



Tioga County Industrial Development Agency
December 5, 2018 • 4:30pm•
Ronald E. Dougherty County Office Building
56 Main Street, Owego, NY 13827
Agenda

Call to Order and Instructions

Attendance

IDA Board Members

Roll Call: R. Kelsey, A. Gowan, M. Sauerbrey, J. Ceccherelli, T. Monell,
K. Gillette, K. Dougherty

Absent:

Excused:

Guests: C. Curtis, C. Haskell, J. Meagher, L. Tinney, Z. Baker

Privilege of the Floor: None

Approval of Minutes

A. December 5, 2018 Regular Meeting Minutes

Financials

A. [Balance Sheet](#)

B. [Profit & Loss](#)

C. [Transaction Detail; Cash Accounts Only](#)

Project Updates: L. Tinney

A.

Owego Gardens 1

1. Reimbursement: \$1,000 to Mr. Kemmerling

i. [Receipts](#)

2. Status of Home leasing Swale

3. Soil & Water Review

B.

Project Steel

1. Update

a. Land Purchase Status (J. Meagher)

b. Status of Upstate Shredding Equipment

C. Workforce Development Study

1. Phase 1: ED&P to fund full amount

D. Upstate Shredding Grant Disbursement Agreement (J. Meagher)

1. [Grant Disbursement Agreement Part 1](#)

2. [Grant Disbursement Agreement Part 2](#)



New Business: L. Tinney

- A. [Social Media Contract Signature](#)
- B. [L. Tinney Contract Signature](#)
- C. Hess Property: 96 Smith Creek Road: Remove Building Insurance (Fire & Theft)
 - 1. Board Approval Requested
- D. IDA Monthly Meeting Invitations will be emailed

Old Business: L. Tinney

- A. Public Authority Accountability Act (PAAA)
 - 1. Audit Committee Report: R. Kelsey, A. Gowan, K. Dougherty
 - a. Audit Recommendation
 - i. [The Bonadio Group Proposal](#)
 - 2. Governance Committee Report: R. Kelsey, K. Dougherty, J. Ceccherelli
 - a. R. Kelsey and C. Curtis registered for ABO Board Member Training
 - 3. Finance Committee Report: R. Kelsey, K. Gillette, A. Gowan
 - a. Signature Cards
 - i. Tioga State Bank - Complete
 - j. Chemung Canal Trust Company - Paperwork ready for signatures
 - k. Community Bank - Paperwork not yet obtained
- B. ED&P Update
 - 1. ED&P Update: L. Tinney
 - a. [Z. Baker Power Point Presentation](#)
 - 2. Ag Update: Z. Baker

PILOT Updates: L. Tinney

- A. School PILOT Updates
 - 1. Tioga Central School
 - 2. Assessment; Denise Spaulding
- B. Crestwood PILOT (CNYOG)
 - 1. OASCD Request for PILOT review
- C. SANMINA PILOT collapse: release Parcel ID# 129.07-1-9 (J. Meagher)
- D. Town & County Tax Bills

Reports

- A. Railroad
 - 1. Committee Report: T. Monell, K. Gillette, M. Sauerbrey
 - a. [Income to Date](#)
- B. Loan Program
 - 1. Committee Report: R. Kelsey, A. Gowan, K. Dougherty, S. Thomas, D. Barton
 - a. All loans current

Motion to move into Executive Session pursuant to Public Officers Law Section 105

Next Meeting: Wednesday, February 6, 2019

Adjournment

Tioga County Industrial Development Agency
BALANCE SHEET Previous Year Comparison

As of December 31, 2018

| | Dec 31, 18 | Dec 31, 17 | \$ Change |
|--|--------------|--------------|--------------|
| ASSETS | | | |
| Current Assets | | | |
| Checking/Savings | | | |
| Restricted Cash Accounts | | | |
| Community- Facade Improvement | 62,500.12 | 96,162.17 | -33,662.05 |
| CCTC- Industrial Park | 11,995.37 | 12,000.37 | -5.00 |
| USDA Funds | | | |
| CCTC- Loan Loss Reserve | 40,423.07 | 40,404.45 | 18.62 |
| TSB- IRP 2016 (Formerly IRP 4) | 217,582.94 | 264,189.30 | -46,606.36 |
| TSB- RBEG | 205,553.63 | 205,516.43 | 37.20 |
| TSB- marketing | 1,477.40 | 1,497.00 | -19.60 |
| Total USDA Funds | 465,037.04 | 511,607.18 | -46,570.14 |
| Total Restricted Cash Accounts | 539,532.53 | 619,769.72 | -80,237.19 |
| CCTC- CDs | | | |
| Land Acquisition (879) | 528,439.10 | 528,439.10 | 0.00 |
| Capital Improvement (284) | 310,716.91 | 310,716.91 | 0.00 |
| Total CCTC- CDs | 839,156.01 | 839,156.01 | 0.00 |
| Temporarily Restricted Cash Acc | | | |
| TSB-Owego Gardens | 84.35 | 54.35 | 30.00 |
| TSB-Crown Cork and Seal | 105.67 | 154.21 | -48.54 |
| Community- BestBuy PILOT Acct. | 163.24 | 600,067.66 | -599,904.42 |
| Total Temporarily Restricted Cash Acc | 353.26 | 600,276.22 | -599,922.96 |
| Unrestricted Cash Accounts | | | |
| TSB ICS | 2,129,238.68 | 0.00 | 2,129,238.68 |
| TSB- checking | 27,007.20 | 626,370.59 | -599,363.39 |
| TSB- general fund | 125,510.40 | 125,217.36 | 293.04 |
| Total Unrestricted Cash Accounts | 2,281,756.28 | 751,587.95 | 1,530,168.33 |
| Total Checking/Savings | 3,660,798.08 | 2,810,789.90 | 850,008.18 |
| Other Current Assets | | | |
| Commercial Facade Late Fee | -8.91 | 0.00 | -8.91 |
| Accounts Receivable 1300.01 | 329,158.69 | 710,286.04 | -381,127.35 |
| Allowance for Doubtful Accounts | -35,000.00 | -35,000.00 | 0.00 |
| Commercial Facade Loan Program | | | |
| Loan Rec - 2017-01-C | 41,875.00 | 0.00 | 41,875.00 |
| Loan Rec - 2018-03-C | 20,000.00 | 0.00 | 20,000.00 |
| Loan Rec - 2018-02-C | 2,724.00 | 0.00 | 2,724.00 |
| Loan Rec - 2018-01-C | 8,070.02 | 0.00 | 8,070.02 |
| Loan Rec - 2017-03-C | 9,820.00 | 12,820.00 | -3,000.00 |
| Loan Rec - 2017-02-C | 30,821.83 | 34,533.37 | -3,711.54 |
| Loan Rec - 2016-03-C | 12,306.24 | 15,588.00 | -3,281.76 |
| Loan Rec - 2016-02-C | 28,472.36 | 36,805.64 | -8,333.28 |
| Loan Rec - 2016-01-C | 5,961.68 | 7,948.96 | -1,987.28 |
| Loan Rec - 2015-06-C | 13,170.90 | 17,561.22 | -4,390.32 |
| Loan Rec - 2014-01-C | 3,390.60 | 5,425.08 | -2,034.48 |
| Loan Rec - 2015-01-C | 0.00 | 10,555.49 | -10,555.49 |
| Loan Rec - 2015-02-C | -0.08 | 1,336.51 | -1,336.59 |
| Loan Rec - 2015-05-C | 10,780.32 | 14,372.04 | -3,591.72 |
| Total Commercial Facade Loan Program | 187,392.87 | 156,946.31 | 30,446.56 |
| IRP 4 | | | |
| Loan Rec 2018-02-A | 9,509.52 | 0.00 | 9,509.52 |
| Loan Rec 2018-01-A | 69,081.75 | 0.00 | 69,081.75 |
| Loan Rec 2017-05-A | 16,205.53 | 20,888.70 | -4,683.17 |
| Loan Rec 2017-04-A | 37,163.98 | 38,796.47 | -1,632.49 |
| Loan Rec 2017-03-A | 17,162.16 | 18,971.00 | -1,808.84 |
| Loan Rec 2017-02-A | 75,077.37 | 90,949.87 | -15,872.50 |
| Loan Rec 2017-01-A | 21,178.03 | 23,489.01 | -2,310.98 |
| Loan Rec 2016-01-A | 21,301.61 | 29,082.40 | -7,780.79 |
| Loan Rec 2015-03-A | 5,396.16 | 8,274.82 | -2,878.66 |
| Loan Rec 2013-02-A | -14.16 | 2,978.97 | -2,993.13 |
| Loan Rec 2009-02-A | 51,851.58 | 53,051.58 | -1,200.00 |
| Total IRP 4 | 323,913.53 | 286,482.82 | 37,430.71 |
| IRP 3 | | | |
| Loan Rec 2013-01-A | 0.00 | 4,176.97 | -4,176.97 |
| Loan Rec 2007-08-A | 28,012.66 | 34,776.42 | -6,763.76 |
| Total IRP 3 | 28,012.66 | 38,953.39 | -10,940.73 |

Tioga County Industrial Development Agency
BALANCE SHEET Previous Year Comparison

As of December 31, 2018

| | Dec 31, 18 | Dec 31, 17 | \$ Change |
|--|---------------------|---------------------|----------------------|
| IRP 2 | | | |
| Loan Rec 2011-03-A | 36,331.22 | 47,282.38 | -10,951.16 |
| Total IRP 2 | 36,331.22 | 47,282.38 | -10,951.16 |
| Total Other Current Assets | 869,800.06 | 1,204,950.94 | -335,150.88 |
| Total Current Assets | 4,530,598.14 | 4,015,740.84 | 514,857.30 |
| Fixed Assets | | | |
| Asset WWTP | 0.00 | 2,899,623.29 | -2,899,623.29 |
| Land- Mitchell Equipment | 58,453.51 | 58,453.51 | 0.00 |
| 2012 computer upgrade | 1,436.88 | 1,436.88 | 0.00 |
| Equipment - Other | 264.00 | 264.00 | 0.00 |
| Total Equipment | 1,700.88 | 1,700.88 | 0.00 |
| Land- Cavataio | 2,500.00 | 2,500.00 | 0.00 |
| Land-general | 584,257.05 | 202,679.24 | 381,577.81 |
| Land-Louns | | | |
| Lopke | 8,993.03 | 0.00 | 8,993.03 |
| Town of Nichols | 20,000.00 | 0.00 | 20,000.00 |
| Hess | 259,561.43 | 259,561.43 | 0.00 |
| Land-Louns - Other | 139,612.53 | 139,612.53 | 0.00 |
| Total Land-Louns | 428,166.99 | 399,173.96 | 28,993.03 |
| Land 434 | 376,800.36 | 376,800.36 | 0.00 |
| Railroad Improvements | 1,979,330.50 | 1,979,330.50 | 0.00 |
| Z Accumulated Depreciation | -1,154,503.43 | -1,154,503.43 | 0.00 |
| Total Fixed Assets | 2,276,705.86 | 4,765,758.31 | -2,489,052.45 |
| Other Assets | | | |
| HUD Loan Program | | | |
| L/R 2014-01-A | 0.00 | 98,298.96 | -98,298.96 |
| L/R 2009-04-A | 0.00 | 41,289.82 | -41,289.82 |
| Total HUD Loan Program | 0.00 | 139,588.78 | -139,588.78 |
| Total Other Assets | 0.00 | 139,588.78 | -139,588.78 |
| TOTAL ASSETS | 6,807,304.00 | 8,921,087.93 | -2,113,783.93 |
| LIABILITIES & EQUITY | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts Payable | | | |
| 20000 · Accounts Payable | 0.00 | 324,771.29 | -324,771.29 |
| Total Accounts Payable | 0.00 | 324,771.29 | -324,771.29 |
| Other Current Liabilities | | | |
| 2100 · Payroll Liabilities | 1,646.82 | 1,646.82 | 0.00 |
| PILOT Payments | | | |
| Crown Cork and Seal | -28.54 | 0.00 | -28.54 |
| + · 231 Main Town/County | -0.01 | 0.00 | -0.01 |
| Owego Gardens | 50.00 | 0.00 | 50.00 |
| School - 231 Main Street | 0.01 | 0.00 | 0.01 |
| CNYOG | -0.01 | 0.00 | -0.01 |
| Best Buy PP | 0.00 | 600,000.00 | -600,000.00 |
| Rynone | 44.08 | 0.00 | 44.08 |
| Total PILOT Payments | 65.53 | 600,000.00 | -599,934.47 |
| Total Other Current Liabilities | 1,712.35 | 601,646.82 | -599,934.47 |
| Total Current Liabilities | 1,712.35 | 926,418.11 | -924,705.76 |
| Long Term Liabilities | | | |
| Loan Pay- IRP 4 | 232,632.80 | 242,546.34 | -9,913.54 |
| Loan Pay- IRP 3 | 202,342.67 | 212,556.11 | -10,213.44 |
| Loan Pay- IRP 2 | 134,427.04 | 145,312.91 | -10,885.87 |
| Loan Pay- IRP 1 | 69,112.00 | 76,605.09 | -7,493.09 |
| Tioga County HUD prog | | | |
| 2014-01-A | 0.00 | 98,298.57 | -98,298.57 |
| 2009-04-A | 0.00 | 41,289.82 | -41,289.82 |

Tioga County Industrial Development Agency
BALANCE SHEET Previous Year Comparison
As of December 31, 2018

| | Dec 31, 18 | Dec 31, 17 | \$ Change |
|---------------------------------------|---------------------|---------------------|----------------------|
| Total Tioga County HUD prog | 0.00 | 139,588.39 | -139,588.39 |
| Total Long Term Liabilities | 638,514.51 | 816,608.84 | -178,094.33 |
| Total Liabilities | 640,226.86 | 1,743,026.95 | -1,102,800.09 |
| Equity | | | |
| Board Designated Funds | 1,406,302.63 | 1,406,302.63 | 0.00 |
| 1110 - Retained Earnings | 5,771,758.35 | 5,752,753.30 | 19,005.05 |
| Net Income | -1,010,983.84 | 19,005.05 | -1,029,988.89 |
| Total Equity | 6,167,077.14 | 7,178,060.98 | -1,010,983.84 |
| TOTAL LIABILITIES & EQUITY | 6,807,304.00 | 8,921,087.93 | -2,113,783.93 |

