obligation to which its full faith and credit are pledged.

The Authority is considered a component unit since the Board is obligated to pay debt service and fund other accounts of the Authority. Thus, the Authority is "fiscally dependent" upon the Board to establish rates and collect fees necessary to pay these debts. Further, the Authority is "blended" with the Board in the financial statements because the Authority exists solely to provide services that predominantly benefit the Board. The Authority has no employees of its own.

(b) Measurement Focus and Basis of Accounting

The financial statements of the Board have been prepared in accordance with GAAP as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles.

The activities of the Board are accounted for similar to those often found in the private sector using the flow of economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, deferred outflows of resources, deferred inflows of resources, net position, revenue, and expenses are accounted for through a single enterprise fund with revenue recorded when earned and expenses recorded at the time liabilities are incurred.

Revenue from providing water and sanitary sewer services are reported as operating revenues. Transactions which are capital, financing or investing related are reported as nonoperating revenues. All expenses related to operating systems are reported as operating expenses. Interest expense and financing costs are reported as nonoperating expenses.

(1) Summary of Significant Accounting Policies, Continued

(c) Budgets

The annual budget is the financial plan for the effective operation of the Board and the Authority. The Board uses the budget as a management tool for internal control purposes and to assist in setting of appropriate user charges.

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

- Cash and Equivalents - The Board's cash and equivalents represent cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.
- Restricted Cash and Investments - Debt Service Fund - As a result of the purchase of the water and sewer systems from the City, certain bond covenants, as disclosed in note 5, were established requiring resources (consisting of cash and investments) to be maintained for specific purposes necessary to operate the water and sewer systems. The total amount restricted for debt service fund amounted to $2,969,529 and $6,079,649, at December 31, 2024 and 2023, respectively.
- Restricted Cash and Investments - Debt Service Reserve Fund - This fund was established to fulfill the debt service reserve requirements on the outstanding bonds as and when they become due. The total amount restricted for debt service reserve fund amounted to $7,797,646 and $7,452,474, at December 31, 2024 and 2023, respectively.
- Restricted Cash and Investments - Operating and Maintenance - This fund is restricted to pay the cost of extraordinary repairs to and maintenance of the system. The total amount restricted for operating and maintenance amounted to $5,625,181 at December 31, 2024 and 2023.
- Cash has been deposited into various trust funds with a fiscal agent to satisfy certain covenants. Further, the amounts have been invested into various short-term investments incompliance with the Board's investment policy. Certain funds were used for their intended purposes and are no longer available for investment.
- Fair Value Measurements and Disclosures
  A framework has been established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:
  - Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Board has the ability to access.

(1) Summary of Significant Accounting Policies, Continued

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position, Continued

- Level 2 - Inputs to the valuation methodology include:
  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the assets or liabilities; and
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at December 31, 2024.

The following is a description of the valuation methodologies used for assets measured at fair value.

Certificates of deposit - Valued at the closing price reported on the active market in which the individual securities are traded.

Corporate securities (commercial paper and bonds) - Valued at the closing price reported on the active market in which the individual securities are traded.

U.S. Government securities and bonds - Valued at the closing price reported on the active markets in which the individual securities are traded.

The Board assess the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer in accordance with its accounting policy regarding the recognition of transfers between levels of the fair value hierarchy.

- Accounts Receivable - All receivables, including accrued unbilled revenues, are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Board has adopted a policy of recognizing water and sewer revenues in the period in which the services are provided. Billings to customers generally consist of revenues earned from the prior three months for quarterly billed customers, and revenues earned from the prior month for monthly billed customers.

  The collection of current water and sewer charges is performed by the Board. The City, acting as collecting agent for the Board, collects delinquent water and sewer charges, which become a lien upon the premises collected with City taxes.

(1) Summary of Significant Accounting Policies, Continued

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position, Continued

- Prepaid Expenses - Prepaid expenses reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

- Capital Assets - Capital assets acquired by the Board as part of the September 25, 2003 acquisition agreement with the City were reported at fair value on the acquisition date. Capital assets acquired by the Board subsequent to the initial acquisition are stated at cost including interest capitalized during construction, where applicable. Costs include material, direct labor and other items such as supervision, payroll taxes, employee benefits, transportation, and certain preliminary legal, engineering and survey costs. The costs of repairs and maintenance are expensed as incurred. Contributed fixed assets are recorded at fair market value at the date received.

  Construction projects are conducted on a continuing basis in order to maintain or enhance the systems. Preliminary legal, engineering and survey costs include studies conducted prior to the actual construction period that directly result in specific construction projects. While capital projects are in process, all associated costs are recorded as construction in progress. Once completed, all costs, including legal, engineering, survey and construction costs, are reclassified to their respective asset categories and depreciated according to their useful lives.

  Depreciation has been recorded using the straight-line method of depreciation. The estimated useful lives of the Board's major classes of depreciable assets are based on the utility of the respective assets. The estimated useful lives of depreciable fixed assets are as follows:

Assets	Years	Threshold
Land	N/A	N/A
Water and wastewater systems	20 - 50	$20,000
Machinery and equipment	3 - 15	$15,000

- Compensated Absences - Board employees are granted vacation and sick leave, and certain employes are permitted to earn compensatory absences in lieu of overtime. The amount of vacation and sick leave granted varies based on date of hire. In the event of termination or upon retirement, all union employees are entitled to payment for unused accumulated accruals, with limitations defined by their respective collective bargaining agreements. No employee is allowed to carry over more than 12 weeks' of paid vacation from year to year, which limits the Board's total deferred liability for this item. Nonunion employees receive similar benefits.

  Payments of vacation and sick leave and compensatory time are dependent upon many factors; therefore, the timing of future payments is not readily determinable. However, management believes that sufficient resources will be available for the payments of vacation leave and compensatory time when such payments become due.

(1) Summary of Significant Accounting Policies, Continued

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position, Continued

In addition to providing pension benefits, the Board provides postemployment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement. Substantially all of the Board's employees may become eligible for these benefits if they reach normal retirement age while working for the Board. Health care benefits are provided through the Board's self-insurance plan. The Board pays 100% of the cost for retiree's health care insurance, excluding co-pays which are the sole responsibility of the retirees. Survivors of retirees hired prior to December 31, 2007 continue to receive healthcare coverage. Future retirees hired after December 31, 2007 will pay 20% of the premiums for their insurance coverage. All retirees will be enrolled in a "Medicare Advantage Plan" at age 65. The Board recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

- Bond and Note Discounts/Premiums - Discounts and premiums are presented as components of bonds or notes payable. The discounts/premiums are amortized over the life of the bonds and notes on a straight-line interest method.
- Long-term Obligations - Long-term debt obligations are reported as liabilities in the accompanying statement of net position.
- Pension Plan - The Board provides retirement benefits for substantially all of its regular, full-time employees through contributions to the New York State Employees' and Local Employees' Retirement System (ERS). The ERS provides various plans and options, some of which require employee contributions, as described in note 9.
- Deferred Outflows of Resources and Deferred Inflows of Resources - Deferred outflows of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.
- Net Position - The Board's financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

  Net Investment in Capital Assets - This category groups all capital assets into one component of net position. Accumulated depreciation/amortization and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

(1) Summary of Significant Accounting Policies, Continued

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position, Continued

Restricted Net Position - This category represents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Restricted net position totaled $17,178,937 and $19,943,885 as of December 31, 2024 and 2023, respectively.

