WHEREAS, the Town of Cambria (the "Town") has heretofore established the Town of Cambria Water District (the "Water District") as a town water district administered by the Town Board; and

WHEREAS, the Town Board heretofore established, pursuant to Section 6-c of the General Municipal Law, a capital reserve fund for the Water District for a type of capital improvement, known as the "Water District Construction Reserve Fund" (the "Construction Reserve Fund"); and

WHEREAS, the Town Board has determined that it is in the public interest to establish a separate capital reserve fund for the Water District for the acquisition of a type of equipment, to be used to finance the acquisition of water meters and other items of equipment for the Water District having a period of probable usefulness fixed by law; and

WHEREAS, Section 6-c of the General Municipal Law authorizes the Town Board to establish a capital reserve fund for the acquisition of a type of equipment for a town water district; and

WHEREAS, the purchase and installation of water meters constitutes the acquisition of equipment for which a period of probable usefulness of twenty (20) years is prescribed by Section 11.00(a)(30) of the Local Finance Law; and

WHEREAS, Section 6-c(9) of the General Municipal Law authorizes the Town Board to transfer all or part of the unexpended balance of one capital reserve fund to the credit of another capital reserve fund, provided that no such transfer may be made to a capital reserve fund having a different tax base, and the Construction Reserve Fund and the equipment reserve fund hereby established share the same tax base, namely the taxable real property within the Water District; and

WHEREAS, both the Construction Reserve Fund and the equipment reserve fund hereby established are reserve funds established for a "type" of capital improvement or equipment, and the transfer authorized herein is therefore not subject to a permissive referendum; and

WHEREAS, the establishment of a capital reserve fund for a type of equipment is not subject to a permissive referendum; and

WHEREAS, an expenditure from a capital reserve fund established for a type of equipment, for equipment having a period of probable usefulness greater than five years, is subject to a permissive referendum in the manner provided in Section 6-c of the General Municipal Law and Article 7 of the Town Law; and

WHEREAS, the Town Board, as the agency proposing to undertake this action, has reviewed the proposed action under the State Environmental Quality Review Act (Article 8 of the Environmental Conservation Law) and its implementing regulations at 6 NYCRR Part 617, and has determined that the establishment and funding of the Equipment Reserve Fund, the transfer of moneys between capital reserve funds, and the purchase and installation of water meters for the Water District each constitute a Type II action under 6 NYCRR Part 617 — including, without limitation, 6 NYCRR 617.5(c)(1), (2), (6), (13), (26), (27), (29), and (31) — which is not subject to review under the State Environmental Quality Review Act, such that no environmental assessment form, determination of significance, or environmental impact statement is required and the Town Board has no further responsibilities under 6 NYCRR Part 617 with respect to this action;

NOW, THEREFORE, BE IT RESOLVED by the Town Board of the Town of Cambria as follows:

1. **Establishment of the Equipment Reserve Fund.** There is hereby established, pursuant to Section 6-c of the General Municipal Law, a capital reserve fund for the Water District to be known as the "Water District Equipment Reserve Fund" (the "Equipment Reserve Fund"). The purpose of the Equipment Reserve Fund is to finance all or part of the cost of the acquisition of a type of equipment for the Water District — namely water meters and other equipment, machinery, or apparatus for the Water District for which a period of probable usefulness is provided by law.

2. **Custody and investment.** The chief fiscal officer of the Town shall be the custodian of the Equipment Reserve Fund and shall deposit and invest the moneys therein in the manner provided by Section 6-c and Section 11 of the General Municipal Law. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become part of the Equipment Reserve Fund.

3. **Authorization of transfer from the Construction Reserve Fund.** The Town Board hereby authorizes the transfer of the sum of Forty Thousand Dollars ($40,000) from the unexpended balance of the Construction Reserve Fund to the credit of the Equipment Reserve Fund, pursuant to Section 6-c(9) of the General Municipal Law. Before such transfer is made, there shall be retained in the Construction Reserve Fund an amount sufficient to satisfy all outstanding claims, if any, arising from the capital improvement for which the Construction Reserve Fund was established. The Town Supervisor and chief fiscal officer are hereby authorized and directed to effectuate such transfer upon the adoption of this resolution.

4. **Authorization of expenditure for water meters.** The Town Board hereby authorizes the expenditure from the Equipment Reserve Fund of a sum not to exceed Forty Thousand Dollars ($40,000) for the purchase and installation of water meters for the Water District and related appurtenances. This expenditure authorization is adopted subject to a permissive referendum as provided in paragraph 7 of this resolution, and no moneys shall be withdrawn or expended from the Equipment Reserve Fund pursuant to this paragraph until this authorization has taken effect.

5. **SEQRA determination.** The Town Board hereby determines, for the reasons set forth in the recitals above, that the actions authorized by this resolution are Type II actions under 6 NYCRR Part 617 that are not subject to review under the State Environmental Quality Review Act, and that no further environmental review is required. This determination shall be recorded in the minutes of this meeting.

6. **Immediate effectiveness of establishment and transfer.** The establishment of the Equipment Reserve Fund and the authorization of the transfer from the Construction Reserve Fund are not subject to a permissive referendum and shall take effect immediately upon adoption of this resolution.

7. **Permissive referendum on the expenditure authorization.** The authorization of the expenditure from the Equipment Reserve Fund set forth in paragraph 4 of this resolution is subject to a permissive referendum in the manner provided in Section 6-c of the General Municipal Law and Article 7 of the Town Law. Within ten (10) days after the adoption of this resolution, the Town Clerk shall, in the manner provided for the publication and posting of a notice of a special election, post and publish a notice setting forth the date of adoption of this resolution and containing an abstract of this resolution concisely stating its purpose and effect, and specifying that the expenditure authorization in paragraph 4 was adopted subject to a permissive referendum. Such authorization shall take effect thirty (30) days after the adoption of this resolution unless, within such thirty-day period, there is filed with the Town Clerk a petition, in compliance with Section 91 of the Town Law, requesting that the expenditure authorization be submitted to the qualified electors of the Town, in which event the expenditure authorization shall not take effect unless approved at a referendum as provided by law.

8. **Further acts.** The Town Supervisor, the chief fiscal officer, and the Town Clerk are each hereby authorized and directed to take all actions and execute all documents necessary or appropriate to carry out the purposes of this resolution, consistent with its terms.

9. **Effective date.** This resolution shall take effect in accordance with paragraphs 6 and 7 hereof.