Tioga County Industrial Development Agency
PROFIT & LOSS Prev Year Comparison
January through December 2018

| | Jan - Dec 18 | Jan - Dec 17 | \$ Change |
|--|--------------|--------------|--------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Interest Income- TSB ICS | 9,238.68 | 0.00 | 9,238.68 |
| Refund of Insurance | 960.00 | 0.00 | 960.00 |
| Gain/Loss on Sale of Asset | 0.00 | -178.36 | 178.36 |
| Loan Interest Income | | | |
| IRP 2 | | | |
| 2011-03-A | 2,115.40 | 2,648.43 | -533.03 |
| Total IRP 2 | 2,115.40 | 2,648.43 | -533.03 |
| IRP 3 | | | |
| 2013-01-A | 102.41 | 330.53 | -228.12 |
| 2007-08-A | 1,981.96 | 2,176.49 | -194.53 |
| Total IRP 3 | 2,084.37 | 2,507.02 | -422.65 |
| IRP 4 | | | |
| 2018-02-A | 64.60 | 0.00 | 64.60 |
| 2018-01-A | 2,795.70 | 0.00 | 2,795.70 |
| 2017-04-A | 1,733.51 | 1,244.47 | 489.04 |
| 2017-03-A | 453.64 | 290.78 | 162.86 |
| 2017-05-A | 477.45 | 325.76 | 151.69 |
| 2017-01-A | 569.02 | 409.01 | 160.01 |
| 2017-02-A | 2,092.70 | 1,429.57 | 663.13 |
| 2016-01-A | 1,277.41 | 1,656.11 | -378.70 |
| 2015-03-A | 348.38 | 488.49 | -140.11 |
| 2013-02-A | 87.60 | 196.88 | -109.28 |
| 2010-01-A | 0.00 | 58.35 | -58.35 |
| Total IRP 4 | 9,900.01 | 6,099.42 | 3,800.59 |
| Total Loan Interest Income | 14,099.78 | 11,254.87 | 2,844.91 |
| Loan Program Fee | | | |
| Facade | 100.00 | 1,213.00 | -1,113.00 |
| IRP 4 | 2,347.50 | 1,332.88 | 1,014.62 |
| Loan Program Fee - Other | 200.00 | 1,285.00 | -1,085.00 |
| Total Loan Program Fee | 2,647.50 | 3,830.88 | -1,183.38 |
| Loan Late Fee | | | |
| 2013-02-A | 7.08 | 0.00 | 7.08 |
| 2018-01-C | 8.77 | 0.00 | 8.77 |
| 2015-03 - 2015-03-A | 40.10 | 30.10 | 10.00 |
| Loan Late Fee - Other | 7.08 | 0.00 | 7.08 |
| Total Loan Late Fee | 63.03 | 30.10 | 32.93 |
| Program Fees | 0.00 | -117.20 | 117.20 |
| 4030 - Contributions Income | | | |
| 4050 - Restricted | 0.00 | 12,500.00 | -12,500.00 |
| Total 4030 - Contributions Income | 0.00 | 12,500.00 | -12,500.00 |
| 4110 - Grants | | | |
| Waverly Trade Center DOT Grant | 98,763.06 | 463,537.51 | -364,774.45 |
| 4110 - Grants - Other | 1,696,136.00 | 0.00 | 1,696,136.00 |
| Total 4110 - Grants | 1,794,899.06 | 463,537.51 | 1,331,361.55 |
| Interest Income- | | | |
| cctc - Capitol Improvements (28 | 0.00 | 2,657.00 | -2,657.00 |
| Community- Facade Improvement | 36.76 | 52.55 | -15.79 |
| CCTC Loan Loss Reserve Account | 18.62 | 20.16 | -1.54 |
| CCTC CD Land Acquisition (879) | 0.00 | 6,034.00 | -6,034.00 |
| Community- Lounsberry | 95.58 | 92.30 | 3.28 |
| TSB- checking | 546.37 | 880.46 | -334.09 |
| TSB-general fund | 177.04 | 100.13 | 76.91 |
| TSB- IRP 4 | 65.37 | 158.01 | -92.64 |

Tioga County Industrial Development Agency
PROFIT & LOSS Prev Year Comparison
January through December 2018

| | Jan - Dec 18 | Jan - Dec 17 | \$ Change |
|---|---------------------|-------------------|---------------------|
| TSB- RBEG | 57.20 | 62.50 | -5.30 |
| TSB- marketing | 0.40 | 0.45 | -0.05 |
| Interest Income- - Other | 0.00 | 5,179.41 | -5,179.41 |
| Total Interest Income- | 997.34 | 15,236.97 | -14,239.63 |
| Leases/Licenses | | | |
| First Light | 100.00 | 0.00 | 100.00 |
| RR leases | 0.00 | 10,465.54 | -10,465.54 |
| Leases/Licenses - Other | 11,998.08 | 1,014.11 | 10,983.97 |
| Total Leases/Licenses | 12,098.08 | 11,479.65 | 618.43 |
| OHRy | | | |
| freight | 131,691.30 | 138,405.85 | -6,714.55 |
| Total OHRy | 131,691.30 | 138,405.85 | -6,714.55 |
| 4170 · PILOT Program Fees | | | |
| Two Plus Four | 0.00 | 2,500.00 | -2,500.00 |
| Gateway | 0.00 | 28,786.39 | -28,786.39 |
| Ameresco, Inc. | 0.00 | 2,500.00 | -2,500.00 |
| SUN8 PDC LLC | 288,073.00 | 2,500.00 | 285,573.00 |
| Tioga Downs | 0.00 | 30,233.50 | -30,233.50 |
| 4170 · PILOT Program Fees - Other | 2,500.00 | 0.00 | 2,500.00 |
| Total 4170 · PILOT Program Fees | 290,573.00 | 66,519.89 | 224,053.11 |
| Sale of Property | 0.00 | 3,014.07 | -3,014.07 |
| Total Income | 2,257,267.77 | 725,514.23 | 1,531,753.54 |
| Expense | | | |
| IDA Paint Program | | | |
| 2018 | 3,523.47 | 0.00 | 3,523.47 |
| Total IDA Paint Program | 3,523.47 | 0.00 | 3,523.47 |
| 66900 · Reconciliation Discrepancies | -0.02 | 0.00 | -0.02 |
| Grant Expense | 17,595.10 | 0.00 | 17,595.10 |
| 2017 · Housing Study | 0.00 | 10,000.00 | -10,000.00 |
| Leases/Licenses Refund | | | |
| Berkshire Land | 0.00 | 122.76 | -122.76 |
| Total Leases/Licenses Refund | 0.00 | 122.76 | -122.76 |
| Bodle Hill Land | 0.00 | 200.00 | -200.00 |
| WWTP Crown Cork and Seal | -18,633.74 | 18,633.74 | -37,267.48 |
| Marketing | 741.71 | 414.63 | 327.08 |
| Waverly Trade Center DOT Grant | 98,763.06 | 463,537.51 | -364,774.45 |
| Tioga Industrial Park | | | |
| Corporate Drive | 5.00 | 0.00 | 5.00 |
| Total Tioga Industrial Park | 5.00 | 0.00 | 5.00 |
| Education | 3,801.80 | 0.00 | 3,801.80 |
| Loan Admin Fee | | | |
| IRP 4 | 0.00 | 0.00 | 0.00 |
| Total Loan Admin Fee | 0.00 | 0.00 | 0.00 |
| Loan Program Expense | 150.00 | 187.05 | -37.05 |
| 6120 · Bank Service Charges | 175.20 | 268.42 | -93.22 |
| conference | 0.00 | 980.00 | -980.00 |
| Copies | 191.96 | 124.70 | 67.26 |
| 6150 · Depreciation Expense | 0.00 | 19,684.57 | -19,684.57 |
| 6160 · Dues and Subscriptions | 1,655.00 | 510.00 | 1,145.00 |
| E=mt3 | | | |

Tioga County Industrial Development Agency
PROFIT & LOSS Prev Year Comparison
January through December 2018

12/31/18

Accrual Basis

| | Jan - Dec 18 | Jan - Dec 17 | \$ Change |
|--|------------------|------------------|------------------|
| site preparation | 200.00 | 0.00 | 200.00 |
| E=mt3 - Other | 655.00 | 0.00 | 655.00 |
| Total E=mt3 | 855.00 | 0.00 | 855.00 |
| Employee benefit | | | |
| IRA Company Match | 1,508.36 | 1,448.10 | 60.26 |
| IRA | 1,766.79 | 1,467.72 | 299.07 |
| Total Employee benefit | 3,275.15 | 2,915.82 | 359.33 |
| 6180 · Insurance | | | |
| Travel/Accident (Hartford) | 750.00 | 750.00 | 0.00 |
| D & O (Philadelphia Ins. Co) | 3,287.00 | 4,502.00 | -1,215.00 |
| 6190 · Disability (First Rehab Life) | 0.00 | 256.88 | -256.88 |
| Employee Dishonesty (Utica) | 0.00 | 625.00 | -625.00 |
| Employee Health (SSA) | 2,992.64 | 0.00 | 2,992.64 |
| | | | |
| 6185 · Property & Liability (Dryden) | 12,748.19 | 8,900.11 | 3,848.08 |
| RR Liability (Steadfast) | 20,883.84 | 19,456.88 | 1,426.96 |
| WC (Amtrust) | 208.00 | 864.00 | -656.00 |
| Total 6180 · Insurance | 40,869.67 | 35,354.87 | 5,514.80 |
| 6200 · Interest Expense | | | |
| 6210 · Finance Charge | 0.39 | 0.00 | 0.39 |
| 6220 · Loan Interest | | | |
| IRP 3 | 0.21 | 0.00 | 0.21 |
| Total 6220 · Loan Interest | 0.21 | 0.00 | 0.21 |
| 6200 · Interest Expense - Other | 6,770.20 | 12,325.38 | -5,555.18 |
| Total 6200 · Interest Expense | 6,770.80 | 12,325.38 | -5,554.58 |
| 6550 · Office Supplies | | | |
| other | 399.65 | 621.55 | -221.90 |
| stationary | 0.00 | 135.00 | -135.00 |
| ink cartridges | 0.00 | 232.42 | -232.42 |
| 6550 · Office Supplies - Other | 1,061.32 | 0.00 | 1,061.32 |
| Total 6550 · Office Supplies | 1,460.97 | 988.97 | 472.00 |
| 6560 · Payroll Expenses | | | |
| M. Tinney | 1,480.28 | 1,017.96 | 462.32 |
| Curry | 0.00 | 1,308.90 | -1,308.90 |
| 6560 · Payroll Expenses - Other | 54,117.74 | 57,595.11 | -3,477.37 |
| Total 6560 · Payroll Expenses | 55,598.02 | 59,921.97 | -4,323.95 |
| PILOT Best Buy | 0.00 | -52.85 | 52.85 |
| PILOT Program Expenses | | | |
| Distributed Sun | 305.00 | 244.00 | 61.00 |
| PILOT Program Expenses - Other | 231.50 | -80.97 | 312.47 |
| Total PILOT Program Expenses | 536.50 | 163.03 | 373.47 |
| 6250 · Postage and Delivery | 144.89 | 248.40 | -103.51 |
| 6270 · Professional Fees | | | |
| Ag Ec Dev Specialist Position | 7,498.79 | 0.00 | 7,498.79 |
| Administrative Services | | | |
| Haskell | 10,428.00 | 7,536.00 | 2,892.00 |
| Tinney | 19,250.00 | 18,000.00 | 1,250.00 |
| Administrative Services - Other | 500.00 | 0.00 | 500.00 |
| Total Administrative Services | 30,178.00 | 25,536.00 | 4,642.00 |
| 6650 · Accounting | | | |
| Piaker & Lyons | 9,500.00 | 9,500.00 | 0.00 |

Tioga County Industrial Development Agency
PROFIT & LOSS Prev Year Comparison
January through December 2018

| | Jan - Dec 18 | Jan - Dec 17 | \$ Change |
|---|----------------------|-------------------|----------------------|
| Jan Nolis | 3,688.75 | 1,870.00 | 1,818.75 |
| Total 6650 · Accounting | 13,188.75 | 11,370.00 | 1,818.75 |
| 6655 · Consulting | 19,500.00 | 0.00 | 19,500.00 |
| 6280 · Legal Fees | | | |
| Loan Program Fees | 1,369.25 | 0.00 | 1,369.25 |
| Special Project Fees | 0.00 | 467.50 | -467.50 |
| 6280 · Legal Fees - Other | 39,932.50 | 27,917.00 | 12,015.50 |
| Total 6280 · Legal Fees | 41,301.75 | 28,384.50 | 12,917.25 |
| 6270 · Professional Fees - Other | 31,859.50 | 10,056.00 | 21,803.50 |
| Total 6270 · Professional Fees | 143,526.79 | 75,346.50 | 68,180.29 |
| Property Taxes | | | |
| 96 · Smith Creek Rd | 2,197.55 | 0.00 | 2,197.55 |
| 540 · Stanton Hill | 81.74 | 0.00 | 81.74 |
| Spring St | 0.22 | 0.00 | 0.22 |
| Berry Road (47) | 97.94 | 112.64 | -14.70 |
| Carmichael Road | 3.74 | 3.41 | 0.33 |
| Smith Creek Road | 16.27 | 18.71 | -2.44 |
| Glenmary Drive | 10.06 | 9.06 | 1.00 |
| Metro Road | 8.39 | 7.55 | 0.84 |
| Total Property Taxes | 2,415.91 | 151.37 | 2,264.54 |
| Recording fees | 1,215.00 | 805.50 | 409.50 |
| 6300 · Repairs | | | |
| 6310 · Building Repairs | 748.30 | 0.00 | 748.30 |
| Total 6300 · Repairs | 748.30 | 0.00 | 748.30 |
| 6770 · Supplies | | | |
| 6790 · Office | 518.49 | 0.00 | 518.49 |
| 6770 · Supplies - Other | 100.00 | 259.32 | -159.32 |
| Total 6770 · Supplies | 618.49 | 259.32 | 359.17 |
| 6340 · Telephone | 320.08 | 223.49 | 96.59 |
| 6350 · Travel & Ent | | | |
| 6370 · Meals | 325.93 | 366.12 | -40.19 |
| 6380 · Travel | 978.28 | 2,936.49 | -1,958.21 |
| Total 6350 · Travel & Ent | 1,304.21 | 3,302.61 | -1,998.40 |
| Total Expense | 367,628.32 | 706,617.76 | -338,989.44 |
| Net Ordinary Income | 1,889,639.45 | 18,896.47 | 1,870,742.98 |
| Other Income/Expense | | | |
| Other Income | | | |
| TSB- CCS | 0.00 | 108.58 | -108.58 |
| Total Other Income | 0.00 | 108.58 | -108.58 |
| Other Expense | | | |
| Transferred Assets | 2,899,623.29 | 0.00 | 2,899,623.29 |
| 8010 · Other Expenses | 1,000.00 | 0.00 | 1,000.00 |
| Total Other Expense | 2,900,623.29 | 0.00 | 2,900,623.29 |
| Net Other Income | -2,900,623.29 | 108.58 | -2,900,731.87 |
| Net Income | -1,010,983.84 | 19,005.05 | -1,029,988.89 |