Restricted for Capital Projects - Amounts restricted for capital projects is $786,581 at December 31, 2024 and 2023. In 2007, the Board received $19,000,000 from the Power Authority under a "Relicensing Settlement Agreement." The Agreement provided for the creation of a "Niagara Falls Water Board Capital Improvement Fund." These funds represent the remainder of the settlement funds and are restricted for future use related to capital improvements of the Board including but not limited to any specific project including the Falls Street Tunnel project.

Restricted for Debt Service Fund - Board restrictions for debt service were $2,969,529 and $6,079,649 at December 31, 2024 and 2023, respectively.

Restricted for Debt Service Reserve Fund - Amounts restricted for the debt service reserve fund were $7,797,646 and $7,452,474 at December 31, 2024 and 2023, respectively. These funds are controlled by bond trustee. The required minimum balance is the lessor of the maximum future annual debt service requirement or 125% of the average future annual debt service requirements for all outstanding bonds. The required minimum balance was $6,033,872 and $6,232,913 at December 31, 2024 and 2023, respectively. This resulted in excess reserves of $1,763,744 and $1,219,651 at December 31, 2024 and 2023, respectively.

Restricted for Operations and Maintenance - Amounts restricted for operations and maintenance were $5,625,181 at December 31, 2024 and 2023. These reserves may be used to pay the cost of extraordinary repairs to, and replacements of, the system. Surplus amounts on deposit at the end of the fiscal year may be used for any purpose determined by the Board to be beneficial for the system unless the Authority notifies the Board that it does not concur with such application of surplus and expenditures. The required minimum balance is $1/6^{th}$ of the prior years' operating expenses which equates to $4,574,615 and $4,861,056 at December 31, 2024 and 2023, respectively. There were excess reserves of $1,050,566 and $764,125 at December 31, 2024 and 2023, respectively.

Unrestricted Net Position - This category of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets." When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, and then unrestricted resources as they are needed.

(1) Summary of Significant Accounting Policies, Continued

(e) Use of Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(f) Income Taxes

The Board is a public benefit corporation of the State of New York. As such, income earned in the exercise of its essential government functions is exempt from State and Federal income taxes.

(g) Subsequent Events

The Board has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(h) Reclassifications

Certain reclassifications were made to certain 2023 balances to conform them to the 2024 presentation.

(i) New Accounting Standard

The Board adopted the provisions of GASB Statement No. 101 - "Compensated Absences," during the year ended December 31, 2024. The adoption of this standard did not result in a restatement of prior year balances.

(2) Cash and Equivalents and Investments

The Board's investment policies are governed by State statute. Board monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. The Board is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, and obligations of the State or its localities.

Collateral is required for demand deposits and certificates of deposit in an amount equal to or greater than the amount of all deposits not covered by FDIC insurance coverage. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State.

Custodial Credit Risk - Deposits - In the case of deposits, this is the risk that, in the event of a bank failure, the Board's deposits may not be returned to it. As noted above, by State statute, all deposits in excess of FDIC insurance coverage must be collateralized. As of December 31, 2024 and 2023, all uninsured bank deposits were fully collateralized with securities held by the pledging financial institution's trust department or agent in the Board's name.

(2) Cash and Equivalents and Investments, Continued

The Board's collateral related to the above is as follows for the year ended December 31, 2024 and 2023:

	2024	2023
Book balance	$ 14,165,037	16,667,990
Bank balance	$ 14,913,049	16,682,689
Insured cash - FDIC	500,000	500,000
Uninsured - collateralized with securities held by pledging financial institution	15,090,788	16,922,749
Total insured and collateralized cash and equivalents	$ 15,590,788	17,422,749

Custodial Credit Risk - Investments - For investments, this is the risk that, in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments that are in the possession of an outside party. As of December 31, 2024 and 2023, all of the Board's restricted cash in the form of investments was registered in the Board's name and was invested in U.S. Government backed securities.

The Board's investments at December 31, 2024, consist of the following:

Investments	Maturity	Fair Value
Cash and equivalents	N/A	$ 3,948,023
Federal Home Mortgage Corp.	2/2015 - 9/2025	6,878,634
U.S. Treasury notes and bonds	6/2012 – 11/2041	1,814,575
Taxable money market funds	N/A	18,441,859
Total investments		$ 31,083,091

These investments are classified as Level 1.

The Board's investments at December 31, 2023, consist of the following:

Investments	Maturity	Fair Value
Cash and equivalents	N/A	$ 3,777,743
Federal Home Mortgage Corp.	8/2024 - 9/2025	4,456,495
U.S. Treasury notes and bonds	1/2024 - 7/2024	12,827,287
Taxable money market funds	N/A	10,424,254
Certificates of deposit	1/2024 - 9/2024	1,998,495
Total investments		$ 33,484,274

These investments are classified as Level 1.

(2) Cash and Equivalents and Investments, Continued

Concentration Credit Risk - For investments, this is the risk of loss attributable to the quantity of the government's investment in a single issuer. Investments in single issuers that equal or exceed 5% of total investments have a reportable concentration of credit risk. At December 31, 2024, the Board held 13% in cash and equivalents, 22% in Federal Home Mortgage Corp., 6% in U.S. Treasury Notes and Bonds, and 59% in Taxable Commercial Paper.

(3) Receivables

Major revenue accrued by the Board at December 31, 2024 and 2023 include the following:

(a) Accounts Receivable

Accounts receivable primarily represents amounts due from customers for current and delinquent water and wastewater services provided, including penalties, unpaid bill charges, collection fees and shut-off charges.

Customers are billed either on a monthly or quarterly basis depending on the type of user (industrial or residential), and the level of water and sewer usage. Customers may make payments without penalty on current charges up until 20 days after the date of issue. Any unpaid balances remaining after these 20 days are subject to a penalty of 6%, and those customers receive an unpaid bill notice. If balances still remain unpaid after 30 additional days, final unpaid notices are mailed. The customers are then given 10 days to remit payment, after which the property is tagged, and shut-off procedures begin.

During the first week of December of every year, unpaid balances are transferred to the City tax roll for collections through the subsequent year's tax levy or in-rem property sales. Any amounts relating to unpaid water and wastewater balances collected by the City through these means are delivered to the Board.

