

MINUTES
COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY
October 13, 2016
IDA OFFICE BUILDING
44 W. BRIDGE ST.
OSWEGO, NEW YORK

PRESENT: Canale, Kunzwiler, Rush, Schick and Sorbello

Absent/Excused: Toth

Also Present: Kevin C. Caraccioli, David S. Dano, Jon McDonald and L. Michael Treadwell

Chair Rush called the meeting to order at 9:00 a.m. at the offices of the County of Oswego IDA in Oswego, NY.

APPROVAL OF MINUTES

On a motion by Mr. Sorbello, seconded by Mr. Kunzwiler, the minutes of the September 29, 2016 meeting were approved.

TREASURER'S REPORT

No report.

NOTICE OF MEETING

Meeting notices were posted at the Oswego County Building, the IDA Office Building and on the IDA website. A notice was published in The Palladium Times on October 1, 2016.

Executive Session

Chair Rush and Mr. Caraccioli reported that due to matters involving the financial history of a business/organization and individuals and pending and current contractual matters, on a motion by Mr. Sorbello, seconded by Mr. Kunzwiler, it was approved to go into Executive Session at 9:06 a.m.

On a motion by Mr. Canale, seconded by Mr. Kunzwiler, the Executive Session ended at 11:22 a.m.

Delinquent Loan Report

Mr. Dano reviewed the report for the period ended September 30, 2016.

EJ USA, Inc.

Following a discussion on the SEQRA process, on a motion by Mr. Canale, seconded by Mr. Kunzwiler, a resolution was approved classifying a certain project as a Type 1 Action and declaring the intent of the COIDA to be Lead Agency for purposes of a coordinated review pursuant to the SEQRA. A copy of the SEQRA Lead Agency Resolution is attached and made an official part of the minutes.

Upstate Energy Jobs Coalition

Following an update on UEJ by Mr. Canale, a letter to the Secretary of the U.S. Nuclear Regulatory Commission in support of the transference of the operation license for the FitzPatrick Nuclear Plant from Entergy to Exelon and support for the purchase of the FitzPatrick plant from Entergy by Exelon for \$110 million was authorized. A copy of the letter is attached and made an official part of the minutes.

A discussion was held regarding transmission applications to the State to increase and enhance capacity. A discussion was also held on completing Phase I of the UEJ Coalition's goals of saving the FitzPatrick plant, supporting the implementation of the CES and adoption of the ZECs. On a motion by Mr. Sorbello, seconded by Mr. Schick, authorization was approved to establish a budget up to \$20,000 to be available to complete the Phase I UEJ Coalition initiative.

Board of Directors Vacancies

Chair Rush reported that a letter has been submitted to the Chair of the Oswego County Legislature.

Fulton Thermal Corp. – Bonds Series 2010

Mr. Treadwell reported that an IRS Audit for Compliance is underway relating to the Company and its compliance with regulations governing tax exempt financing. On a motion by Mr. Sorbello, seconded by Mr. Schick, a Power of Attorney Appointment was ratified to appoint Jean Everett of Barclay Damon to coordinate the reporting of the Fulton Thermal Corporation response to the audit with the IRS.

K&N's Foods USA, Inc.

Chair Rush noted that the presentation by Mr. McDonald in Executive Session was very beneficial to the Agency in understanding the significance of the refrigeration equipment project and the impact of damage and action taken by the Company as a result of the failure of the system.

Price Chopper/Incubator Project

Mr. Treadwell reported that the appraisal is still in process and the final report was not available.

Allen Chase Enterprises

Mr. Treadwell reported that this was added to the agenda in case a resolution was needed. The matter was handled between Barclay Damon and the Company regarding the Sales Tax Appointment process.

Miller Property

Mr. Treadwell reported that the final purchase price of the property would be \$382,992.79 according to the invoice received from the County Treasurer's Office.

Next Meeting

November 7, 2016 at 9:00 a.m. was scheduled.

Adjournment

On a motion by Mr. Schick, seconded by Mr. Kunzwiler, the meeting was adjourned at 11:30 a.m.

Respectfully Submitted,

H. Leonard Schick
Secretary

SEQRA LEAD AGENCY RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on October 13, 2016, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Donald H. Kunzwiler, Carolyn A. Rush,
H. Leonard Schick and Morris Sorbello

ABSENT: Gary T. Toth

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano and L. Michael
Treadwell

The following resolution was duly offered and seconded:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS A TYPE I ACTION AND DECLARING THE INTENT OF THE COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY TO BE LEAD AGENCY FOR PURPOSES OF A COORDINATED REVIEW PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and

economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, construction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, EJ USA, Inc., or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about June 29, 2016 (the “*Application*”), a copy of which is on file at the office of the Agency, requesting the Agency undertake a project (the “*Project*”) consisting of: (A) (i) the acquisition of a leasehold interest in approximately 15 acres of vacant land located at Oswego County Industrial Park, Town of Schroepfel, County of Oswego, State of New York (the “*Land*”); (ii) construction of an approximately 65,000 square foot building for use as a steel and aluminum fabrication facility with a sales and distribution yard to produce infrastructure access solutions (manhole frames, grates, covers, hatches, etc.) (the “*Facility*”) (iii) the acquisition of and installation in the Facility of various machinery, equipment and furnishings (collectively the “*Equipment*”) (the Land, Facility and Equipment are hereinafter collectively referred to as the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, mortgage recording tax and State and local sales and use tax (collectively, the “*Financial Assistance*”); and (C) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “SEQRA”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in SEQRA) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in SEQRA) and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, to aid the Agency in determining whether undertaking the Project may have a significant impact upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the “EAF”) with respect to the Project, a copy of which is attached here as Exhibit A, with a copy of the EAF on file at the office of the Agency; and