Tioga County Industrial Development Agency
TRANSACTION DETAIL BY ACCOUNT DEC'18
December 2018

| Type | Date | Num | Name | Memo | Amount |
|---------------------------------------|------------|------|--------------------|--------------------------|------------------|
| Restricted Cash Accounts | | | | | |
| Community- Facade Improvement | | | | | |
| Deposit | 12/04/2018 | | | Facade Loan Pymt | 299.31 |
| Deposit | 12/07/2018 | | | Facade Loan Pymt | 690.73 |
| Deposit | 12/12/2018 | | | Facade Loan Pymt | 625.00 |
| Deposit | 12/12/2018 | | | Facade Loan Pymt | 250.00 |
| Deposit | 12/12/2018 | | | Facade Loan Pymt | 169.54 |
| Deposit | 12/28/2018 | | | Facade Loan Pmt | 426.34 |
| Deposit | 12/31/2018 | | | Interest | 2.34 |
| Deposit | 12/31/2018 | | | Facade Loan Pymt | 1,538.55 |
| Total Community- Facade Improvement | | | | | 4,001.81 |
| USDA Funds | | | | | |
| TSB- IRP 2016 (Formerly IRP 4) | | | | | |
| Deposit | 12/04/2018 | | | Loan Pymt | 3,822.22 |
| Deposit | 12/07/2018 | | | Loan Pymt | 1,088.88 |
| Deposit | 12/12/2018 | | | Loan Pymt | 240.00 |
| Deposit | 12/21/2018 | | | Loan Pymt | 478.86 |
| Total TSB- IRP 2016 (Formerly IRP 4) | | | | | 5,629.96 |
| Total USDA Funds | | | | | 5,629.96 |
| Total Restricted Cash Accounts | | | | | 9,631.77 |
| Unrestricted Cash Accounts | | | | | |
| TSB- checking | | | | | |
| Check | 12/05/2018 | 6158 | Tioga County Tr... | 2018 Salary Contrib... | -7,498.79 |
| Check | 12/05/2018 | 6160 | Thomas, Colliso... | November 2018 | -3,375.00 |
| Check | 12/05/2018 | 6161 | Jan Nolis, CPA | Professional Services | -1,075.00 |
| Check | 12/05/2018 | 6162 | Cathy Haskell | Administrative Assis... | -775.00 |
| Check | 12/05/2018 | 6163 | LeeAnn Tinney | Prof Services: Dece... | -2,125.00 |
| Check | 12/05/2018 | 6159 | Madison K. Tinn... | November 2018 Pro... | -200.00 |
| Check | 12/05/2018 | 6164 | Bryant R. Myers | Vacation Pay-Out (4... | -562.98 |
| Deposit | 12/07/2018 | | | RR Income | 10,804.40 |
| Check | 12/11/2018 | 6165 | Tioga County Tr... | Copier Billing - Aug ... | -23.00 |
| Check | 12/11/2018 | 6166 | Zack Baker | Compensation for A... | -500.00 |
| Check | 12/11/2018 | 6167 | Cathy Haskell | Compensation for A... | -500.00 |
| Check | 12/12/2018 | 6168 | Christine E Curtis | Pay period: 11/25/2... | -1,267.07 |
| Check | 12/17/2018 | 6169 | Curcio Printing | Invoice # 51269 C. ... | -100.00 |
| Check | 12/17/2018 | 6170 | Tioga County Tr... | Verizon IDA; IT Inv ... | -39.33 |
| Check | 12/17/2018 | 6171 | Leadership Tioga | 2019 Leadership Ti... | -300.00 |
| Deposit | 12/19/2018 | | | Deposit | 325.00 |
| Deposit | 12/19/2018 | | | Deposit | 100.00 |
| Check | 12/19/2018 | 6172 | Jan Nolis, CPA | Quikbooks Consulti... | -250.00 |
| Check | 12/19/2018 | 6173 | Christine E Curtis | Pay period: 12/09/2... | -1,267.08 |
| Check | 12/26/2018 | 6174 | Kurt Kemmerling | Reimburse for OG ... | -1,000.00 |
| Deposit | 12/31/2018 | | | Interest | 32.80 |
| Check | 12/31/2018 | 6175 | LeeAnn M. Tinney | Professional Servic... | -2,125.00 |
| Check | 12/31/2018 | 6176 | Cathy Haskell | Administrative Assis... | -775.00 |
| Total TSB- checking | | | | | -12,496.05 |
| Total Unrestricted Cash Accounts | | | | | -12,496.05 |
| TOTAL | | | | | -2,864.28 |

LARRABEE'S TRUCK & TIRE SERVICE
17 HUNT CREEK ROAD
NICHOLS, NY 13812

Sales Receipt

PHONE # (607-687-4372)
FAX # (607-687-2076)

| | |
|-----------|----------|
| Date | Sale No. |
| 9/28/2018 | 72628 |

| |
|---|
| Sold To |
| KEMMERLING, KURT 763 SANFORD RD OWEGO, NY 13827 |

| | |
|-----------------|--|
| VIN# | |
| year/make/model | |

| Check No. | Payment Met... | Rep | license# | truck/container # | trailer/chassis # | mileage |
|---|----------------|-----|----------|-------------------|-------------------|---------------------------------|
| | Cash | TSL | | | | |
| Description | | | | Qty | Rate | Amount |
| MISCELLANEOUS CHARGE | | | | 3 | 225.00 | 675.00T |
| BOBCAT RENTAL PER DAY | | | | | | |
| AUTHORIZED BY : | | | | | | Subtotal \$675.00 |
| <p>I HEREBY AUTHORIZE THE ABOVE REPAIR WORK TO BE DONE ALONG WITH THE NECESSARY MATERIALS. YOU AND YOUR EMPLOYEES MAY OPERATE ABOVE VEHICLE FOR PURPOSES OF ESTING, INSPECTION, OR DELIVERY AT MY RISK. AN EXPRESS MECHANICS LIEN IS ACKNOWLEDGED ON ABOVE VEHICLE TO SECURE THE AMOUNT OF REPAIRS THERETO. IT IS UNDERSTOOD THAT THIS COMPANY ASSUMES NO RESPONSIBILITY FOR LOSS BY THEFT OR FIRE TO VEHICLES PLACED WITH THEM FOR STORAGE, SALE OR WHILE ROAD TESTING.</p> | | | | | | Sales Tax (8.0%) \$54.00 |
| | | | | | | Total \$729.00 |

**COLE CONSTRUCTION
CRUSHED STONE**

P.O. Box 158 Nichols, NY 13812
Phone: 570-247-2935 Cell: 607-341-2511

PURCHASER NAME: Kurt
 ADDRESS: 118 Southside dr.
 CITY: Owego NY
 JOB: _____
 MODIFIED: ARC PRODUCT: _____
 SAND: _____ STONE: _____
 GRAVEL: _____ TOPSOIL: _____
 MISC: _____
 CHARGE SALE CASH SALE

IDCS P>002
 GROSS 72200 lb
 TARE 32920 lb RECALLED
 NET 39280 lb
 06/18/2018 07:21AM

WEIGHTMASTER'S SIGNATURE: Kim K
 HAULED BY & ADDRESS: Colc 002
 DRIVER'S SIGNATURE: _____
 WEIGHTMASTER'S LIC. NO.: 83023
 COLLECT PREPAID
 TRACTOR OR TRUCK LIC. NO.: _____
 TRAILOR NO.: _____

White - Original
 Customer's Copy
 No 85987

Pink / Yellow

**COLE CONSTRUCTION
CRUSHED STONE**

P.O. Box 158 Nichols, NY 13812
Phone: 570-247-2935 Cell: 607-341-2511

PURCHASER NAME: Kurt
 ADDRESS: 118 Southside DR.
 CITY: Owego NY
 JOB: _____
 MODIFIED: ARC PRODUCT: _____
 SAND: _____ STONE: _____
 GRAVEL: _____ TOPSOIL: _____
 MISC: _____
 CHARGE SALE CASH SALE

Mat 360
 Del 200
 Total 560
 IDCS P>002
 GROSS 73620 lb
 TARE 32920 lb RECALLED
 NET 40700 lb
 06/18/2018 08:42AM

2 Loads

WEIGHTMASTER'S SIGNATURE: Kim K
 HAULED BY & ADDRESS: Colc 002
 DRIVER'S SIGNATURE: Kim K
 WEIGHTMASTER'S LIC. NO.: 83023
 COLLECT PREPAID
 TRACTOR OR TRUCK LIC. NO.: _____
 TRAILOR NO.: _____

White - Original
 Customer's Copy

Pink / Yellow - Void
 Customer Do Not Accept

No 85987



December 13, 2018

LeeAnn Tinney
Director
Tioga County Industrial Development Agency
56 Main Street
Owego, NY 13827

Re: Tioga County IDA- Weitsman Shredding Capital, Project #AA616

Dear Mrs. Tinney:

On behalf of the New York State Urban Development Corporation doing business as Empire State Development (ESD), I am pleased to inform you that at the recommendation of ESD's President & Chief Executive Officer, Howard A. Zemsky, the ESD Directors have approved \$930,000 in assistance for the project referenced above.

This approval is contingent upon the holding of a public hearing, the approval of the Public Authorities Control Board, the approval of the State Division of the Budget and the receipt of funds by ESD.

We have enclosed a **draft** Grant Disbursement Agreement (the "Agreement") for your review, which contains a copy of the materials that were presented for approval by the Directors. ESD will sign and send two original copies of the Agreement to you for your execution once all approvals mentioned above have been achieved. Please review this draft Agreement and contact James Bedrin, your Project Manager, at 607-721-8609 within 45 days to proceed to the next step. **Do not sign this draft Agreement.**

We look forward to working with you.

Sincerely,

Edwin Lee
Senior Vice President, Loans and Grants

cc: James Bedrin
Donna Howell

Rec'd
12/18/18
Ctt

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CAPITAL GRANT

This **GRANT DISBURSEMENT AGREEMENT ("Agreement")** includes all exhibits and attachments hereto and is made on the terms and by the parties listed below and relates to the Project described below:

**NEW YORK STATE
URBAN DEVELOPMENT
CORPORATION d/b/a
EMPIRE STATE DEVELOPMENT
("ESD" or "GRANTOR"):**

44 Hawley Street, Room 1508,
Binghamton, New York 13901
Contact: James Bedrin
Phone: 607-721-8609
E-mail: james.bedrin@esd.ny.gov

THE GRANTEE:

Tioga County Industrial Development Agency
56 Main Street
Owego, NY 13827
Contact: LeeAnn Tinney, Director
Phone: 607-687-8254
E-mail: TinneyL@co.tioga.ny.us
Federal Taxpayer ID#: 16-1194974

BENEFICIARY:

Weitsman Shredding, LLC
12 West Main Street,
Owego, NY 13827
Contact: Adam Weitsman, Member
Phone: 607-687-2780
E-mail: TinneyL@co.tioga.ny.us

PROJECT NAME:

Tioga County IDA- Weitsman Shredding Capital

PROJECT LOCATIONS:

1 Recycle Drive, Owego*
15 West Main Street, Owego
10 Brandywine Avenue, Binghamton
105 Cherry Street, Ithaca
132 Cherry Street, Ithaca
6334 County Route 64, Hornell
300 Smith Boulevard, Albany
610 West 8th Street, Jamestown
34 West Union Street, Allegany
80 Steel Street, Rochester
1132 Brant Farnham Road, Brant

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333 Bridge Street, Solvay
511 Pearl Street, Watertown

*Project activity site; others are job-retention sites

PROJECT NUMBER: AA616
GRANT AMOUNT: \$930,000
FUNDING SOURCE: Upstate Revitalization Initiative

ESD APPROVAL DATE: November 15, 2018

PACB APPROVAL DATE: PACB approval to be obtained prior to the execution of the Grant Disbursement Agreement

EXPIRATION DATE: December 31, 2023

TERMS AND CONDITIONS

1. The Project

The Grantee shall:

- (a) complete the project as set forth in the ESD General Project Plan attached hereto as Exhibit A (the "Project").
- (b) comply with the design and construction requirements attached hereto as Exhibit B.

2. Employment Goals & Reporting

- (a) The Grantee represents and warrants that it currently employs not less than the Baseline Employment (as hereinafter defined) set forth in Exhibit C to this Agreement and that it shall (i) achieve the employment goals as set forth in Exhibit C by retaining existing or hiring new Full-time Permanent Employees or (ii) repay a portion of the Grant as set forth in Exhibit C.
- (b) For purposes of this Agreement, a Full-time Permanent Employee shall mean (i) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (ii) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties. Baseline Employment shall mean the number of Full-time Permanent Employees set forth in Exhibit C.
- (c) Grantee shall submit, by February 1 of each year during the term of this Agreement, the Employment Reporting Form attached hereto as Exhibit H, indicating the average number of Grantee's Full-time Permanent Employees for the 12 month period ending as of December 31 of the prior year. Full-time Permanent Employee Count, for each calendar year during the term of this Agreement, shall mean the greater of (i) the average number of Full-time Permanent Employees for the prior calendar year, computed by adding the number of Full-time Permanent Employees as of the Grantee's last payroll date in the months of March, June, September and December and dividing that sum by 4, or (ii) the number of Full-time Permanent Employees as of the Grantee's last payroll date in December of such year.

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3. Conditions Precedent to Disbursement of the Grant

No grant funds shall be disbursed unless the Grantee is in compliance with the Terms and Conditions of this Agreement, including, but not limited to, Exhibit E (Disbursement Terms), and the following conditions have been satisfied (and as to 3(d) and 3(e) below continue to be satisfied prior to each disbursement):

- (a) If the Grant Amount exceeds \$100,000, or if, as described in Exhibit A, it is expected that there will be additional grants that in the aggregate exceed \$100,000, ESD has received an opinion of Grantee's counsel, in substantially the form appended to this Agreement as Exhibit D.
- (b) Any necessary approval has been issued by the Director of the Budget of the State of New York, and the Grant funds have been received by ESD.
- (c) ESD has received a commitment fee, plus out-of-pocket expenses incurred by ESD in the making of the Grant, if any, as set forth in Exhibit E.
- (d) There have been no materially adverse changes in the financial condition of the Grantee since the date of submission of its application to ESD.
- (e) The Grantee employs at least the Baseline Employment as evidenced by the Employment Reporting Form attached hereto as Exhibit H.

4. Disbursement and Recapture Terms

Subject to the terms and conditions contained in this Agreement, ESD shall disburse the Grant to the Grantee as follows:

- (a) ESD shall reimburse the Grantee for Project expenditures incurred by the Grantee as set forth in Exhibit E to this Agreement. Disbursements will be made upon submittal to ESD of a Payment Requisition Form, together with such supporting documentation as ESD may require, in the form attached to this Agreement as Exhibit F and its attachments, and Exhibit H.
- (b) In no event will ESD make any payment which would cause ESD's aggregate disbursements to exceed the Grant Amount.
- (c) The Grant, or a portion thereof, may be subject to recapture by ESD as provided in Exhibit C.

5. Non Discrimination and Contractor & Supplier Diversity

The Grantee will comply with ESD's Non-Discrimination and Contractor & Supplier Diversity policies set forth in Exhibit G to this Agreement.

6. No Liability of ESD

ESD shall not in any event whatsoever be liable for any injury or damage, cost or expense of any nature whatsoever that occurs as a result of or in any way in connection with the Project and the Grantee hereby agrees to indemnify and hold harmless ESD, the State and their respective agents, officers, employees and directors (collectively, the "Indemnitees") from and against any and all such liability other than that caused by the gross negligence or the willful misconduct of the Indemnitees.

7. Responsibility Provisions

- (a) The Grantee shall at all times during the Agreement term remain responsible. The Grantee agrees, if requested by the President and Chief Executive Officer of ESD or his or her designee, to present evidence of its continuing legal authority to do business in New York State, integrity, experience, ability, prior performance, and organizational and financial capacity.
- (b) The President and Chief Executive Officer of ESD or his or her designee, in his or her sole discretion, reserves the right to suspend any or all activities under this Agreement, at any time, when he or she discovers information that calls into question the responsibility of the Grantee. In the event of such suspension, the Grantee will be given written notice outlining the particulars of such suspension. Upon issuance of such notice, the Grantee must comply with the terms of the suspension order. Activities under this Agreement may resume at such time as the President and Chief Executive Officer of ESD or his or her designee issues a written notice authorizing a resumption of performance under this Agreement.
- (c) Upon written notice to the Grantee, and a reasonable opportunity to be heard with appropriate ESD officials or staff, this Agreement may be terminated by the President and Chief Executive Officer of ESD or his or her designee at the Grantee's expense where the Grantee is determined by the President and Chief Executive Officer of ESD or his or her designee to be non-responsible. In such event, the President and Chief Executive Officer of ESD or his or her designee may complete the requirements of this Agreement in any manner he or she deem advisable and pursue available legal or equitable remedies for breach.