For the years ended December 31, 2024 and 2023, $1,691,200 and $1,290,479, respectively, were included in allowance for uncollectible accounts to account for receivable balances that may not be collected.

(b) Due from City of Niagara Falls

Due from City of Niagara Falls represents amounts due from the City for the tax transfer. The amount accrued at December 31, 2024 and 2023, net of allowance for uncollectible amounts, were $3,062,527 and $2,918,203, respectively.

(3) Receivables, Continued

(b) Due from City of Niagara Falls, Continued

The tax transfer represents uncollected water and sewer charges that have been turned over to the City for collection in conjunction with the City's property tax levy. The City remits amounts to the Board each January and July for collections it receives for the previous six-month period. The due from City of Niagara Falls amount includes any collected but not yet remitted charges at year-end. Charges from all previous years' water and sewer operations transferred to the City that are not collected totaled $11,836,755 and $10,574,844 at December 31, 2024 and 2023, respectively. Management has recorded an allowance for uncollectible accounts with respect to these balances of $8,774,228 and $7,656,641 at December 31, 2024 and 2023, respectively.

(4) Capital Assets

The Board's capital asset activity for the year ended December 31, 2024 is summarized as follows:

	Balance 12/31/2023	Increases	Decreases	Balance 12/31/2024
Capital assets, not being depreciated and amortized:				
Land	$ 463,713	-	-	463,713
Construction in progress	13,794,125	9,603,775	(7,957,017)	15,440,883
Total capital assets not being depreciated and amortized	14,257,838	9,603,775	(7,957,017)	15,904,596
Capital assets, being depreciated and amortized:				
Plant and transmission costs:				
Water system	94,332,009	5,732,291	-	100,064,300
Wastewater system	111,616,760	1,697,687	-	113,314,447
Machinery and equipment	14,988,315	541,468	-	15,529,783
Right to use lease assets	364,559	-	-	364,559
Total capital assets being depreciated and amortized	221,301,643	7,971,446	-	229,273,089
Less accumulated depreciation and amortization:				
Plant and transmission costs:				
Water system	(57,895,937)	(3,150,284)	-	(61,046,221)
Wastewater system	(39,406,207)	(3,106,492)	-	(42,512,699)
Machinery and equipment	(8,536,769)	(932,684)	-	(9,469,453)
Right to use lease assets	(215,488)	(88,480)	-	(303,968)

(4) Capital Assets, Continued

	Balance 12/31/2023	Increases	Decreases	Balance 12/31/2024
Total accumulated depreciation and amortization	$ (106,054,401)	(7,277,940)	-	(113,332,341)
Total capital assets being depreciated and amortized, net	115,247,242	693,506	-	115,940,748
Capital assets, net	$ 129,505,080	10,297,281	(7,957,017)	131,845,344

The Board's capital asset activity for the year ended December 31, 2023 is summarized as follows:

	Balance 12/31/2022	Increases	Decreases	Balance 12/31/2023
Capital assets, not being depreciated and amortized:				
Land	$ 463,713	-	-	463,713
Construction in progress	16,172,883	8,430,482	(10,809,240)	13,794,125
Total capital assets not being depreciated and amortized	16,636,596	8,430,482	(10,809,240)	14,257,838
Capital assets, being depreciated and amortized:				
Plant and transmission costs:				
Water system	92,183,878	2,148,131	-	94,332,009
Wastewater system	103,958,676	7,658,084	-	111,616,760
Machinery and equipment	13,985,290	1,003,025	-	14,988,315
Right to use lease assets	364,559	-	-	364,559
Total capital assets being depreciated and amortized	210,492,403	10,809,240	-	221,301,643
Less accumulated depreciation and amortization:				
Plant and transmission costs:				
Water system	(54,863,946)	(3,031,991)	-	(57,895,937)
Wastewater system	(36,454,574)	(2,951,633)	-	(39,406,207)
Machinery and equipment	(7,595,564)	(941,205)	-	(8,536,769)
Right to use lease assets	(101,810)	(113,678)	-	(215,488)

(4) Capital Assets, Continued

	Balance 12/31/2022	Increases	Decreases	Balance 12/31/2023
Total accumulated depreciation and amortization	$ (99,015,894)	(7,038,507)	-	(106,054,401)
Total capital assets being depreciated and amortized, net	111,476,509	3,770,733	-	115,247,242
Capital assets, net	$ 128,113,105	12,201,215	(10,809,240)	129,505,080

(5) Indebtedness

The Authority issues debt to provide for the acquisition of the water and sewer systems and for the initial funding of operating and maintenance and debt reserves.

In 2012, the proceeds $(6,607,122) of the Series 2012B Clean Water Bonds issuance were used to payoff the Environmental Facilities Corporation (EFC) Note used to fund North Gorge Interceptor Capacity Restoration Project. These bonds are due in 2041 and bear interest at rates between 0.26-4.27%.

In 2013, the Board issued $74,240,000 in general obligation bonds with an average interest rate of 4.72% and received an additional premium of $142,002. The bonds were used for an advanced refunding of $63,535,000 of 2003 Bonds with an average interest rate of 3.79%. The net proceeds of approximately $64 million were deposited in a trust with an agent to provide for future debt service payments on the bonds. As a result, the bonds are considered defeased and the liability for those bonds has been removed from the Board's financial statements. The economic gain on the transaction (the difference between the present values of the debt service payments on the old and new debt) is approximately $1.7 million.

During 2014 net proceeds of the Series B bonds were used to entirely refund the Series 2004 Serial Bonds of $4,095,000, specifically reducing the interest to be paid by approximately $610,000.

During 2015, net proceeds of the Series D bonds were used to entirely refund the Series 2005A&B Serial Bonds of $4,380,000 specifically reducing the interest to be paid by approximately $550,000. As a result, the bonds are considered defeased and the liability for these bonds has been removed from the Board's financial statements. The economic gain on the transaction (the difference between the present values of the debt service payments on the old and new debt) is approximately $450,000.

(5) Indebtedness, Continued

During 2016, net proceeds of the Series A bonds were used to entirely refund the Series 2005 bonds of $23,115,000 specifically reducing the interest to be paid by approximately $4,100,000. As a result, the bonds are considered defeased and the liability for these bonds has been removed from the Board financial statements. The economic gain on the transaction (the difference between the present values of the debt service payments on the old and new debt) is approximately $4.1 million. The accounting gain on this refunding was originally $1,097,923 which will be amortized through 2034. The unamortized gain on refunding amounted to $604,874 at December 31, 2024.

During 2019, the Board received proceeds of $2,189,993 from the NYS Power Authority for the Energy Efficiency Program at an interest rate of 2.79%.