WHEREAS, the Agency has examined the EAF in order to classify the Project; and

WHEREAS, the Agency has not approved the Project or the grant of Financial Assistance to the Project; and

NOW, THEREFORE, be it resolved by the members of the County of Oswego Industrial Development Agency as follows:

(1) Based upon an examination of the EAF prepared by the Company, the criteria contained in 6 NYCRR §617.7(c), and based further upon the Agency’s knowledge of the area

surrounding the Project Facility, all the representations made by the Company in connection with the Project, and such further investigation of the Project and its environmental impacts as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project pursuant to SEQRA:

(A) The Project consists of the components described above in the third WHEREAS clause of this resolution; and

(B) The Project constitutes a “Type I Action” (as said quoted term is defined in SEQRA); and

(C) As a consequence of the foregoing, the Agency hereby declares its intent to act as “Lead Agency” (as said term is defined in SEQRA) with respect to a coordinated agency review of the Project pursuant to SEQRA; and

(D) The Agency’s counsel shall arrange for publication and distribution of its notice of intent to be “Lead Agency” and is hereby authorized to take such actions as are necessary and appropriate to assist the Agency in fulfilling the requirements under SEQRA for the Project and to work with the Company’s environmental consultant in connection therewith.

(2) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(3) This Resolution shall take effect immediately

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Donald H. Kunzwiler	X				
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello	X				
Gary T. Toth					X

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF OSWEGO)

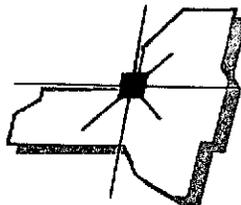
I, the undersigned Chief Executive Officer of the County of Oswego Industrial Development Agency, Do Hereby Certify that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) held on October 13, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I Further Certify that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Agency on October 13, 2016.

L. Michael Treadwell
Chief Executive Officer

(SEAL)



October 13, 2016

Secretary
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

RE: Docket ID NRC-2016-0195

ATTN: Rulemaking and Adjudications Staff:

The County of Oswego Industrial Development Agency is a public benefit corporation that was established in accordance with New York State General Municipal Law in 1973. The mission of the Agency is to establish and implement sound economic development strategies in order to enhance the economic vitality of Oswego County's businesses, industries, communities and citizens, leading to an overall better quality of life. Key to the Agency's mission is the creation and retention of job opportunities, diversification and strengthening of Oswego County's economic base, and developing the local economy in a planned, organized and environmentally compatible manner. In this capacity, the COIDA supports the transference by the NRC of the operating license for the FitzPatrick Nuclear Plant from Entergy to the Exelon Corporation. The Agency, likewise, supports the purchase of the FitzPatrick plant from Entergy by Exelon for \$110 million.

Our support is substantiated for the following reasons:

Jobs and the Economy

- Over 600 direct jobs.
- Opportunities for 1,000 building tradesmen and skilled workers who are involved in refueling, maintenance and plant outages.
- \$500 million per year in regional economic activity.
- Over \$70 million in annual payroll.
- Over \$17 million in annual property and school taxes.
- 850 megawatts of electrical generation capacity that provides reliable energy 24/7 and is a significant base load and dependable energy source needed for our economic development progress and stability.

Environment

- Generates enough carbon-free electricity to power more than 800,000 houses.
- Avoidance of over 3 million tons of CO₂ emissions annually, which represents about 10% of the carbon savings for all of New York State.
- Will help New York State achieve the goals of the Clean Energy Standard including carbon reduction of 50% by 2030.
- The stable cost of nuclear energy protects consumers against price volatility while generating carbon-free electricity.

"This institution is an equal opportunity provider, and employer.

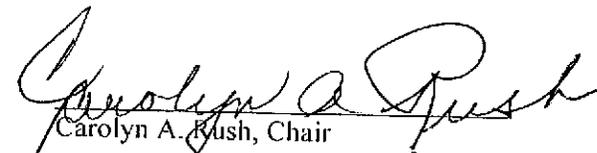
To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)."

We urge the NRC to approve the transfer of the FitzPatrick operating license from Entergy to Exelon. We urge the NRC to approve the purchase of FitzPatrick from Entergy to Exelon for \$110 million. We urge the NRC to take affirmative action in an expeditious manner whereby the NRC approvals will be completed on or before March 1, 2017 in order to allow for a closure on the facility by April 1, 2017.

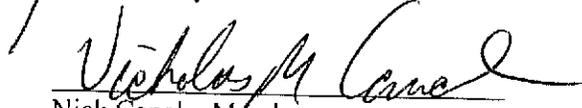
Sincerely,
COUNTY OF OSWEGO INDUSTRIAL
DEVELOPMENT AGENCY



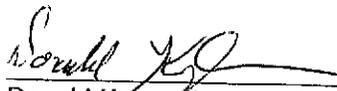
L. Michael Treadwell, CEcD
Chief Executive Officer



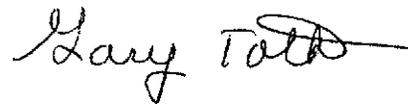
Carolyn A. Kush, Chair



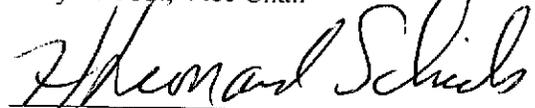
Nick Canale, Member



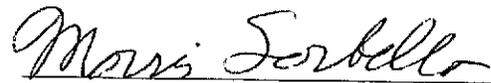
Donald Kunzwiler, Member



Gary T. Toth, Vice Chair



Leonard Schick, Secretary/Treasurer



Morris Sorbello, Member

LMT/kp