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8. Representations, Warranties and Covenants

The Grantee represents, warrants and covenants that:

- (a) It has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.
- (b) This Agreement was duly authorized, executed and delivered by the Grantee and is binding and enforceable against the Grantee in accordance with its terms.
- (c) It is a duly organized corporation, validly existing and in good standing under the laws of the State of its incorporation, has the corporate power and authority to own its assets and to transact the business in which it is now engaged or proposed to be engaged and is duly qualified as a foreign corporation and in good standing under the laws of each other jurisdiction in which such qualification is required and shall maintain its corporate existence in good standing in each such jurisdiction.
- (d) There are no actions, suits or proceedings or, to the knowledge of Grantee, threatened against, or affecting Grantee before any court, governmental entity or arbitrator, which may, in any one case or in the aggregate, materially adversely affect the financial condition, operations, properties or business of the Grantee, except as may have been disclosed in writing to ESD.
- (e) Grantee is in compliance and shall continue to comply in all material respects with all material applicable laws, rules, regulations and orders.
- (f) The information contained in the application submitted by the Grantee in connection with the project and the Grant, as such application may have been amended or supplemented (the "Application"), is incorporated herein by reference in its entirety. In the event of an inconsistency between the descriptions, conditions, and terms of this Agreement and those contained in the Application, the provisions of this Agreement shall govern. The Grantee hereby acknowledges that ESD has relied on the statements and representations made by the Grantee in the Application in making the Grant. The Grantee hereby represents and warrants that it has made no material misstatement or omission of fact in the Application or otherwise in connection with the Grant and, except as otherwise disclosed in writing to ESD, there has been no adverse material change in the financial condition of Grantee from the date of submission of the Application to the date hereof and that all other the information contained in the Application continues on the date hereof to be materially correct and complete.
- (g) The Grantee covenants that it will neither hold itself out as, nor claim to be an officer, employee, agent or representative of ESD or the State by reason hereof, and that it will not by reason thereof, make any claim, demand or application for any right or

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privilege applicable to an officer, employee, agent or representative of ESD or the State, including without limitation, worker's compensation coverage, unemployment insurance benefits, social security coverage or retirement membership or credit.

- (h) Neither the Grantee nor any of the members of its Board of Directors or other governing body or its employees have given anything of value to influence any official act or the judgment of any person in the award of the Grant or the performance of any of the terms of this Agreement.
- (i) It shall maintain business operations at the Project Location for the term of this Agreement.
- (j) The Grant shall be used solely for Project expenses in accordance with the terms and conditions of this Agreement.
- (k) The Grantee is solely responsible and has sufficient funding for all Project costs in excess of the Grant.
- (l) Grantee will use ESD grant funds, and submit payment requisitions, exclusively for eligible expenses related to capital works or purposes in accordance with IRS rules and regulations relating to ESD's bonds and in accordance with the New York Debt Reform Act. Grantee acknowledges that grant funds must be used solely for authorized capital purposes and not for operating expenses or other working capital items or non-capital purposes, irrespective of whether the funds are still used for the benefit of the Project. Grantee acknowledges that the consequences of breaching this covenant could result in violations of state law and/or large bond issuances being treated as taxable instead of tax exempt for federal and state tax purposes, loss of certain federal subsidies to the state, adverse ratings changes for such bonds, and disproportionate negative financial consequences to the state and bondholders. Grantee recognizes its financial obligations, risks and liabilities for breach of this covenant. ESD may, from time to time, request information from Grantee to confirm its compliance with this covenant and Grantee acknowledges its obligation under Section 9 (a) (ii) of the GDA to provide information upon request to ESD.
- (m) The Grant shall not be used in any manner for any of the following purposes:
 - (i) political activities of any kind or nature, including, but not limited to, furthering the election or defeat of any candidate for public, political or party office, or for providing a forum for such candidate activity to promote the passage, defeat, or repeal of any proposed or enacted legislation;
 - (ii) religious worship, instruction or proselytizing as part of, or in connection with, the performance of this Agreement;

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- (iii) payments to any firm, company, association, corporation or organization in which a member of the Grantee's Board of Directors or other governing body, or any officer or employee of the Grantee, or a member of the immediate family of any member of the Grantee's Board of Directors or other governing body, officer, or employee of the Grantee has any ownership, control or financial interest. For purposes of this paragraph, "ownership" means ownership, directly or indirectly, of more than five (5) percent of the assets, stock, bonds or other dividend or interest bearing securities; and "control" means serving as a member of the board of directors or other governing body, or as an officer in any of the above; and
- (iv) payment to any member of Grantee's Board of Directors or other governing body of any fee, salary or stipend for employment or services, except as may be expressly provided for in this Agreement.

(n) Grantee is in compliance and shall continue to comply with Section 7 of this Agreement.

9. Default and Remedies

(a) Each of the following shall constitute a default by the Grantee under this Agreement:

- (i) Failure to perform or observe any obligation or covenant of the Grantee contained herein, other than an employment default as set forth in (iv) below, to the reasonable satisfaction of ESD and within the time frames established under this Agreement.
- (ii) Failure to comply with any request for information reasonably made by ESD to determine compliance by the Grantee with the terms of this Agreement or otherwise reasonably requested by ESD in connection with the Grant.
- (iii) The making by the Grantee of any false statement or the omission by the Grantee to state any material fact in or in connection with this Agreement or the Grant.
- (iv) Failure of the Grantee, for any time period, to meet the minimum employment goals required by Exhibit C.
- (v) A default beyond any applicable grace period by the Grantee, or any entity which Grantee directly or indirectly controls, is controlled by, or is under common control with, under any other agreement with ESD.

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- (vi) Any manifestation, on the part of the Grantee, of an intention either: (x) to terminate and/or (y) to restructure, under the terms of any bankruptcy or insolvency statute or law, its business at the Project Location. This includes, without limitation, the announced or actual cessation of business activities at the Project Location, the initiation of proceedings under any dissolution statute, or the execution of an assignment for the benefit of creditors, or the solicitation of any composition and/or arrangement with creditors, or the issuance of "closing" or "termination" notices to employees under any state or federal statute, or the filing of any voluntary petition under any chapter of the United States Bankruptcy Code, or the failure by the Grantee to obtain the dismissal, within sixty (60) days of filing, of any involuntary proceeding brought under any chapter of the United States Bankruptcy Code.
 - (vii) If the number of the Grantee's Full-Time Permanent Employees, as that term is defined in this Agreement, that are situated at the Project Location as of the Grantee's last payroll date on or prior to the end of any quarter (with the quarters being those the quarterly dates of March 31, June 30, September 30 and December 31, as set forth in the Report of Employment that is annexed as Exhibit H to this Agreement) is less than fifty percent (50%) of the number of Full Time-Permanent Employees, situated at the Project Location, required in accordance with the Employment Goals that are to be achieved as of the next Reporting Date, as specified in Exhibit C.
 - (viii) Failure by the Grantee, for any period of time, to comply with Section 7 of this Agreement.
- (b) Upon the serving of notice to the Grantee of the occurrence of a default (which notice shall specify the nature of the default), ESD shall have the right to terminate this Agreement, provided however, that if the default is pursuant to paragraph 9(a)(i) or 9(a)(ii), no default shall be deemed to have occurred if Grantee cures such default within ten (10) days of notice of default from ESD, or if the default pursuant to paragraph 9(a)(i) or 9(a)(ii) cannot be reasonably cured within such ten day period, Grantee commences to cure such default within the ten day cure period and cures the default within ninety (90) days thereafter, provided further that ESD shall not be obligated to make any disbursements during any such cure period. Defaults occurring under the terms and provisions of paragraph 9(a)(iii), 9(a)(iv), 9(a)(v), 9(a)(vi) and 9(a)(vii) are not subject to the cure provisions provided herein.
- (c) Upon termination of this Agreement, ESD may (i) withhold any Grant proceeds not yet disbursed and (ii) require repayment of Grant proceeds disbursed to the Grantee in accordance with Exhibit C of this Agreement. Notwithstanding the foregoing, if ESD determines that any Grant proceeds had previously been released based upon fraudulent representations or other willful misconduct, ESD may require repayment of all funds and may refer the matter to the appropriate authorities for prosecution.

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ESD shall be entitled to exercise any other rights and seek any other remedies provided by law.

10. Term

The term of this Agreement shall commence on the date hereof and expire on the Expiration Date, as set forth on the first page of this Agreement.

11. Books and Records; Project Audit

- (a) The Grantee will maintain accurate books and records concerning the project for the term of this Agreement and for three (3) years from the expiration or earlier termination of this Agreement and will make those books and records available to ESD, its agents, officers and employees during Grantee's business hours upon reasonable request.
- (b) ESD shall have the right, upon reasonable notice, to conduct, or cause to be conducted, one or more audits, including field inspections, of the Grantee to assure that the Grantee is in compliance with this Agreement. This right to audit shall continue for three (3) years following the expiration or earlier termination of this Agreement.

12. Maintenance of Insurance

Grantee shall maintain in full force and effect insurance, including, but not limited to, the insurance described hereafter, in such amounts and covering such risks as Grantor may require from time to time.

- (a) The Grantee shall keep the buildings at the Project Location and the building equipment insured against: (i) loss by fire, (ii) additional perils customarily covered under an all-risk policy and (iii) flood hazard, if the Project Location is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, as amended. The insurance required in this paragraph (a) shall provide coverage for an amount not less than the full replacement value of the buildings at the Project Location and the building equipment, or such other amount as the Grantor may reasonably require, provided that (i) the amount of insurance coverage shall be in an amount sufficient to satisfy, at all times, any co-insurance requirements, and (ii) the amount of any flood hazard insurance shall not exceed the maximum amount of coverage available under the National Flood Insurance Act.
- (b) When and to the extent required by the Grantor, the Grantee shall maintain in full force and effect insurance against (i) loss of rental income, (ii) loss of business income,

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(iii) damages to boiler, and (iv) any other risk as is customary in the industry of the Grantee. The insurance required in this paragraph (b) shall provide coverage in an amount satisfactory to Grantor.

- (c) The Grantee shall maintain Commercial General Liability Insurance providing both bodily injury (including death) and property damage insurance in a limit not less than One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) aggregate and Three Million Dollars (\$3,000,000) umbrella. In addition, if the grant contemplates the purchase, construction or renovation of any buildings or equipment, the Recipient shall keep the buildings at the Project Location and the building equipment insured against: (i) loss by fire, (ii) additional perils customarily covered under an all-risk policy and (iii) flood hazard, if the Project Location is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, as amended.
- (d) All insurance required in this Section shall be issued by companies authorized to do business in the State of New York, satisfactory to Grantor pursuant to policies satisfactory to Grantor in form and substance. Without limiting the generality of the foregoing, the policies of insurance required hereby shall provide for thirty (30) days, or ten (10) days for non-payment, prior written notice of cancellation to Grantor.
- (e) The Grantee shall give prompt written notice to the Grantor in the event of substantial damage to the Project Location by reason of fire or other hazard or casualty.
- (f) Notwithstanding the provisions of Subdivision 4 of Section 254 of the Real Property Law, the Grantor shall be entitled to retain and apply the proceeds of any insurance required hereby to the payment of any obligations or, in the sole discretion of the Grantor, apply any or all such proceeds to the cost of restoration of the Project Location, in which case the Grantee shall proceed with reasonable diligence to repair, replace or rebuild the Project Location to substantially their condition prior to such damage in full compliance with all legal requirements.
- (g) The Grantee shall provide the Grantor with copies of all certificates for the required insurance coverages in form and substance satisfactory to the Grantor. In addition, the Grantee shall provide the Grantor with copies of renewal certificates or temporary binders in the event renewal policies have not been issued, in a timely manner. The Grantee must, in any event, provide Grantor with satisfactory confirmation of renewal coverage by the renewal date.
- (h) In the event that the Grantee fails to maintain the insurance required hereby, the Grantor may obtain such insurance and pay the premiums therefor and the Grantee shall, on demand, reimburse the Grantor for any insurance premiums paid, together with interest thereon computed at the highest rate per annum allowable under New

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York State law.

- (i) The Grantee will not take any action, or permit any condition to exist, with respect to the Project Location which may, in any manner, partially or wholly invalidate the insurance on the Project Location required hereby.

13. Survival of Provisions

It is agreed that: (a) the provisions of Sections 6, 8(g), (j) and (l) and 9, 11, 12, 13, 14, 15, 16, 17, 18, 21 and 22 (except insofar as any of the aforesaid Sections have been waived in accordance with the terms of Exhibit I to this Agreement) shall survive the expiration or early termination of this Agreement; and (b) such expiration or early termination shall not serve to limit, alter or modify any of the Grantee's obligations or responsibilities under the aforesaid Sections, and/or ESD's rights under such Sections, referenced in subsection (a) of this Section 13 of this Agreement. It is further agreed, moreover, that notwithstanding the expiration or early termination of this Agreement, ESD shall nevertheless retain the right to pursue, through and until the expiration of any applicable period of limitations established under the statutory or common law of the State of New York, any claim or claims arising from any Section of this Agreement, including but not limited to the above referenced Sections 6, 8(g), (j) and (l) and 9, 11, 12, 13, 14, 15, 16, 17, 18, 21 and 22 of this Agreement, and the expiration or early termination of this Agreement shall not constitute a defense to any such timely filed claim or cause of action that is asserted on ESD's behalf.

14. Notices

- (a) All notices, demands, requests or other communications permitted or required hereunder shall be in writing and shall be transmitted either:
 - (i) via certified or registered United States mail, return receipt requested;
 - (ii) by facsimile transmission;
 - (iii) by personal delivery;
 - (iv) by expedited delivery service; or
 - (v) by e-mail.

Such notices shall be addressed as follows or to such different addresses as the parties may from time-to-time designate:

Empire State Development

Name: James Bedrin
Title: Project Manager
Address: 44 Hawley Street, Room 1508, Binghamton, New York 13901
Telephone Number: 607-721-8609
E-Mail Address: james.bedrin@esd.ny.gov

With a copy to:

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Title: General Counsel
Address: 633 Third Avenue, 34th Floor, New York, NY 10017
Telephone Number: (212) 803-3750
Facsimile Number: (212) 803-3975

Tioga County Industrial Development Agency

Name: LeeAnn Tinney
Title: Director
Address: 56 Main Street, Owego, NY 13827
Telephone Number: 607-687-8254
E-Mail Address: TinneyL@co.tioga.ny.us

Weitsman Shredding, LLC

Name: Adam Weitsman
Title: Director
Address: 12 West Main Steet, Owego, NY 13827
Telephone Number: 607-687-8254
E-Mail Address: TinneyL@co.tioga.ny.us

- (b) Any such notice shall be deemed to have been given either at the time of personal delivery or, in the case of expedited delivery service or certified or registered United States mail, as of the date of mailing to the address provided herein, or in the case of facsimile transmission or email, upon receipt of a record, by the sender, that such a transmission has been completed.

- (c) The parties may, from time to time, specify any new or different address in the United States as their address for purpose of receiving notice under this Agreement by giving fifteen (15) days written notice to the other party sent in accordance herewith. The parties agree to mutually designate individuals as their respective representatives for the purposes of receiving notices under this Agreement. Additional individuals may be designated in writing by the parties for purposes of implementation and administration/billing, resolving issues and problems and/or for dispute resolution.

15. No Assignment

The Grantee may not assign or transfer this Agreement or any of its rights hereunder.

16. No Waiver

No waiver of any ESD's rights arising under this Agreement, or any other source, can occur unless such waiver shall be in writing and signed by ESD and such written document manifests a clear and unequivocal intent by ESD to waive its contractual or other legal rights. The term

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"waiver" as used herein is a term of art as used in the legal profession. ESD may not be estopped from asserting any of its legal rights, including but not limited to its rights under this agreement, unless ESD has signed a written document that clearly and unequivocally states that the other party may detrimentally rely upon the terms of such written document. Absent such written document, there shall be no estoppel against ESD and the other parties' alleged detrimental reliance shall be deemed to be unreasonable. The term "estoppel" is used herein is a term of art as used in the legal profession.