During 2022, net proceeds of the Water and Sewer System Revenue Refunding Bonds Series 2022A totaling $35,930,000 were used to entirely refund the Series 2013A Serial Bonds of $34,120,000. The discount on this refunding was $1,869,854 which is being amortized beginning in 2023 through 2034. The Series 2022A bond will be repaid over 10 years beginning in 2024 with interest rates ranging from 2.00% - 3.375%.

Indebtedness activity for the year ended December 31, 2024 is presented as follows:

	Principal Outstanding 12/31/2023	Issued	Paid	Principal Outstanding 12/31/2024	Due Within One Year
EFC Water Revolving Funds Revenue Bonds - Direct Borrowings:					
Series 2012B - Clean Water bond issued in 2012 for $6,607,122 and maturing in 2041 bearing interest paid semi-annually at 0.26% to 4.27%	$ 4,475,000	-	(185,000)	4,290,000	190,000
Series 2013B - Clean Water bond issued in 2013 for $14,030,000 and maturing in 2033 bearing interest paid semi-annually at 3.88% to 5.05%	8,135,000	-	(695,000)	7,440,000	715,000
Series 2015D - Drinking Water bond issued in 2015 for $4,380,000 and maturing in 2034 bearing interest paid semi-annually at 3.81% to 4.57%	2,980,000	-	(200,000)	2,780,000	205,000
Total EFC Water Revolving Funds Revenue Bonds - Direct Borrowings	15,590,000	-	(1,080,000)	14,510,000	1,110,000

(5) Indebtedness, Continued

	Principal Outstanding 12/31/2023	Issued	Paid	Principal Outstanding 12/31/2024	Due Within One Year
Serial Bonds:					
Series 2013B bonds issued in 2013 for $8,415,000 and maturing in 2024 bearing interest paid semi-annually at 4.309%	$ 550,000	-	(550,000)	-	-
Series 2016A bonds issued in 2016 for $20,130,000 and maturing in 2034 bearing interest paid annually at 3.13% to 5.0%	20,130,000	-	(2,750,000)	17,380,000	3,425,000
Series 2022A bonds issued in 2022 for $35,930,000 and maturing in 2034 bearing interest paid semi-annually at 2.0% to 3.375%	35,930,000	-	(575,000)	35,355,000	1,010,000
Unamortized premium on bonds issued in 2016 for $2,335,569 and maturing in 2034	1,416,479	-	(129,754)	1,286,725	129,754
Total Serial Bonds	58,026,479	-	(4,004,754)	54,021,725	4,564,754
NYS Power Authority - Direct Borrowing:					
Series 2019 Mortgage Loan issued in 2019 for $2,189,993 and maturing in 2028 bearing interest paid semi-annually at 2.79%	1,161,962	-	(212,289)	949,673	223,621
Total	$74,778,441	-	(5,297,043)	69,481,398	5,898,375

	Principal Outstanding 12/31/2022	Issued	Paid	Principal Outstanding 12/31/2023	Due Within One Year
EFC Water Revolving Funds Revenue Bonds - Direct Borrowings:					
Series 2012B - Clean Water bond issued in 2012 for $6,607,122 and maturing in 2041 bearing interest paid semi-annually at 0.26% to 4.27%	$ 4,660,000	-	(185,000)	4,475,000	185,000
Series 2013B - Clean Water bond issued in 2013 for $14,030,000 and maturing in 2033 bearing interest paid semi-annually at 3.88% to 5.05%	8,805,000	-	(670,000)	8,135,000	695,000
Series 2013B - Drinking Water bond issued in 2013 for $5,580,000 and maturing in 2023 bearing interest paid semi-annually at 4.75% to 4.91%	2,370,000	-	(2,370,000)	-	-
Series 2015D - Drinking Water bond issued in 2015 for $4,380,000 and maturing in 2034 bearing interest paid semi-annually at 3.81% to 4.57%	3,170,000	-	(190,000)	2,980,000	200,000
Total EFC Water Revolving Funds Revenue Bonds - Direct Borrowings	19,005,000	-	(3,415,000)	15,590,000	1,080,000

(5) Indebtedness, Continued

	Principal Outstanding 12/31/2022	Issued	Paid	Principal Outstanding 12/31/2023	Due Within One Year
Serial Bonds:					
Series 2013B bonds issued in 2013 for $8,415,000 and maturing in 2024 bearing interest paid semi-annually at 4.309%	$ 1,475,000	-	(925,000)	550,000	550,000
Series 2016A bonds issued in 2016 for $20,130,000 and maturing in 2034 bearing interest paid annually at 3.13% to 5.0%	20,130,000	-	-	20,130,000	2,750,000
Series 2022A bonds issued in 2022 for $35,930,000 and maturing in 2034 bearing interest paid semi-annually at 2.0% to 3.375%	35,930,000	-	-	35,930,000	575,000
Unamortized premium on bonds issued in 2016 for $2,335,569 and maturing in 2034	1,546,233	-	(129,754)	1,416,479	129,754
Total Serial Bonds	59,081,233	-	(1,054,754)	58,026,479	4,004,754
NYS Power Authority - Direct Borrowing:					
Series 2019 Mortgage Loan issued in 2019 for $2,189,993 and maturing in 2028 bearing interest paid semi-annually at 2.79%	1,362,419	-	(200,457)	1,161,962	211,723
Total	$79,448,652	-	(4,670,211)	74,778,441	5,296,477

The annual maturities of long-term debt as of December 31, 2024 are as follows:

NYS EFC Revolving Fund Revenue Bonds - Direct Borrowings:

Year ending	Principal	Interest	Total
2025	$ 1,110,000	663,618	1,773,618
2026	1,145,000	613,235	1,758,235
2027	1,180,000	560,702	1,740,702
2028	1,215,000	505,215	1,720,215
2029	1,260,000	448,649	1,708,649
2030-2034	6,385,000	1,303,071	7,688,071
2035-2039	1,225,000	369,621	1,594,621
2040-2041	990,000	73,427	1,063,427
	$ 14,510,000	4,537,538	19,047,538

(5) Indebtedness, Continued

Serial Bonds:

Year ending	Premium on bonds	Principal	Interest	Total
2025	$ 129,754	4,435,000	1,853,492	6,418,246
2026	129,754	4,620,000	1,659,517	6,409,271
2027	129,754	4,820,000	1,455,427	6,405,181
2028	129,754	5,035,000	1,239,337	6,404,091
2029	129,754	5,170,000	1,090,477	6,390,231
2030-2034	637,955	28,655,000	2,979,874	32,272,829
	$ 1,286,725	52,735,000	10,278,124	64,299,849

NYS Power Authority - Direct Borrowing:

Year ending	Principal	Interest	Total
2025	$ 223,621	46,480	270,101
2026	236,221	33,911	270,132
2027	249,497	20,636	270,133
2028	240,334	6,618	246,952
	$ 949,673	107,645	1,057,318

Interest on long-term debt for the years ended December 31, 2024 and 2023 was composed of:

	2024	2023
Interest paid:	$ 2,370,398	2,523,880
Plus: Interest accrued in the current year	867,613	1,003,477
Less: Interest accrued in the prior year	(1,003,477)	(1,399,649)
Total interest expense	$ 2,234,534	2,127,708

Financing Agreement Covenants

The financing agreement between the Authority and the Board relating to all current and future bonding contain various covenants pertaining to the use and maintenance of the trust funds established from the proceeds of each bonding. At December 31, 2024, management believes the Board was in compliance with the following loan covenants:

The Board is required to establish and collect rates, fees and charges sufficient in each fiscal year at least equal to the sum of:

(1) 115% of the estimated aggregate debt service and projected debt service payable in such fiscal year;

(2) 100% of Board operating expenses and Authority expenses payable in such fiscal year; and

(5) Indebtedness, Continued

Financing Agreement Covenants, Continued

(3) 100% of the amount necessary to pay the required deposits for such fiscal year.

The Board shall review the adequacy of fees, rates and charges at least semi-annually.

The Board shall enforce the payment of any and all amounts owed for the use of the systems.

The Board shall (unless required by law) not furnish or supply, or cause to be furnished or supplied, any product, use or service of the systems, free of charge.

The debt service fund balance, beginning with the first day of each calendar month, shall receive all revenues until the balance in the debt service fund equals the minimum monthly balance. The minimum monthly balance is defined as an amount equal to the sum of the aggregate amounts of debt service that have accrued with respect to all series of bonds, calculating the debt service that has accrued as an amount equal to the sum of:

(1) The interest on the bonds that has accrued and is unpaid and that will have accrued by the end of the then calendar month; and

(2) The portion of the next due principal installment for the bonds that would have accrued (as deemed to accrue in the manner interest accrues) by the end of the then calendar month.

Remedies for Default

In the event that the Board shall default in the payment of principal of or interest on any issue of bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the Board shall fail or refuse to comply with the provisions of this title or shall default in any agreement made with the holders of any issue of bonds, the holders of twenty-five percent in aggregate principal amount of the bonds of such issue then outstanding, by instrument or instruments filed in the offices of the clerk of the City, secretary of the Board and the Authority and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such bonds for the purpose herein provided.

The Board's direct borrowings with EFC contain a provision that in the event of default, EFC may take whatever action at law or in equity may appear necessary or desirable to remedy such default. These remedies include, but are not limited to, mandatory redemption, acceleration, or requiring the Board to immediately redeem the bonds in whole together with all other sums due to EFC. The Board may also owe to EFC interest accrued on the overdue balance.

Short-Term Financing

On April 1, 2021, the Authority issued a Bond Anticipation Note (BAN) Series 2021 through EFC for a maximum amount of $27,000,000 for the planning, design and construction of improvements to the wastewater treatment plant (WWTP) and Gorge Pump Station. This BAN included $13,500,000 of interest-free financing and $13,500,000 of market-rate sum financing. The initial interest rate is 0.00% per annum for the interest-free portion and 0.00% per annum for the market-rate portion under a NYS EFC short-term financing program, which is considered a direct borrowing. This BAN has a maturity date of April 1, 2026.

(5) Indebtedness, Continued

Short-Term Financing, Continued

The following is a summary of changes in short-term debt for the years ended December 31, 2024 and 2023:

	2024	2023
Balance at January 1	$ 10,358,810	1,584,352
Borrowings	3,552,880	8,806,458
Payments	(207,500)	(32,000)
Balance at December 31	$ 13,704,190	10,358,810

(6) Leases

(a) Receivable

The Board's leasing operations consist of the leasing of land for cellular towers to telecommunication companies. All leases are subject to public procurement requirements, and each has a different mechanism for determining rates and charges. The lease receivables were discounted to a net present value at December 31, 2024 and 2023 using a 2.05% interest rate. Activity of lease inflows for the years ended December 31, 2024 and 2023 is summarized as follows:

	2024	2023
Lease principal	$ 168,634	164,038
Interest	17,346	20,752
Total lease inflows	$ 185,980	184,790

Future minimum lease payments due to the Board and related deferred inflows of resources as of December 31, 2024 were as follows:

Year ending	Principal	Interest	Total	Deferred Inflows of Resources
2025	$ 144,614	14,134	158,748	146,594
2026	151,550	11,084	162,634	146,594
2027	71,746	8,725	80,471	70,940
2028	73,230	7,240	80,470	70,940
2029	74,746	5,725	80,471	70,940
2030-2034	227,111	12,791	239,902	188,500
2035	11,527	38	11,565	8,687
	$ 754,524	59,737	814,261	703,195

(6) Leases, Continued

(b) Payable

Activity of lease liability for the year ended December 31, 2024 is summarized as follows:

Principal Outstanding 12/31/2023	Additions	Deductions	Principal Outstanding 12/31/2024	Amount due within one year
$ 183,878	-	64,867	119,011	59,881

Activity of lease liability for the year ended December 31, 2023 is summarized as follows:

12/31/2022	Additions	Deductions	12/31/2023
$ 260,094	-	76,216	183,878

Annual requirements to amortize long-term obligations and related interest are as follows:

Year ending	Principal	Interest	Total
2025	$ 59,881	1,856	61,737
2026	46,533	697	47,230
2027	12,597	108	12,705
	$ 119,011	2,661	121,672

(7) Compensated Absences

The Board reports the value of compensated absences as a liability. The annual budgets of the operating funds provide funding for these benefits as they become payable. The payment of compensated absences is dependent on many factors; therefore, the timing of future payments is not readily determinable.

12/31/2022	Additions	12/31/2023	Additions	12/31/2024	Due within one year
$ 605,405	67,180	672,585	40,718	713,303	35,666

(8) Other Postemployment Benefits (OPEB)

(a) Plan Description and Benefits

Plan Description - The Board provides continuation of medical, prescription drug, dental, vision and chiropractic coverage for employees who retire and are at least age 50 and have an age, plus years of service, of at least 70. All retirees and future retirees hired prior to December 31, 2007 have no contribution requirements for both individual and family coverage. All future retires hired after December 31, 2007 are required to pay 20% of the individual and family premiums. The Board currently pays for postemployment health care benefits on a pay-as-you-go basis. These financial statements assume that pay-as-you-go funding will continue.

The Board provides certain health care benefits for retired employees. Substantially all of the employees may become eligible for these benefits if they reach the normal retirement age and have the required minimum age plus years of service working for the Board. At December 31, 2024, the current portion of the postemployment benefits liability was $2,654,123. The noncurrent portion of the postemployment benefits liability amounted to $77,038,468 at December 31, 2024.