17. Integration/Modification

This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements or statements relating to such subject matter. In addition, this Agreement may be modified only by a written instrument executed by the party against whom enforcement of such modification is sought.

18. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. This Agreement shall be construed without the aid of any presumption or other rule of law regarding construction against the party drafting this Agreement or any part of it. In case any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such provision(s) had never been contained herein. In the event of a conflict between the Directors' materials attached hereto as Exhibit A and any other term or condition of this Agreement, then the term or condition of this Agreement shall govern.

19. Confidentiality of Information

Information contained in reports made to ESD or otherwise obtained by ESD relating to trade secrets, operations and commercial or financial information, including but not limited to the nature, amount or source of income, profits, losses, financial condition, marketing plans, manufacturing processes, production costs, productivity rates, or customer lists, provided that such information is clearly marked "Confidential" by the Grantee, will be kept confidential by ESD, to the extent such information is determined by ESD to be exempt from public disclosure under the Freedom of Information Law and not otherwise required by law to be disclosed. Notwithstanding the foregoing, ESD will not be liable for any information disclosed, in ESD's sole discretion, pursuant to the Freedom of Information Law or other applicable law, or which ESD is required to disclose pursuant to legal process.

20. Special Provisions

The Grantee shall comply with the special provisions, if any, set forth in Exhibit I.

21. Litigation Costs

The Grantee shall pay, in any action or proceeding that is commenced to enforce and/or involves the enforcement of the terms and conditions of this Agreement, all of ESD's costs including, without limitation, ESD's attorneys' fees. The Grantee shall also pay any and all of ESD's collection costs including, without limitation, its attorneys' fees.

22. Waiver

The Grantee knowingly and expressly waives the right to a trial by jury and the right to interpose any counterclaims in any action brought by ESD under the terms of this Agreement.

23. Joint and Several Liabilities

- (a) As used herein, the term Grantee shall include all signatories hereto, if more than one, other than ESD. In such event the obligations, representations and warranties of Grantee hereunder shall be joint and several.
- (b) As used herein, the term Beneficiary shall include all signatories hereto, if more than one, other than ESD. In such event the obligations, representations and warranties of Beneficiary hereunder shall be joint and several.

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Tioga County IDA- Weitsman Shredding Capital, Project Number AA616

This agreement is entered into as of the latest date written below:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE DEVELOPMENT

(Signature) Edwin Lee, Senior Vice President, Loans and Grants

(date)

Tioga County Industrial Development Agency

DRAFT: do not sign this version

(Signature)

(Printed name and title)

(date)

Weitsman Shredding, LLC

DRAFT: do not sign this version

(Signature)

(Printed name and title)

(date)

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ESD CAPITAL GRANT DISBURSEMENT AGREEMENT

EXHIBITS

| | |
|-------------|---|
| EXHIBIT A | General Project Plan |
| EXHIBIT B | Reports & Design & Construction Requirements |
| EXHIBIT C | Employment Goals & Recapture Terms |
| EXHIBIT D | Opinion of Counsel |
| EXHIBIT E | Disbursement Terms |
| EXHIBIT F | Payment Requisition Form |
| EXHIBIT F-1 | Financial Condition Documentation |
| EXHIBIT F-2 | Project Cost Documentation |
| EXHIBIT F-3 | Equity and Total Project Cost Expenditure Documentation |
| EXHIBIT G | Non-Discrimination and Contractor & Supplier Diversity – Requirements and Procedures |
| EXHIBIT G-1 | M/WBE Participation / Equal Opportunity Policy Statement |
| EXHIBIT G-2 | Staffing Plan |
| EXHIBIT G-3 | Workforce Employment Utilization Report |
| EXHIBIT G-4 | M/WBE Utilization Plan |
| EXHIBIT G-5 | Waiver Request Form |
| EXHIBIT G-6 | M/WBE Contractor Compliance and Payment Report |

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EXHIBITS, Cont.

EXHIBIT H

**Employment Reporting Form (With Company's NYS
Form 45 Attached)**

EXHIBIT I

Special Provisions

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EXHIBIT A: GENERAL PROJECT PLAN

See Materials Attached

FOR CONSIDERATION

November 15, 2018

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award - Priority Project – Owego (Southern Tier Region – Tioga County) – Tioga County IDA - Weitsman Shredding Capital – Upstate Revitalization Initiative (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Adopt the Proposed General Project Plan;
Authorization to Make a Grant and to Take Related Actions;
Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Tioga County Industrial Development Agency (“TCIDA”)

Beneficiary Company: Weitsman Shredding, LLC (“Weitsman” or the “Company”)

ESD* Investment: A grant of up to \$930,000 to be used for a portion of the cost of construction and the purchase of machinery and equipment

Project Locations: 1 Recycle Drive, Owego, Tioga County*
15 West Main Street, Owego, Tioga County
10 Brandywine Avenue, Binghamton, Broome County
105 Cherry Street, Ithaca, Tompkins County
132 Cherry Street, Ithaca, Tompkins County
6334 County Route 64, Hornell, Steuben County
300 Smith Boulevard, Albany, Albany County
610 West 8th Street, Jamestown, Chautauqua County
34 West Union Street, Allegany, Cattaraugus County
80 Steel Street, Rochester, Monroe County
1132 Brant Farnham Road, Brant, Erie County
333 Bridge Street, Solvay, Onondaga County
511 Pearl Street, Watertown, Jefferson County

*Project activity site; others are job-retention sites

Proposed Project: Weitsman Shredding, LLC will construct a new 30,000-square-foot Heavy Media Plan facility.

Project Type: Construction of a new facility and the purchase of machinery and equipment involving job retention

Regional Council: The Southern Tier Regional Economic Development Council has been made aware of this item.

Employment: Initial employment at time of ESD Incentive Proposal: 319
Current employment level: 319
Minimum employment through January 1, 2021: 319

II. Project Cost and Financing Sources

| <u>Financing Uses</u> | <u>Amount</u> | |
|-------------------------|--------------------|--|
| Construction/Renovation | \$3,000,000 | |
| Machinery & Equipment | <u>2,400,000</u> | |
| Total Project Costs | <u>\$5,400,000</u> | |

| <u>Financing Sources</u> | <u>Amount</u> | <u>Percent</u> |
|--------------------------|--------------------|----------------|
| ESD-Grant | \$930,000 | 18% |
| Lending Institution | 1,320,000 | 24% |
| Company Equity | <u>3,150,000</u> | <u>58%</u> |
| Total Project Financing | <u>\$5,400,000</u> | <u>100%</u> |

III. Project Description

A. Company

Industry: Recycling & Shredding

Grantee/
Beneficiary

Company History: The Tioga County Industrial Development Agency was created in 1970 as a public benefit corporation of the State of New York. The TCIDA's goal is to assist in creating and maintaining jobs, thereby strengthening the economic base of the community as well as improving the quality of life of the residents of Tioga County.

Established in 1996, Weitsman has grown to become the largest privately

held scrap metal processor on the East Coast. The Company operates shredders and a downstream metals segregation system that processes scrap metal into clean commodities that are sought after by foundries, mills, and manufacturers in the U.S. and around the world. The Company processes more than 1.5 million tons of ferrous and 350 million pounds of nonferrous metals annually.

Ownership: Weitsman Shredding, LLC is a privately held company.

Size: The Company is the largest privately held scrap metal processor on the East Coast of the U.S. with 14 different locations.

Market: The Company sells scrap metal to foundries, mills, and manufacturers in the U.S. and around the world.

ESD Involvement: Weitsman identified a need to construct a Heavy Media Plant to expand its operations and further refine scrap metal for international sale, while also reducing the amount of unusable materials going into landfills. The Company had secured over \$4 million in funding but faced a funding gap for the project. The TCIDA applied through Round 5 of the Consolidated Funding Application ("CFA") on behalf of Weitsman Shredding, LLC to bridge the financing gap. As a result of the Governor's Regional Economic Development Council Initiative, the TCIDA was awarded \$930,000 through Round 5 of the CFA to assist with this project.

Competition: Pennsylvania

Past ESD Support: Funding for the past five years to the Grantee is summarized in the following chart:

| Program | Project # | Amount | Date Start (ESD Directors' Approval date) | Date End (Project Completion: Contract Expiration) | Purpose |
|----------------------------|-----------|----------|---|--|-----------------------------|
| UCDP – RC 3 Strat Planning | Y950 | \$50,000 | January 21, 2016 | July 3, 2016 | Develop a shovel ready site |

B. The Project

Completion: April 2018

Activity: Weitsman Shredding, LLC constructed a new-30,000-square-foot Heavy

Media Plant facility. The Company also purchased a multi-step sorting system.

Results: Retain 319 jobs

Business
Investment
Project:

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$11,280,988;
- Fiscal cost to NYS government is estimated at \$930,000;
- Project cost to NYS government per direct job is \$5,095;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$2,321;
- Ratio of project fiscal benefits to costs to NYS government is 12.13:1;
- Fiscal benefits to all governments (state and local) are estimated at \$19,202,619;
- Fiscal cost to all governments is \$930,000;
- All government cost per direct job is \$5,095;
- All government cost per total job is \$2,321;
- The fiscal benefit to cost ratio for all governments is 20.65:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$150,196,559, or \$374,797 per job (direct and indirect);
- The economic benefit to cost ratio is 161.50:1;
- Project construction cost is \$3,000,000, which is expected to generate 31 direct job years and 12 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.21 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: LeeAnn Tinney, Director
56 Main Street
Owego, NY 13827
Phone: 607687-8254
E-mail: TinneyL@co.tioga.ny.us

Beneficiary Contact: Adam Weitsman, Member
12 West Main Street,
Owego, NY 13827
607-687-2780
E-mail: Tjcanty@weitsman.com

ESD Project No.: AA616

| | | |
|---------------|---------------------------------|------------------|
| Project Team: | Origination | Joe Roman |
| | Project Management | James Bedrin |
| | Contractor & Supplier Diversity | Edwina Telemaque |
| | Finance | Kathleen Uckert |
| | Environmental | Soo Kang |

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee/Company shall pay a commitment fee of 1% of the \$930,000 capital grant (\$9,300) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee/Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee/Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee/Company or by investors, and should be auditable through Grantee/Company financial statements or Grantee/Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Company's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Company to other employees with comparable rank and duties; or (b) two part-time,

permanent, private-sector employees on Company's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Company to other employees with comparable rank and duties.

5. Up to \$930,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$465,000) will be disbursed upon documentation of project costs totaling \$5,400,000, including purchase and installation of \$2,400,000 in machinery and equipment, and documentation of the employment of at least 319 Full-time Permanent Employees at the Project Locations, and documentation of a Certificate of Occupancy or other documentation verifying project completion as ESD may require, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of 25% of an amount equal to the grant (\$232,500) will be disbursed no sooner than 12 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 319 Full-time Permanent Employees at the Project Locations, provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 25% of the grant (\$232,500) will be disbursed no sooner than 24 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 319 Full-time Permanent Employees at the Project Locations, provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 10, 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2021.

Grantee agrees to impose the Employment Commitment, without condition, on the Tenants (or Beneficiaries) at the Project Location.

Grantee will be responsible for obtaining documentation suitable for verifying the number of Full-time Employees of its tenants (Beneficiaries). Such documentation may include, at a minimum, NYS-45-ATT forms, multiple worksite reports (where applicable) and/or an HR report detailing the full-time/part-time status of each employee. Recipient shall provide all such documentation to ESD, together with an annual report of employment, by no later than February 1st of each year for the term of the Grant Disbursement Agreement.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$930,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total

amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee/Company will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee/Company shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

| | |
|---------------------|-----|
| Baseline Employment | 319 |
|---------------------|-----|

| A | B |
|------------------|------------------|
| Date | Employment Goals |
| February 1, 2020 | 319 |
| February 1, 2021 | 319 |
| February 1, 2022 | 319 |

IV. Statutory Basis – Upstate Revitalization Initiative

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018 and the 2018-2019 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Town of Owego Planning Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on December 27, 2016. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis
Project Finance Memorandum
Project Photographs

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EXHIBIT B: REPORTS – DESIGN & CONSTRUCTION REQUIREMENTS

Intentionally Deleted

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EXHIBIT C: EMPLOYMENT GOALS AND RECAPTURE TERMS
Tioga County Industrial Development Agency, Project #AA616

Employment Goals

In consideration for the making of the Grant, Grantee has agreed to achieve the Employment Goals set forth in Column B below. Grantee shall submit, by February 1 of each year during the term of this Agreement, the Employment Reporting Form attached hereto as Exhibit H, indicating its Full-time Permanent Employee Count, as defined in Section 2(c) herein.

Recapture Terms

If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant (the "Recapture Amount"), as set forth below.

If the Grantee fails to file an Employment Reporting Form by February 1 of each year during the term of this Agreement, reporting employment data as of the preceding year ending December 31, it shall be deemed to have an Employment Shortfall.

| | |
|----------------------------|-----------------|
| Baseline Employment | 319 |
| A | B |
| Date | Employment Goal |
| February 1, 2020 | 319 |
| February 1, 2021 | 319 |
| February 1, 2022 | 319 |
| February 1, 2023 | 319 |

Recapture Amount

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made

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EXHIBIT D: OPINION OF COUNSEL

[Letterhead of Counsel to the Grantee]

[Date]

Empire State Development
44 Hawley Street, Room 1508,
Binghamton, New York 13901

Attn: James Bedrin

Re: Tioga County IDA- Weitsman Shredding Capital, Project #AA616

Ladies and Gentlemen:

We have acted as special counsel to Tioga County Industrial Development Agency, a public benefit corporation (the "Grantee"), in connection with the execution and delivery of the Grant Disbursement Agreement dated [Date of Agreement] (the "Agreement") between New York State Urban Development Corporation d/b/a Empire State Development ("ESD") and the Grantee.

This opinion letter is being furnished to you at our client's request pursuant to Section 3(a) of the Agreement. Capitalized terms used but not defined herein shall have the meanings assigned thereto in the Agreement.

In rendering the opinions set forth herein, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, corporate records and other instruments as we have deemed necessary or appropriate for the purposes of this opinion letter, including (a) the Agreement, (b) the certificate of incorporation of the Grantee and (c) the by-laws of the Grantee. We have also examined and relied upon such other matters of law, documents, certificates of public officials and representations of officers and other representatives of the Grantee as we have deemed relevant, appropriate or necessary to the rendering of our opinions.

In rendering the opinions expressed below, we have assumed the legal capacity of all natural persons signing documents and that the signatures of persons signing all documents in connection with which this opinion letter is rendered are genuine, all documents submitted to us as originals or duplicate originals are authentic and all documents submitted to us as copies, whether certified or not, conform to authentic original documents. Additionally, we have assumed and relied upon the accuracy and completeness of all certificates and other statements, documents, records, financial statements and papers reviewed by us, and the accuracy and completeness of all representations, warranties, confirmations, schedules and exhibits contained in the Agreement, with respect to the factual matters set forth therein.

As to any facts material to the opinions expressed herein that we did not independently establish or verify, we have relied upon written statements and representations of officers and other representatives of the Grantee and of certain public officials. We have also assumed and relied upon

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the accuracy and completeness of all certificates and other statements, representations, documents, records, financial statements and papers reviewed by us, and the accuracy and completeness of all representations, warranties and exhibits contained in the Agreement with respect to the factual matters set forth therein.