(b) Employees covered by benefit terms

At January 1, 2024, the following employees were covered by the benefit terms:

Current retirees and spouses	163
Active employees	98
	261

(c) Total OPEB Liability

At December 31, 2024 and 2023, the Board reported a liability of $79,692,591 and $81,404,487, respectively, for its total OPEB liability. The OPEB liability was measured as of December 31, 2024 with roll forward calculation to the measurement date, and was determined by an actuarial valuation as of January 1, 2024.

(d) Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00%
Discount rate	4.22%
Healthcare cost trend rates	7.0% for 2024, decreasing to an ultimate rate of 4.5% for 2035

Mortality rates were based on the Society of Actuaries Mortality Improvement Scale MP-2021.

(8) Other Postemployment Benefits (OPEB), Continued

(e) Changes in the Total OPEB Liability

	2024	2023
Total OPEB liability at beginning of year	$ 81,404,487	76,183,820
Changes for the year:		
Service cost	913,873	1,228,756
Interest on total OPEB liability	3,376,163	2,904,920
Changes in assumptions	(3,200,664)	3,716,503
Benefit payments	(2,801,268)	(2,629,512)
Total changes	(1,711,896)	5,220,667
Total OPEB liability at end of year	$ 79,692,591	81,404,487

(f) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Board, as well as what the Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.22%) or 1-percentage point higher (5.22%) than the current discount rate:

	1% Decrease (3.22%)	Current Discount Rate (4.22%)	1% Increase (5.22%)
Total OPEB liability	$ 92,802,914	79,692,591	69,405,986

(g) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates

The following presents the total OPEB liability of the Board, as well as what the Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 68,771,065	79,692,591	93,633,602

(h) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended December 31, 2024 and 2023, the Board recognized OPEB expense of $2,529,810 and $2,757,223, respectively. At December 31, 2024 and 2023, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

(8) Other Postemployment Benefits (OPEB), Continued

(h) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, Continued

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 4,796,210	17,124,160	5,936,316	16,823,828

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending	
2025	$ (1,760,226)
2026	(1,760,226)
2027	(1,974,692)
2028	(2,454,844)
2029	(2,407,564)
Thereafter	(1,970,398)
Total	$ (12,327,950)

(9) Pension Plan

(a) Plan Descriptions and Benefits Provided

Employees' Retirement System (ERS)

The Board participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Authority (the Authority), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Board and is the administrative head of the System. System benefits are established under the provision of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Board also participates in the Public Employees; Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

(9) Pension Plan

(a) Plan Descriptions and Benefits Provided, Continued

The System is noncontributory for the employees who joined prior to July 27, 1976. For employees who joined the System after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary. Employees in the System more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 and prior to April 1, 2012, employees in ERS contribute 3% of their salary throughout their active membership. For employees who joined after April 1, 2012, employees contribute 3% of their salary until April 1, 2013 and then contribute 3% to 6% of their salary throughout their active membership. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

(b) Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2024 and 2023, the Board reported a liability of $2,839,477 and $4,042,310, respectively, for its proportionate share of the net pension liability. The total net pension liability was measured as of March 31, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2023 and 2022. The Board’s proportion of the net pension liability was based on projections of the Board’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2024 and 2023, the Board’s proportionate share of the net liability was 0.0192846% and 0.0188505%, respectively. The Board’s proportionate share of the net liability increased (decreased) 0.0004341 and (0.0013012) from the March 31, 2024 and 2023 measurement date, respectively.

For the years ended December 31, 2024 and 2023, the Board recognized pension expense of $1,154,241 and $1,359,423, respectively. At December 31, 2024 and 2023, the Board’s reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(9) Pension Plan, Continued

(b) Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension, Continued

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 914,593	77,425	430,538	113,523
Changes of assumptions	1,073,542	-	1,963,206	21,697
Net difference between projected and actual investment earnings on pension plan investments	-	1,387,069	-	23,748
Changes in proportion and differences between the Board's contributions and proportionate share of contributions	96,178	295,415	133,720	325,791
Board's contributions subsequent to the measurement date	550,871	-	474,566	-
Total	$ 2,635,184	1,759,909	3,002,030	484,759

Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

Year ending	
2025	$ (592,296)
2026	467,416
2027	771,430
2028	(322,146)
	$ 324,404

(c) Actuarial Assumptions

The total pension liability as of the March 31, 2024 measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

(9) Pension Plan, Continued

(c) Actuarial Assumptions, Continued

Measurement date	March 31, 2024
Actuarial valuation date	April 1, 2023
Inflation	2.9%
Salary increases	4.4%
Investment rate of return, (net of investment expense, including inflation)	5.9%
Cost-of-living adjustments	1.5%

To set the long-term expected rate of return on pension plan investments, consideration was given to a building-block method using best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Demographic assumptions used in the April 1, 2023 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2020. Demographic assumptions are primarily based on System experience over the period April 1, 2015 - March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized as follows:

Measurement date	March 31, 2024	
	Target Allocation	Long-term expected real rate of return*
Asset type:		
Domestic equity	32%	4.00%
International equity	15%	6.65%
Private equity	10%	7.25%
Real estate	9%	4.60%
Opportunistic/ARS portfolio	3%	5.25%
Credit	4%	5.40%
Real assets	3%	5.79%
Fixed income	23%	1.50%
Cash	1%	0.25%
	100%	

* The real rate of return is net of the long-term inflation assumption of 2.90%.

(9) Pension Plan, Continued

(d) Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(e) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate

The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Board's proportionate share of the net pension asset (liability)	$ (8,927,605)	(2,839,477)	2,245,373

(f) Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of all participating employers as of the respective measurement dates, were as follows:

	(Dollars in Millions)	
Measurement date	3/31/2024	3/31/2023
Employers' total pension liability	$ (240,697)	(232,627)
Plan fiduciary net position	225,973	211,183
Employers' net pension liability	$ (14,724)	(21,444)
Ratio of plan fiduciary net position to the employers' total pension liability	93.88%	90.78%

(9) Pension Plan, Continued

(g) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Retirement contributions as of December 31, 2024 and 2023 represent the projected employer contribution for the period of April 1, 2024 through March 31, 2025 and April 1, 2023 through March 31, 2024, respectively, based on paid ERS wages multiplied by the employer's contribution rate, by tier. Retirement contributions paid to the System for the years ended December 31, 2024 and 2023 were $734,494 and $632,755, respectively.

(10) Labor Relations

The majority of the Board's employees are represented by various unions under four collective bargaining units agreements, with the balance governed by Board policies. The contract for the unit covering Building Trades employees is for a six-year term, expiring December 31, 2029. The contract for the other three units all are for a seven-year term and expire on December 31, 2029.

(11) Risk Management and Contingent Liabilities

(a) Insurance

The Board is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; injuries to employees; and natural disasters, for which the Board carries commercial insurance. There were no settlements that significantly exceeded insurance coverage for the year ended December 31, 2024.