Based upon the foregoing and subject to the assumptions, qualifications and other matters set forth herein, we are of the opinion that:

1. The Grantee is validly existing and in good standing under the laws of the State of New York and has full power and authority to execute and deliver the Agreement and to perform its obligations thereunder.
2. The Agreement has been duly authorized, executed and delivered by the Grantee and (assuming its due authorization, execution and delivery by ESD) is binding on and enforceable against the Grantee in accordance with its terms, subject to applicable bankruptcy, insolvency reorganization, arrangement, liquidation, moratorium, fraudulent conveyance or transfer and other similar laws relating to or affecting creditors' rights generally from time to time in effect and to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law), and except as rights under the Agreement to indemnity and contribution may be limited by federal or state laws.

We are admitted to practice in the State of New York and we express no opinion as to any matters governed by any laws other than the laws of the State of New York. The opinions expressed herein that are based on the laws of the State of New York are limited to the laws generally applicable in transactions of the type covered by the Agreement.

This opinion letter is for the benefit solely of ESD and not for the benefit of any other person. We are opining herein only as of the date hereof and we undertake no, and disclaim any, obligation to advise you of any changes in any matter set forth herein, regardless of whether changes in such matters come to our attention after the date hereof. No attorney-client relationship exists or has existed with ESD by reason of our preparation, execution and delivery of this opinion letter. By providing this opinion letter and permitting reliance hereon by you, we are not acting as your counsel and have not assumed any responsibility to advise you with respect to the adequacy of this opinion letter for your purposes. This opinion letter may not be relied upon by any other person or for any other purpose or used, quoted or otherwise referred to for any other purpose.

Very truly yours,

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EXHIBIT E: DISBURSEMENT TERMS

Disbursement

Subject to the terms and conditions of this Agreement and receipt of the fees as set forth below, ESD shall disburse the Grant in up to three disbursements upon submission of the documentation set forth below:

Fees due:

| | |
|--|--|
| Commitment Fee: | \$9,300 (One percent (1%) of grant amount) |
| Reimbursement for out-of-pocket expenses | \$ _____ (To be determined.) |
| TOTAL due: | \$ _____ |

I. Initial Disbursement

An Initial Disbursement of an amount equal to 50% of the grant (\$465,000) will be disbursed to the Grantee upon documentation of project costs totaling \$5,400,000, including \$2,400,000 in machinery and equipment, and upon completion of the project substantially as described in Exhibit A, including documentation of a Certificate of Occupancy or other documentation that ESD may require, and documentation of the employment of at least 319 Full-time Permanent Employees at the Project Locations, provided the Grantee is otherwise in compliance with the terms and conditions of this Agreement. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require, in the form attached to this Agreement as Exhibit F and its attachments, and an Employment Reporting Certificate (Exhibit H) together with a copy of the most recently-filed NYS-45 form evidencing the required level of employment. Expenses must be incurred on or after December 10, 2015 to be considered eligible project costs.

II. Second Disbursement

A Second Disbursement of an amount equal to 25% of the grant (\$232,500) will be disbursed to the Grantee no sooner than 12 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 319 Full-time Permanent Employees at the Project Locations, provided the Grantee is otherwise in compliance with the terms and conditions of this Agreement. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require, in the form attached to this Agreement as Exhibit F and its attachments, and an Employment Reporting Certificate (Exhibit H) together with a copy of the most recently-filed NYS-45 form evidencing the required level of employment.

III. Third Disbursement

A Third Disbursement of an amount equal to 25% of the grant (\$232,500) will be disbursed to the Grantee no sooner than 24 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 319 Full-time Permanent Employees at the Project Locations, provided the Grantee is otherwise in compliance with the terms and conditions of this Agreement. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require, in the form attached to this Agreement as Exhibit F

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and its attachments, and an Employment Reporting Certificate (Exhibit H) together with a copy of the most recently-filed NYS-45 form evidencing the required level of employment.

Grantee must submit all documentation for the final disbursement of the Grant by no later than April 1, 2023.

All disbursements are subject to recapture as set forth in Exhibit C.

ESD reserves the right to require additional documentation to support payment requisitions.

Wire Transfer Information:

If ESD assistance is \$10,000 or greater, please provide a letter from a financial officer of the company certifying to the accuracy of the following information:

Bank Name: _____

ABA #: _____

Acct. Name: _____

Acct. #: _____

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EXHIBIT F: CAPITAL GRANT PAYMENT REQUISITION FORM

Tioga County IDA- Weitsman Shredding Capital, Project #AA616 Disbursement Request Amount: \$ _____

ESD funds may be applied by Grantee in payment or reimbursement of the following costs:

| Minimum Expense Incurred (per Exhibit E) | | 5,400,000 | | | | |
|--|-----------------------|---|-----------------------------|---|--|------------------------------------|
| Employment Goals (per Exhibit E) | Eligible Expenses | A: Actual Costs Incurred (this request) | B: ESD Share (this request) | C: Cumulative Amount Previously Received from ESD | D: Grant Amount (Cumulative if multi-year grant) | E: (D-C-B) Grant Balance Remaining |
| 319 | Machinery & Equipment | | | | \$465,000 | |
| 319 | N/A | | | | 232,500 | |
| 319 | N/A | | | | 232,500 | |
| TOTAL | | | | | \$930,000 | |

CERTIFICATION

I hereby warrant and represent to Empire State Development ("ESD") that:

- 1) To the best of my knowledge, information and belief, the expenditures for which Tioga County Industrial Development Agency is seeking payment and/or reimbursement comply with the requirements of the Agreement between ESD and Tioga County Industrial Development Agency, are eligible expenses, and that the payment and/or reimbursement of expenditures for which it is seeking payment and/or reimbursement from ESD does not duplicate reimbursement or disbursement of costs and/or expenses from any other source. These findings will be subject to audit by ESD's Internal Audit Department.
- 2) I have the authority to submit this invoice on behalf of Tioga County Industrial Development Agency. The project, or portion thereof for which this invoice relates, has been completed in the manner outlined in the Agreement.
- 3) I hereby attach the following documents for ESD approval, in support of this requisition (note N/A if not applicable for this request):
 - Exhibit F-1: Financial Condition Documentation
 - Exhibit F-2: Project Cost Documentation
 - Exhibit F-3: Equity Expenditures and Project Cost Affidavit
 - Exhibit G-2: Staffing Plan
 - Exhibit G-3: Workforce Employment Utilization Report
 - Exhibit G-4: M/WBE Utilization Plan
 - Exhibit G-5: Waiver Request Form
 - Exhibit G-6: M/WBE Contractor Compliance and Payment Report
 - Exhibit H: Report of Employment & NYS-45 form including cover page and NYS-45-ATT attachment (with social security numbers blocked out and location indicated as necessary) or equivalent documentation of employees, location, status, and payroll information.
 - A copy of all current policies of insurance (or certificates thereof) in full compliance with the terms and conditions of Section 12 of the Agreement (for project activity locations only)
 - A copy of Certificate of Occupancy
- 4) There have been no materially adverse changes in the financial condition of the Grantee, except as disclosed in writing to ESD, from the date of submission of the Application to the date hereof.
- 5) The Grantee has acted responsibly from the date of submission of the Application to the date hereof in full compliance with the terms and conditions of Section 7 of the Agreement.

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EXHIBIT F: Capital Grant Payment Requisition Form, Cont.

- 6) Representations, Warranties and Covenants made in Section 8 of the Agreement are still true, complete and accurate, unless waived in Exhibit I of the Agreement.

Signature: _____ Print Name: _____

Title: _____ Date: _____

At any point in the course of your project, ESD would appreciate feedback regarding this ESD program. Please comment on the application, project approval, and/or payment reimbursement process or any other interactions with ESD related to the project. You may submit your feedback under separate cover to Edwin Lee, SVP – Loans and Grants, 633 Third Avenue, NY, NY 10017. Please include your Project Number and Project Name which are listed at the top of this exhibit on your submission.
Thank you.

EXHIBIT F-1: BENEFICIARY FINANCIAL CONDITION DOCUMENTATION

[Letterhead of CPA]

(Date)

Empire State Development
44 Hawley Street, Room 1508,
Binghamton, New York 13901

Attn: James Bedrin

Re: Tioga County IDA- Weitsman Shredding Capital, Project #AA616
Bankruptcy Filing or Default on Debt Obligations

Dear James Bedrin:

In preparation for closing on the above-referenced project, [name of CPA firm] has performed the procedures enumerated below, which were agreed to by Weitsman Shredding, LLC (the "Beneficiary") and Empire State Development ("ESD") (collectively the "specified parties"). The Beneficiary is responsible for its books and records and for notifying ESD of any materially adverse changes in its financial condition. These procedures are being performed solely to assist ESD in determining whether there has been a bankruptcy filing of the Beneficiary or whether the Beneficiary has experienced a default on any of its debt obligations subsequent to the date of the ESD Directors' approval of the project on November 15, 2018.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings are as follows:

1. Obtain from the Beneficiary, their most recent historical financial statements that have been prepared subsequent to the project's approval date. Read the financial statements for the purpose of noting whether there is any indication that the company has filed bankruptcy or whether the entity has experienced a default on any of its debt obligations. Report as a finding any indication that the Beneficiary may have filed for bankruptcy or has experienced a default subsequent to the Project's approval date.
2. Request all minutes of the board of directors and other committee meetings since the date of the project's approval. If minutes are not available, obtain any abstracts or notes from such meetings. Read the minutes or abstracts and report as a finding any indication that the Beneficiary has filed for bankruptcy or whether the entity has

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experienced a default on any of its debt obligations subsequent to the project's approval date.

3. Obtain a description and evaluation of any pending litigation, claims, or assessments and examine supporting documents, including legal correspondence. Report as a finding any indication that the Beneficiary may have filed bankruptcy filing or whether the entity has experienced a default on any of its debt obligations subsequent to the project's approval date.
4. Obtain or prepare an analysis of notes payable, long-term debt, capitalized lease obligations, and other financing transactions or arrangements, such as lines of credit that existed as of the project's approval date. Compare balances in the company's liability accounts to debt amortization schedules and, if applicable, to the terms of new debt agreements. Report any findings of default.

[Findings should be listed here. If there were no findings, the CPA should state "We found no exceptions or matters to report as a result of our procedures"]

We were not engaged to and did not conduct an audit or an examination, the objective of which would be the expression of an opinion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

_____, CPA

EXHIBIT F-2: BENEFICIARY DOCUMENTATION OF PROJECT COSTS

[CPA Letterhead]

Report of Independent Accountants

Date

Contact: Adam Weitsman
Member
Weitsman Shredding, LLC
12 West Main Street,
Owego, NY 13827

Re: Tioga County IDA- Weitsman Shredding Capital, Project #AA616
Verification of Project Costs

We have performed the procedures enumerated below, which were agreed to by Weitsman Shredding, LLC (the "Beneficiary") and Empire State Development ("ESD") (collectively the "specified parties"), solely to assist ESD in determining whether cost expenditures were incurred in a manner established by the project documents as follows:

Project costs for construction and the purchase of machinery and equipment \$5,400,000. Expenses must be incurred on or after December 10, 2015 to be considered eligible project costs.

Management is responsible for Weitsman Shredding, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings are as follows:

1. Obtained the attached "Statement of Actual Costs" for the Project (Tioga County IDA- Weitsman Shredding Capital, Project #AA616) prepared by the Beneficiary.
2. Agreed the total per the Statement of Actual Costs to the Beneficiary's financial accounting records – the fixed asset subledger (...or name appropriate financial record report)
3. For costs and expenses appearing on the Statement of Actual Costs, selected a sample for detailed testing of underlying transactions. [CPA will indicate method of selection, dollar value and percentage of items sampled.]

4. For each asset or expense item selected, obtained the supporting documentation, such as purchase orders, receiving reports, invoices and cancelled checks as deemed appropriate [CPA will indicate which documentation was used].
5. Examined the supporting documentation for sampled items, noting the invoice date, invoice number and invoice amount. Agreed the dollar amount on the invoice to the Beneficiary's financial accounting records (fixed asset subledger – or appropriate report name) and the statement of actual costs.
6. For each invoice examined, obtained the related wire transfer documentation noting the wire transfer date, number, and amount. Then, agreed the wire transfer amount to the vendor invoice amount.
7. For each asset or expense item selected, determined that such sampled item is a capital expense in accordance with applicable state and federal law.

[Summarize any exceptions, if applicable]

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties and is not intended to be and should not be used by anyone other than these specified parties.

(CPA)

Attachment: Statement of Actual Costs, (Tioga County IDA- Weitsman Shredding Capital, AA616)

Specified Party Contact Information:

Empire State Development
44 Hawley Street, Room 1508,
Binghamton, New York 13901
(James Bedrin)

EXHIBIT G: PARTICIPATION BY MINORITY GROUP MEMBERS AND WOMEN WITH RESPECT TO STATE CONTRACTS: REQUIREMENTS AND PROCEDURES

I. General Provisions

- A. Empire State Development (ESD) is required to implement the provisions of New York State Executive Law Article 15-A and 5 NYCRR Parts 142-144 ("MWBE Regulations") for all State contracts as defined therein, with a value (1) in excess of \$25,000 for labor, services, equipment, materials, or any combination of the foregoing or (2) in excess of \$100,000 for real property renovations and construction.
- B. The Recipient of the subject Grant Disbursement Agreement (the "Recipient" and the "Contract," respectively) agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to ESD, to fully comply and cooperate with the ESD in the implementation of New York State Executive Law Article 15-A. These requirements include equal employment opportunities for minority group members and women ("EEO") and contracting opportunities for certified minority and women-owned business enterprises ("MWBEs"). Recipient's demonstration of "good faith efforts" pursuant to 5 NYCRR §142.8 shall be a part of these requirements. These provisions shall be deemed supplementary to, and not in lieu of, the nondiscrimination provisions required by New York State Executive Law Article 15 (the "Human Rights Law") or other applicable federal, state or local laws.
- C. Failure to comply with all of the requirements herein may result in a finding of non-responsiveness, non-responsibility and/or a breach of contract, leading to the withholding of funds or such other actions, liquidated damages pursuant to Section VII of this Appendix or enforcement proceedings as allowed by the Contract.

II. Contract Goals

- A. For purposes of this Contract, the ESD hereby establishes an overall goal of **30%** for Minority and Women-Owned Business Enterprises ("MWBE") participation (based on the current availability of qualified MBEs and WBEs).
- B. For purposes of providing meaningful participation by MWBEs on the Contract and achieving the Contract Goals established in Section II-A hereof, Recipient should reference the directory of New York State Certified MWBEs found at the following internet address:

<http://www.esd.ny.gov/mwbe.html>

Additionally, Recipient is encouraged to contact the Division of Minority and Woman Business Development ((518) 292-5250; (212) 803-2414; or (716) 846-8200) to discuss additional methods of maximizing participation by MWBEs on the Contract.

- C. Where MWBE goals have been established herein, pursuant to 5 NYCRR §142.8, Recipient must document "good faith efforts" to provide meaningful participation by MWBEs as subcontractors or suppliers in the performance of the Contract. In accordance with Section 316-a of Article 15-A and 5 NYCRR §142.13, the Recipient acknowledges that if Recipient is found to have willfully and intentionally failed to comply with the MWBE participation goals set forth in the Contract, such a finding

**EXHIBIT G: PARTICIPATION BY MINORITY GROUP MEMBERS AND WOMEN WITH
RESPECT TO STATE CONTRACTS: REQUIREMENTS AND PROCEDURES**

constitutes a breach of contract and the Recipient shall be liable to the ESD for liquidated or other appropriate damages, as set forth herein.

III. Equal Employment Opportunity (EEO)

- A. Recipient agrees to be bound by the provisions of Article 15-A and the MWBE Regulations promulgated by the Division of Minority and Women's Business Development of the Department of Economic Development (the "Division"). If any of these terms or provisions conflict with applicable law or regulations, such laws and regulations shall supersede these requirements.
- B. Recipient shall comply with the following provisions of Article 15-A:
1. Recipient and subcontractors shall undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, EEO shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation.
 2. The Recipient shall submit an EEO policy statement to the ESD with the executed Contract.
 3. If Recipient or subcontractor does not have an existing EEO policy statement, the ESD may provide the Recipient or subcontractor a model statement (see EXHIBIT G-1: M/WBE Participation/Equal Employment Opportunity Policy Statement).
 4. The Recipient's EEO policy statement shall include the following language:
 - a. The Recipient will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status, will undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force.
 - b. The Recipient shall state in all solicitations or advertisements for employees that, in the performance of the Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
 - c. The Recipient shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union, or representative will not discriminate on the basis of race, creed, color, national origin, sex age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Recipient's obligations herein.
 - d. The Recipient will include the provisions of Subdivisions (a) through (c) of this Subsection 4 and Paragraph "E" of this Section III, which provides for relevant

EXHIBIT G: PARTICIPATION BY MINORITY GROUP MEMBERS AND WOMEN WITH RESPECT TO STATE CONTRACTS: REQUIREMENTS AND PROCEDURES

provisions of the Human Rights Law, in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the Contract.

C. EXHIBIT G-2: Staffing Plan

To ensure compliance with this Section, the Recipient shall submit a staffing plan to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and Federal occupational categories. Recipients shall complete the Staffing plan form and submit it as part of the executed Contract.

D. EXHIBIT G-3: Work Force Employment Utilization Report ("Workforce Report")

1. Once a contract has been awarded and during the term of Contract, Recipient is responsible for updating and providing notice to the ESD of any changes to the previously submitted Staffing Plan. This information is to be submitted on a quarterly basis during the term of the contract to report the actual workforce utilized in the performance of the contract by the specified categories listed including ethnic background, gender, and Federal occupational categories. The Workforce Report must be submitted to report this information.
2. Separate forms shall be completed by Recipient and any subcontractor performing work on the Contract.
3. In limited instances, Recipient may not be able to separate out the workforce utilized in the performance of the Contract from Recipient's and/or sub's total workforce. When a separation can be made, Recipient shall submit the Workforce Report and indicate that the information provided related to the actual workforce utilized on the Contract. When the workforce to be utilized on the contract cannot be separated out from Recipient's and/or subcontractor's total workforce, Recipient shall submit the Workforce Report and indicate that the information provided is Recipient's total workforce during the subject time frame, not limited to work specifically under the contract.

- E. Recipient shall comply with the provisions of the Human Rights Law, all other State and Federal statutory and constitutional non-discrimination provisions. Recipient and subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

IV. MWBE Utilization Plan

- A. The Recipient represents and warrants that Recipient has submitted an MWBE Utilization Plan (EXHIBIT G-4) either prior to, or at the time of, the execution of the Contract.

**EXHIBIT G: PARTICIPATION BY MINORITY GROUP MEMBERS AND WOMEN WITH
RESPECT TO STATE CONTRACTS: REQUIREMENTS AND PROCEDURES**

- B. Recipient agrees to use such MWBE Utilization Plan for the performance of MWBEs on the Contract pursuant to the prescribed MWBE goals set forth in Section II-A of this Exhibit.
- C. Recipient further agrees that a failure to submit and/or use such MWBE Utilization Plan shall constitute a material breach of the terms of the Contract. Upon the occurrence of such a material breach, ESD shall be entitled to any remedy provided herein, including but not limited to, a finding of Recipient non-responsiveness.

V. Waivers

- A. For Waiver Requests Recipient should use the Waiver Request Form (EXHIBIT G-5).
- B. If the Recipient, after making good faith efforts, is unable to comply with MWBE goals, the Recipient may submit a Request for Waiver form documenting good faith efforts by the Recipient to meet such goals. If the documentation included with the waiver request is complete, the ESD shall evaluate the request and issue a written notice of acceptance or denial within twenty (20) days of receipt.
- C. If the ESD, upon review of the MWBE Utilization Plan and updated Quarterly MWBE Contractor Compliance Reports determines that Recipient is failing or refusing to comply with the Contract goals and no waiver has been issued in regards to such non-compliance, the ESD may issue a notice of deficiency to the Recipient. The Recipient must respond to the notice of deficiency within seven (7) business days of receipt. Such response may include a request for partial or total waiver of MWBE Contract Goals.

VI. Quarterly MWBE Contractor Compliance Report

Recipient is required to submit a Quarterly MWBE Contractor Compliance and Payment Report (EXHIBIT G-6) to the ESD by the 10th day following each end of quarter over the term of the Contract documenting the progress made towards achievement of the MWBE goals of the Contract.

VII. Liquidated Damages/Recapture - MWBE Participation

- A. Where ESD determines that Recipient is not in compliance with the requirements of the Contract and Recipient refuses to comply with such requirements, or if Recipient is found to have willfully and intentionally failed to comply with the MWBE participation goals, Recipient shall be obligated to pay to the ESD liquidated damages or be subject to recapture of grant proceeds ("Recapture").
- B. Such liquidated damages or Recapture shall be calculated as an amount equaling the difference between:
 - 1. All sums identified for payment to MWBEs had the Recipient achieved the contractual MWBE goals; and
 - 2. All sums actually paid to MWBEs for work performed or materials supplied under the Contract.

**EXHIBIT G: PARTICIPATION BY MINORITY GROUP MEMBERS AND WOMEN WITH
RESPECT TO STATE CONTRACTS: REQUIREMENTS AND PROCEDURES**

- C. In the event a determination has been made which requires the payment of liquidated damages (and such identified sums have not been withheld by the ESD) or Recapture, Recipient shall pay such liquidated damages or Recapture to the ESD within sixty (60) days after they are assessed by the ESD unless prior to the expiration of such sixtieth day, the Recipient has filed a complaint with the Director of the Division of Minority and Woman Business Development pursuant to Subdivision 8 of Section 313 of the Executive Law in which event the liquidated damages or Recapture shall be payable if Director renders a decision in favor of the ESD.



EXHIBIT G-1: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
M/WBE PARTICIPATION / EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

I, _____ (REPRESENTATIVE), of the _____ (AWARDEE/CONTRACTOR) agree to adopt the following policies with respect to the project being developed or services rendered at _____.

M/WBE PARTICIPATION (M/WBE)

This organization will and will cause its contractors and subcontractors to take good faith actions to achieve the M/WBE contract participations goals set by the State for that area in which the State-funded project is located, by taking the following steps:

- (1) Actively and affirmatively solicit bids for contracts and subcontracts from qualified State certified MBEs or WBEs, including solicitations to M/WBE contractor associations.
- (2) Request a list of State-certified M/WBEs from ESD's Office of Contractor and Supplier Diversity and solicit bids from them directly.
- (3) Ensure that plans, specifications, request for proposals and other documents used to secure bids will be made available in sufficient time for review by prospective M/WBEs.
- (4) Where feasible, divide the work into smaller portions to enhance participations by M/WBEs and encourage the formation of joint venture and other partnerships among M/WBE contractors to enhance their participation.
- (5) Document and maintain records of bid solicitation, including those to M/WBEs and the results thereof. Contractor will also maintain records of actions that its subcontractors have taken toward meeting M/WBE contract participation goals.
- (6) Ensure that progress payments to M/WBEs are made on a timely basis so that undue financial hardship is avoided, and that bonding and other credit requirements are waived or appropriate alternatives developed to encourage M/WBE participation.

EQUAL EMPLOYMENT OPPORTUNITY POLICY (EEO)

- (a) This organization will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status, will undertake or continue existing programs of affirmative action to ensure that minority group members are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on state contracts.
- (b) This organization shall state in all solicitation or advertisements for employees that in the performance of the State contract all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex disability or marital status.
- (c) At the request of the contracting agency, this organization shall request each employment agency, labor union, or authorized representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or



EXHIBIT G-1: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY

M/WBE PARTICIPATION / EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

representative will affirmatively cooperate in the implementation of this organization's obligations herein.

- (d) This organization will include the provisions of sections (a) through (c) of this agreement in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the State contract.

Agreed on this ____ day of ____, 20__.

By: _____
(SIGNATURE)

Print Name: _____

Title: _____

Minority Business Enterprise Liaison

____ (Name of Designated Liaison) is designated as the Minority Business Enterprise Liaison responsible for administering the Minority and Women-Owned Business Enterprises- Equal Employment Opportunity (M/WBE-EEO) program.

M/WBE Contract Goals

30% Minority and Women's Business Enterprise Participation

EEO Contract Goals

____ % Minority Labor Force Participation

____ % Female Labor Force Participation

(Authorized Representative)

Print Name: _____

Title: _____

Date: _____



EXHIBIT G-2: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
STAFFING PLAN

Submit with Bid or Proposal – Instructions on page 2

| | |
|---------------------------|--|
| Solicitation No.: | Reporting Entity: |
| Offeror's Name: | <input type="checkbox"/> Work force to be utilized on this contract <input type="checkbox"/> Total work force <input type="checkbox"/> Offeror <input type="checkbox"/> Subcontractor |
| Offeror's Address: | Subcontractor's Name: |

Report includes Contractor's/Subcontractor's:

Enter the total number of employees for each classification in each of the EEO-Job Categories identified

| EEO-Job Category | Work force by Gender | | Work force by Race/Ethnic Identification | | | | | | | | | | | | | | |
|--------------------------|----------------------|----------------|--|-------|-----|-------|-----|----------|-----|-------|-----|-----------------|-----|----------|-----|---------|-----|
| | Total Work force | Total Male (M) | Total Female (F) | White | | Black | | Hispanic | | Asian | | Native American | | Disabled | | Veteran | |
| | | | | (M) | (F) | (M) | (F) | (M) | (F) | (M) | (F) | (M) | (F) | (M) | (F) | (M) | (F) |
| Officials/Administrators | | | | | | | | | | | | | | | | | |
| Professionals | | | | | | | | | | | | | | | | | |
| Technicians | | | | | | | | | | | | | | | | | |
| Sales Workers | | | | | | | | | | | | | | | | | |
| Office/Clerical | | | | | | | | | | | | | | | | | |
| Craft Workers | | | | | | | | | | | | | | | | | |
| Laborers | | | | | | | | | | | | | | | | | |
| Service Workers | | | | | | | | | | | | | | | | | |
| Temporary /Apprentices | | | | | | | | | | | | | | | | | |
| Totals | | | | | | | | | | | | | | | | | |

| | |
|---------------------------------|-----------------------|
| PREPARED BY (Signature): | TELEPHONE NO.: |
| NAME: | ALTERNATE TEL: |
| TITLE: | EMAIL ADDRESS: |
| DATE: | |

Submit completed with bid or proposal M/WBE 101 (Rev 04/2012)

General Instructions: All Offerors and each subcontractor identified in the bid or proposal must complete an EEO Staffing Plan (M/WBE 101) and submit it as part of the bid or proposal package. Where the work force to be utilized in the performance of the State contract can be separated out from the contractor's and/or



EXHIBIT G-2: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY STAFFING PLAN

Subcontractor's total work force, the Offeror shall complete this form only for the anticipated work force to be utilized on the State contract. Where the work force to be utilized in the performance of the State contract cannot be separated out from the contractor's and/or Subcontractor's total work force, the Offeror shall complete this form for the contractor's and/or Subcontractor's total work force.

Instructions:

1. Enter the Solicitation number that this report applies to along with the name and address of the Offeror.
2. Check off the appropriate box to indicate if the Offeror completing the report is the contractor or a subcontractor.
3. Check off the appropriate box to indicate work force to be utilized on the contract or the Offerors' total work force.
4. Enter the total work force by EEO job category.
5. Break down the anticipated total work force by gender and enter under the heading 'Work force by Gender'
6. Break down the anticipated total work force by race/ethnic identification and enter under the heading 'Work force by Race/Ethnic Identification'. Contact the M/WBE Permissible contact(s) for the solicitation if you have any questions.
7. Enter information on disabled or veterans included in the anticipated work force under the appropriate headings.
8. Enter the name, title, phone number and email address for the person completing the form. Sign and date the form in the designated boxes.

RACE/ETHNIC IDENTIFICATION:

Race/ethnic designations as used by the Equal Employment Opportunity Commission do not denote scientific definitions of anthropological origins. For the purposes of this report, an employee may be included in the group to which he or she appears to belong, identifies with, or is regarded in the community as belonging. However, no person should be counted in more than one race/ethnic group. The race/ethnic categories for this survey are:

- WHITE** (Not of Hispanic origin) All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.
- BLACK** a person, not of Hispanic origin, who has origins in any of the black racial groups of the original peoples of Africa.
- HISPANIC** a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
- ASIAN & PACIFIC ISLANDER** a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands.
- NATIVE INDIAN (NATIVE AMERICAN/ALASKAN NATIVE)** a person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliation or community recognition.

OTHER CATEGORIES:

- DISABLED INDIVIDUAL** any person who:
 - has a physical or mental impairment that substantially limits one or more major life activity(ies)
 - has a record of such an impairment; or
 - is regarded as having such an impairment.
- VIETNAM ERA VETERAN** a veteran who served at any time between and including January 1, 1963 and May 7, 1975.
- GENDER**
 - Male or Female



Empire State
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EXHIBIT G-3: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
WORKFORCE EMPLOYMENT UTILIZATION REPORT

| | | | | | | | | | | |
|---------------|--|--|--|--|--|--|--|--|--|--|
| Totals | | | | | | | | | | |
|---------------|--|--|--|--|--|--|--|--|--|--|

Submit the above completed form to:

Empire State Development
Office of Contractor and Supplier Diversity
633 Third Avenue, 33rd Floor
New York, NY 10017

General Instructions: The work force utilization (M/WBE 102) is to be submitted on a quarterly basis during the life of the contract to report the actual work force utilized in the performance of the contract broken down by the specified categories. When the work force utilized in the performance of the contract can be separated out from the contractor's and/or subcontractor's total work force, the contractor and/or subcontractor shall submit a Utilization Report of the work force utilized on the contract. When the work force to be utilized on the contract cannot be separated out from the contractor's and/or subcontractor's total work force, information on the total work force shall be included in the Utilization Report. Utilization reports are to be completed for the quarters ended 3/31, 6/30, 9/30 and 12/31 and submitted to the M/WBE Program Management Unit within 15 days of the end of each quarter. If there are no changes to the work force utilized on the contract during the reporting period, the contractor can submit a copy of the previously submitted report indicating no change with the date and reporting period updated.

Instructions for completing:

1. Enter the number of the contract that this report applies to along with the name and address of the Contractor preparing the report.
2. Check off the appropriate box to indicate if the entity completing the report is the contractor or a subcontractor.
3. Check off the box that corresponds to the reporting period for this report.
4. Check off the appropriate box to indicate if the work force being reported is just for the contract or the Contractor's total work force.
5. Enter the total work force by EEO job category.
6. Break down the total work force by gender and enter under the heading 'Work force by Gender'
7. Break down the total work force by race/ethnic background and enter under the heading 'Work force by Race/Ethnic Identification'. Contact the M/WBE Program Management Unit at (518) 474-5513 if you have any questions.
8. Enter information on any disabled or veteran employees included in the work force under the appropriate heading.
9. Enter the name, title, phone number and email address for the person completing the form. Sign and date the form in the designated boxes.