(b) Litigation

The Board is a defendant in a number of lawsuits that have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the Board, these actions when finally adjudicated will not have a material adverse effect on the financial position of the Board.

(c) Significant Events

As a result of alleged discharges from the waste water treatment plant during the Summer of 2017, the New York State Department of Environmental Conservation (NYSDEC) and the Board entered into a Consent Order on December 19, 2017 (R9-20170906-129). This Consent Order required the Board to pay a civil penalty in the amount of $50,000 and to implement a schedule of enumerated actions over the following fifteen (15) months. The Board is in the process of implementing these actions under the supervision of the NYSDEC.

(11) Risk Management and Contingent Liabilities, Continued

(c) Significant Events, Continued

As a result of wastewater treatment plant discharges that sometimes may cause a substantial visible contrast/turbidity to natural conditions in the Niagara River and contravene the State's narrative water quality standard for turbidity, the NYSDEC and the Board entered a separate Consent Order on May 28, 2024 (R9-20230411-13). This Consent Order required the Board to pay a civil penalty of $15,000 and to implement a schedule of enumerated actions over a period of approximately seven (7) years. The Board is in the process of implementing the schedule of actions required by the Consent Order.

(12) Accounting Standards Issued But Not Yet Implemented

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 102 - Certain Risk Disclosures. Effective for fiscal years beginning after June 15, 2024.

Statement No. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

Statement No. 104 - Disclosure of Certain Capital Assets. Effective for fiscal years beginning after June 15, 2025.

NIAGARA FALLS WATER BOARD
Required Supplementary Information
Schedule of Changes in the Board's Total OPEB Liability and Related Ratios
Year ended December 31, 2024

Total OPEB liability:	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 913,873	1,228,756	1,103,028	1,377,099	1,349,028	556,876	540,656
Interest on total OPEB liability	3,376,163	2,904,920	3,924,785	1,921,160	1,769,731	3,280,087	3,234,085
Changes in assumptions	(3,200,664)	3,716,503	(21,404,432)	(520,053)	5,504,550	-	-
Benefit payments	(2,801,268)	(2,629,512)	(2,667,901)	(2,530,010)	(2,507,223)	(2,581,965)	(2,546,361)
Net change in total OPEB liability	(1,711,896)	5,220,667	(19,044,520)	248,196	6,116,086	1,254,998	1,228,380
Total OPEB liability - beginning	81,404,487	76,183,820	95,228,340	94,980,144	88,864,058	87,609,060	86,380,680
Total OPEB liability - ending	$ 79,692,591	81,404,487	76,183,820	95,228,340	94,980,144	88,864,058	87,609,060
Covered payroll	$ 6,015,310	5,433,874	5,433,874	4,310,662	4,310,662	3,900,691	3,900,691
Total OPEB liability as a percentage of covered payroll	1324.8%	1498.1%	1402.0%	2209.1%	2203.4%	2278.2%	2246.0%

Notes to schedule:

There are no assets accumulated in a trust that meet the criteria of GASB Statement No. 75, paragraph 4.

Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2024	2023	2022	2021	2020	2019	2018
4.22%	3.88%	4.18%	2.05%	2.02%	3.80%	3.80%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the Board is presenting information for those years for which information is available.

NIAGARA FALLS WATER BOARD
Required Supplementary Information
Schedule of the Board's Proportionate Share of the Net Pension Asset/Liability
Year ended December 31, 2024

ERS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
The Board's proportion of the net pension asset (liability)	0.0192846%	0.0188505%	0.0201517%	0.0194039%	0.0178786%	0.0160886%	0.0147209%	0.0137476%	0.0134405%	0.0141606%
The Board's proportionate share of the net pension asset (liability)	$ (2,839,477)	(4,042,310)	1,647,314	(19,321)	(4,734,365)	(1,139,930)	(475,108)	(1,291,751)	(2,157,242)	(478,381)
The Board's covered payroll	$ 5,768,074	5,814,126	5,609,483	5,609,604	5,463,366	4,917,159	4,374,241	4,719,361	4,397,005	4,082,614
The Board's proportionate share of the net pension asset (liability) as a percentage of covered payroll	49.23%	69.53%	29.37%	0.34%	86.66%	23.18%	10.86%	27.37%	49.06%	11.72%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.29%	94.70%	90.70%	97.95%

NIAGARA FALLS WATER BOARD
Required Supplementary Information
Schedule of the Board's Pension Contributions
Year ended December 31, 2024

ERS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 734,494	632,755	534,448	725,652	640,535	566,475	583,405	659,383	646,238	725,071
Contributions in relation to the contractually required contribution	734,494	632,755	534,448	725,652	640,535	566,475	583,405	659,383	646,238	725,071
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Board's covered payroll	$ 5,768,074	5,814,126	5,609,483	5,609,604	5,463,366	4,917,159	4,374,241	4,719,361	4,397,005	4,082,614
Contributions as a percentage of covered payroll	12.73%	10.88%	9.53%	12.94%	11.72%	11.52%	13.34%	13.97%	14.70%	17.76%

NIAGARA FALLS WATER BOARD
Other Supplementary Information
Niagara Falls Water Authority (a Blended Component Unit)
Statements of Net Position
December 31, 2024 and 2023

Assets	2024	2023
Current assets:		
Cash and equivalents	$ 236,050	244,329
Accounts receivable	6,279	-
Total current assets	242,329	244,329
Noncurrent assets - due from Water Board	80,243,281	84,089,066
Total assets	80,485,610	84,333,395
Deferred Outflows of Resources		
Loss on refunding	1,558,257	1,714,055
Liabilities		
Current liabilities:		
EFC short-term financing	13,704,190	10,358,810
Current portion, bonds payable	5,898,375	5,166,723
Total current liabilites	19,602,565	15,525,533
Noncurrent liabilities - bonds payable	63,583,024	69,611,718
Total liabilities	83,185,589	85,137,251
Deferred Inflows of Resources		
Gain on refunding	604,874	665,870
Net Position		
Unrestricted (deficit)	$ (1,746,596)	244,329

NIAGARA FALLS WATER BOARD
Other Supplementary Information
Niagara Falls Water Authority (a Blended Component Unit)
Statements of Revenue, Expenses and Changes in Net Position
Years ended December 31, 2024 and 2023

	2024	2023
Operating revenue - transfers in	$ 207,500	6,402,043
Operating expense - contractual	2,000	2,000
Total operating income	205,500	6,400,043
Nonoperating revenue (expenses):		
Amortization of bond premium	34,951	34,951
Interest expense	(2,231,376)	(2,123,176)
Total nonoperating revenue (expenses)	(2,196,425)	(2,088,225)
Change in net position	(1,990,925)	4,311,818
Net position at beginning of year (deficit)	244,329	(4,067,489)
Net position at end of year (deficit)	$ (1,746,596)	244,329

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
Niagara Falls Water Board:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Niagara Falls Water Board (the Board), as of and for the year ended December 31, 2024, and the related notes to financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated July 18, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Board's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and responses as item 2024-001.

The Board's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Board's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Board's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
July 18, 2025

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

INDEPENDENT AUDITORS' REPORT ON INVESTMENT COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE INVESTMENT GUIDELINES

The Board of Directors
Niagara Falls Water Board:

Report on Investment Compliance

Opinion on Investment Compliance

We have audited the Niagara Falls Water Board's (the Board), compliance with the types of compliance requirements identified as subject to audit in Section 2925(3)(f) of the New York State Public Authorities Law (the investment guidelines) that could have a direct and material effect on its investments for the year ended December 31, 2024.

In our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its investments for the year ended December 31, 2024.

Basis for Opinion on Investment Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of the investment guidelines. Our responsibilities under those standards and the investment guidelines are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance with the investment guidelines. Our audit does not provide a legal determination of the Board's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Board's investments.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards and the investment guidelines, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Board's compliance with the requirements of the investment guidelines as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards and the investment guidelines, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the investment guidelines, but not for the purpose of expressing an opinion on the effectiveness of Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the investment guidelines and which is described in the accompanying schedule of findings and responses as item 2024-001. Our opinion on the investment guidelines is not modified with respect to this matter.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the investment guidelines on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of investment guidelines will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the investment guidelines that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the investment guidelines. Accordingly, this report is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
July 18, 2025

NIAGARA FALLS WATER BOARD

Schedule of Findings and Responses

December 31, 2024

(2024-001) Annual Reporting to the New York State Authority Budget Office

Criteria - Procedures in place to provide timely year ended information for audit purposes would allow for compliance with the filing deadline.

Condition - The Board did not have procedures in place to comply with the annual reporting requirements for the New York State Authority Budget Office's Public Authorities Reporting Information System (PARIS) for the year ended December 31, 2024 which requires the annual submission 90 days following the fiscal year for the audited financial statements and investment report.

Cause - Significant delays in reconciling year-end account balances resulted in the auditors not receiving information in a timely manner.

Effect of Condition - The delay in the audit process resulted in the Board's failure to meet the PARIS submission deadline.

Recommendation - The Board should put procedures in places to provide timely year-end information for audit purposes.

Views of Responsible Officials and Planned Corrective Action - See corrective action plan on page 56 provided by the Board.

NIAGARA FALLS WATER BOARD

Corrective Action Plan

December 31, 2024

Name of Auditee: Niagara Falls Water Board

Name of Audit Firm: EFPR Group , CPAs, PLLC

Period Covered by the Audit: Year ended December 31, 2024

CAP Prepared by: Sean Costello, Executive Director and General Counsel

Phone: (716) 283-9770

Current Finding on the Schedule of Findings and Responses

(1) Finding 2024-001 - The Board did not finalize its financial statements and investment report within 90 days of year-end.

(a) Implementation Plan of Action - The Board will provide information earlier in subsequent years to their auditors.

(b) Implementation Date - The Board expects to have this completed by December 31, 2025.

(c) Persons Responsible for Implementation - The Board of Directors and the Executive Director and General Counsel.

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

July 18, 2025

CONFIDENTIAL

The Board of Directors
Niagara Falls Water Board

We have completed our audit of the financial statements of Niagara Falls Water Board (the Board) for the year ended December 31, 2024. Considering the test character of our audit, you will appreciate that reliance must be placed on adequate methods of internal controls as your principal safeguard against irregularities which a test examination might not disclose. We now present for your consideration our observations and recommendations noted during our audit.

This report is solely for the information and use of the Members of the Board of Directors, management and others within the Board.

Status of Prior Year Recommendations

We received the disposition of recommendations included in our letter dated March 25, 2024. The following is a summary of the actions taken by the Board with regard to our recommendations.

Manual Spreadsheets

We noted that several significant financial areas are tracked manually using excel spreadsheets prior to being recorded in the general ledger. For example, accounts payable for the Plant fund, capital project activity and capital assets are all currently tracked outside of the software. Such a system creates a potential for error due to the manual nature of the process.

We recommended that the Board consider utilizing capital asset software to help manage and maintain the capital asset activity, including all work-in-process. Additionally, we recommended that any capital project activity be tracked and recorded in the general ledger as it occurs. This comment is repeated.

Uncollectible Billings

The Board currently has a significant balance of uncollectible water and sewer billings that is being carried, and this amount increases annually. Based on our audit procedures and inquiries of management, 100% of the amounts transferred to the City of Niagara Falls (the City) from one year prior to December 31, 2024, are reserved as uncollectible. Of that, an unknown percentage of the amounts transferred are ultimately collected through the City tax re-levy process. In addition, 100% of the amounts more than 120 days old from the non-transferred receivables are reserved as uncollectible. The financial impact of these allowances is that over $10.5 million has been deemed uncollectible as of December 31, 2024. The Board, in various bond issuances, has covenanted that it will enforce the payment of any and all charges owed to the Board for use of the system. Public Authorities Law Section 1230-j(6) provides that any rates, fees, and charges that remain unpaid shall constitute a lien on the premises that received the service and that such lien may be enforced in the same manner as a lien for taxes. The Board is currently not receiving any supporting documentation or verifying if amounts collected through the tax process are getting remitted to the Board from the City.

We recommended that the Board review all outstanding accounts receivable and determine whether those amounts are in fact uncollectible and those amounts should be written off the books. Additionally, for those customers that are deemed uncollectible, an assessment should be made to ensure that no additional services are being provided to those customers. Additionally, it's critical that the Board develop a process to reconcile the list of transferred billings to the actual collections, and to further verify that collections from the City are being returned to Board. This comment is repeated.

Segregation of Duties

During our audit, we noted instances where segregation of duties should be reviewed and the identification of key controls over activities should be documented. The Board has undergone a significant amount of turnover in recent years which has led to a concentration of certain duties.

We recommended that the Board study the current internal control environment and develop a plan to reassign non-compatible duties, provide additional monitoring of functions and create cross-training of certain functions as appropriate. Additionally, in connection with this analysis, the Board should ensure that key controls are identified and documented for all accounting transaction cycles within the organization. This comment is repeated.

Bank Reconciliations

During our audit of cash and the accompanying bank reconciliations, we noted bank reconciliations are being prepared by the Director of Financial Services and, therefore, are not reviewed each month. We recommended that bank reconciliations be reviewed by either the Executive Director or a Member of the Board. This comment is repeated.

* * * * *

We wish to take this opportunity to express our appreciation for the courtesy and cooperation extended to us by the Board during our audit. If you have any questions regarding the foregoing comments or wish any assistance in their implementation, please contact us at your convenience.

Very truly yours,

EFPR Group, CPAs, PLLC

EFPR GROUP, CPAs, PLLC