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Development

EXHIBIT G-3: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY WORKFORCE EMPLOYMENT UTILIZATION REPORT

RACE/ETHNIC IDENTIFICATION

Race/ethnic designations as used by the Equal Employment Opportunity Commission do not denote scientific definitions of anthropological origins. For the purposes of this report, an employee may be included in the group to which he or she appears to belong, identifies with, or is regarded in the community as belonging. However, no person should be counted in more than one race/ethnic group. The race/ethnic categories for this survey are:

- WHITE** (Not of Hispanic origin) All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.
- BLACK** a person, not of Hispanic origin, who has origins in any of the black racial groups of the original peoples of Africa.
- HISPANIC** a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
- ASIAN & PACIFIC ISLANDER** a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands.
- NATIVE INDIAN (NATIVE AMERICAN/ALASKAN NATIVE)** a person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliation or community recognition.

OTHER CATEGORIES

- DISABLED INDIVIDUAL** any person who:
 - has a physical or mental impairment that substantially limits one or more major life activity(ies)
 - has a record of such an impairment; or
 - is regarded as having such an impairment.
- VIETNAM ERA VETERAN** a veteran who served at any time between and including January 1, 1963 and May 7, 1975.
- GENDER** Male or Female



Empire State
Development

EXHIBIT G-4: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
M/WBE UTILIZATION PLAN

INSTRUCTIONS: This form must be submitted with any bid, proposal, or proposed negotiated contract or within a reasonable time thereafter, but prior to contract award. This MWBE Utilization Plan must contain a detailed description of the supplies and/or services to be provided by each certified Minority and Women-owned Business Enterprise (M/WBE) under the contract. Attach additional sheets if necessary.

Federal Employer Identification No. (FEIN):

Offeror's Name:

Offeror's Address:

City, State, Zip Code:

Telephone No.:

Region/Location of Work:

Solicitation No.:

Project No.:

M/WBE Goals in the Contract: MBE - % WBE - %

| 1. Certified M/WBE Subcontractors/Suppliers Federal Employer Identification Number (FEIN), Name, Address, Phone, Fax and Email Address. | 2. Classification NYS ESD CERTIFIED <input type="checkbox"/> MBE <input type="checkbox"/> WBE | 3. Federal ID No. | 4. Detailed Description of Work (Attach additional sheets, if necessary) | 5. Dollar Value of Subcontracts / Supplies / Services and intended performance dates of each component of the contract. |
|---|---|----------------------|---|---|
| A. | | | | |
| B. | NYS ESD CERTIFIED <input type="checkbox"/> MBE <input type="checkbox"/> WBE | | | |



Empire State
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EXHIBIT G-4: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
M/WBE UTILIZATION PLAN

6. IF UNABLE TO FULLY MEET THE MBE AND WBE GOALS SET FORTH IN THE CONTRACT, OFFEROR MUST SUBMIT A WAIVER REQUEST FORM (FORM E4).

| | | |
|---|--------------|-----------------------|
| TELEPHONE NO.: | | EMAIL ADDRESS: |
| ** FOR OCSD-M/WBE USE ONLY ** | | |
| REVIEWED BY: | DATE: | |
| <p>UTILIZATION PLAN APPROVED? <input type="checkbox"/> YES <input type="checkbox"/> NO Date:</p> <p>Contract No.:</p> <p>Project No. (if applicable):</p> <p>Contract Award Date:</p> <p>Estimated Date of Completion:</p> <p>Amount Obligated Under the Contract:</p> <p>Description of Work:</p> | | |
| <p>NOTICE OF DEFICIENCY ISSUED? <input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue:</p> <p>NOTICE OF ACCEPTANCE ISSUED? <input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue:</p> | | |

PREPARED BY (Signature): _____ **DATE:** _____

Preparer's Name (Print or Type):

Preparer's Title:

Date:

SUBMISSION OF THIS FORM CONSTITUTES THE OFFEROR'S ACKNOWLEDGEMENT AND AGREEMENT TO COMPLY WITH THE M/WBE REQUIREMENTS SET FORTH UNDER NYS EXECUTIVE LAW, ARTICLE 15-A, 5 NYCRR PART 143, AND THE ABOVE-REFERENCED SOLICITATION. FAILURE TO SUBMIT COMPLETE AND ACCURATE INFORMATION MAY RESULT IN A FINDING OF NONCOMPLIANCE AND POSSIBLE TERMINATION OF YOUR CONTRACT.



EXHIBIT G-5: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY WAIVER REQUEST FORM

| Waiver Applicant | | |
|---|--|----------------|
| Offeror / Contractor Name: | Fed ID No.: | |
| Address: | Solicitation/Contract No.: | |
| City, State, Zip Code: | M/WBE Goals: MBE: _____% WBE: _____% | |
| <p><u>By submitting this form and the required information, the offeror / contractor certifies that every "Good Faith Effort" has been taken to promote M/WBE participation pursuant to the M/WBE requirements set forth under the contract. Review 5 NYCRR §142.8, Contractor's Good Faith Efforts, on page 2 of this form for the precise definition of "Good Faith Effort".</u></p> | | |
| <p>Contractor is requesting a:</p> <p>1. <input type="checkbox"/> MBE Waiver – A waiver of the MBE Goal for this procurement is requested. <input type="checkbox"/> Total <input type="checkbox"/> Partial</p> <p>2. <input type="checkbox"/> WBE Waiver – A waiver of the WBE Goal for this procurement is requested. <input type="checkbox"/> Total <input type="checkbox"/> Partial</p> <p>3. <input type="checkbox"/> Waiver Pending ESD Certification – (Check here if subcontractors or suppliers of Contractor are not certified M/WBE, but an application for certification has been filed with Empire State Development).</p> <p>Date of such filing with Empire State Development Corporation: _____</p> | | |
| <p>PREPARED BY (Signature): _____ Date: _____</p> <p>SUBMISSION OF THIS FORM CONSTITUTES THE OFFEROR/CONTRACTOR'S ACKNOWLEDGEMENT AND AGREEMENT TO COMPLY WITH THE M/WBE REQUIREMENTS SET FORTH UNDER NYS EXECUTIVE LAW, ARTICLE 15-A AND 5 NYCRR PART 143. FAILURE TO SUBMIT COMPLETE AND ACCURATE INFORMATION MAY RESULT IN A FINDING OF NONCOMPLIANCE AND/OR TERMINATION OF THE CONTRACT.</p> | | |
| Name and Title of Preparer (Printed or Typed): | Telephone Number: | Email Address: |
| Submit with the bid or proposal or if submitting after award submit to: Empire State Development | ***** FOR M/WBE USE ONLY ***** | |
| | REVIEWED BY: | DATE: |



**EXHIBIT G-5: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
WAIVER REQUEST FORM**

| | |
|--|---|
| <p>Office of Contractor and Supplier Diversity 633 Third Avenue, 33rd Floor New York, New York 10017</p> | <p>Waiver Granted: <input type="checkbox"/> YES MBE: <input type="checkbox"/> WBE: <input type="checkbox"/></p> <p><input type="checkbox"/> Total Waiver <input type="checkbox"/> Partial Waiver</p> <p><input type="checkbox"/> ESD Certification Waiver <input type="checkbox"/> *Conditional</p> <p><input type="checkbox"/> Notice of Deficiency Issued _____</p> <p>* <u>Comments:</u></p> |
|--|---|



EXHIBIT G-5: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY

WAIVER REQUEST FORM

5 NYCRR §142.8 - Contractor's Good Faith Efforts

- (a) The contractor must document its good faith efforts toward meeting certified minority and women-owned business enterprise utilization plans by providing, at a minimum:
- (1) Copies of its solicitations of certified minority and women-owned business enterprises and any responses thereto;
 - (2) If responses to the contractor's solicitations were received, but a certified minority or woman-owned business enterprise was not selected, the specific reasons that such enterprise was not selected;
 - (3) Copies of any advertisements for participation by certified minority and women-owned business enterprises timely published in appropriate general circulation, trade and minority or women-oriented publications, together with the listing(s) and date(s) of the publication of such advertisements;
 - (4) Copies of any solicitations of certified minority and/or women-owned business enterprises listed in the directory of certified businesses;
 - (5) The dates of attendance at any pre-bid, pre-award, or other meetings, if any, scheduled by the State agency awarding the State contract, with certified minority and women-owned business enterprises which the State agency determined were capable of performing the State contract scope of work for the purpose of fulfilling the contract participation goals;
 - (6) Information describing the specific steps undertaken to reasonably structure the contract scope of work for the purpose of subcontracting with, or obtaining supplies from, certified minority and women-owned business enterprises.
- (b) In addition to the information provided by the contractor in paragraph (a) above, the State agency may also consider the following to determine whether the contractor has demonstrated good faith efforts:
- (1) Whether the contractor submitted an alternative utilization plan consistent with the subcontract or supplier opportunities in the contract;
 - (2) The number of certified minority and women-owned business enterprises in the region listed in the directory of certified businesses that could, in the judgment of the State agency, perform work required by the State contract scope of work;
 - (3) The actions taken by the contractor to contact and assess the ability of certified minority and women-owned business enterprises located outside of the region in which the State contract scope of work is to be performed to participate on the State contract;
 - (4) Whether the contractor provided relevant plans, specifications or terms and conditions to certified minority and women-owned business enterprises sufficiently in advance to enable them to prepare an informed response to a contractor request for participation as a subcontractor or supplier;
 - (5) The terms and conditions of any subcontract or provision of suppliers offered to certified minority or women-owned business enterprises and a comparison of such terms and conditions



EXHIBIT G-6: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
M/WBE CONTRACTOR COMPLIANCE AND PAYMENT REPORT

PROJECT SPONSOR/DEVELOPER
(or "REPORTING COMPANY"):

FEDERAL EIN #:

ADDRESS:

TOWN/COUNTY/ZIP:

CONTACT PERSON:

TELEPHONE:

EMAIL:

ESD/OCSD REPRESENTATIVE:

PROJECT NAME:

PROJECT #:

PROJECT START DATE:

PERCENT COMPLETE:

ACTUAL COMPLETION DATE:

Attach M/WBE executed contracts, final lien waivers, cancelled checks, etc., or other documentation describing the "Good Faith Efforts" taken to achieve M/WBE program. This report should be completed and signed by an officer of the Reporting Company.

| PRIME CONTRACTOR (Federal EIN #, Firm's Name, Address, Contact Person, Title and Phone # with area code) | CONTRACT AMOUNT | M/WBE SUBCONTRACTOR (Federal EIN #, Subcontractor Name, Address, Contact Person, Title and Phone # with area code) | SCOPE OF SERVICES | M/WBE CONTRACT AMOUNT | M/WBE PAYMENTS PREVIOUSLY REPORTED | M/WBE PAYMENTS ON CURRENT REPORT | TOTAL M/WBE PAYMENTS TO DATE |
|---|--------------------|--|-------------------|-----------------------------|---|---|---------------------------------------|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

CERTIFICATION: I, _____ (Print Name), the _____ (Title) of the Reporting Company above, do certify that (i) I have read this Compliance Report and (ii) to the best of my knowledge, information and belief, the information contained herein is complete and accurate.



Empire State
Development

EXHIBIT G-6: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
M/WBE CONTRACTOR COMPLIANCE AND PAYMENT REPORT

SIGNATURE: _____

DATE: _____

SUBMIT REPORT TO: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
EMPIRE STATE DEVELOPMENT – Contract Admin
633 THIRD AVENUE, 35th FLOOR
NEW YORK, NY 10017

Completed Exhibits may also be emailed directly to OCSD at ocsd@esd.ny.gov. All email submissions must include the name and contact information of the individual or firm submitting the information.

QUESTIONS? Please contact the OCSD’s Project Managers or email the division at ocsd@esd.ny.gov.

| | | | | |
|---|---|---|--|---|
| Danah Alexander Project Manager, OCSD (212) 803-3244 danah.alexander@esd.ny.gov | Denise Ross Project Manager, OCSD (212) 803-3226 denise.ross@esd.ny.gov | Edwina Telemaque Project Manager, OCSD (212) 803-3109 edwina.telemaque@esd.ny.gov | Geraldine Ford Project Manager, OCSD (716) 846-8205 geraldine.ford@esd.ny.gov | Jazmin Thomas Project Assistant, OCSD (212) 803-3571 jazmin.thomas@esd.ny.gov |
| NYC – Bronx, Brooklyn, Queens Long Island | Capital District Mid-Hudson | Central New York Southern Tier | Finger Lakes Western New York | ESD Procurement Contracts ESD Subsidiaries – QWDC, ESNMC |
| North Country | NYC-Manhattan, Staten Island | Contracts: DED Procurement Contracts | ESD Subsidiaries – ECHDC, USA Niagara | |
| Mohawk Valley | Client: College of Nanoscale Science & Engineering (New York Polytechnic) | | | |
| ESD Subsidiaries – AYCDC, | | | | |



Empire State
Development

**EXHIBIT G-6: OFFICE OF CONTRACTOR AND SUPPLIER DIVERSITY
M/WBE CONTRACTOR COMPLIANCE AND PAYMENT REPORT**

HCDC, MSCD

DRAFT

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
 d\b\A EMPIRE STATE DEVELOPMENT
 Tioga County IDA- Weitsman Shredding Capital, Project Number AA616

EXHIBIT H: REPORT OF EMPLOYMENT (WITH NYS FORM 45 ATTACHED)

Complete EITHER Table A (as Annual Report*) OR Table B (with every Payment Request)

Attach NYS-45 form including cover page and NYS-45-ATT (with blocked out social security numbers and location indicated as necessary. If the reported employment figures on Exhibit H vary materially from those reported to the New York State Department of Labor on NYS-45, please attach an explanation identifying reasons for any difference.

Annual Report: Sent to Portfolio Management; Empire State Development; 633 Third Avenue; New York, NY 10017

FULL-TIME PERMANENT EMPLOYEES

For purposes of this Agreement, a **Full-time Permanent Employee shall mean**

- (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or
- (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

Table A: Annual Report due every February 1 for prior calendar year

| FULL-TIME PERMANENT EMPLOYEES | As of Grantee's last payroll date on or prior to the end of the designated quarter | | | | ANNUAL AVERAGE (Based on the four quarterly numbers) |
|---|--|---------------|----------------|---------------|--|
| | March 31, 20__ | June 30, 20__ | Sept. 30, 20__ | Dec. 31, 20__ | |
| At Project Location | | | | | |
| At Other New York Locations (if applicable) | | | | | |

Table B: With every Payment Request

| FULL-TIME PERMANENT EMPLOYEES | as of ____/____/____ (date of request) |
|---|--|
| At Project Location | |
| At Other New York Locations (if applicable) | |

The information included herein is correct to the best of my knowledge and belief.

Signature: _____ Date: _____

Print Name and Title: _____

Any false statement herein may cause the borrower or grantee to be in default under its grant disbursement agreement with ESD.

DRAFT

EXHIBIT I: SPECIAL PROVISIONS

In the event of any conflict between Exhibit A of this Agreement and any other provisions of this Agreement, the terms of such other provisions shall govern.

Neither the Grant, nor any equipment or facility funded in part or whole by the Grant, shall be used at any time or in any manner for religious worship, instruction or proselytizing.

All references to "Project Location" shall mean "Project Locations."

Paragraph 8(i) shall mean that Grantee and/or Beneficiary shall maintain or cause to be maintained business operations at the Project Location for the term of this Agreement.

Paragraph 23 is added to Terms and Conditions, as follows:

23. Joint and Several Liabilities

- (c) As used herein, the term Grantee shall include all signatories hereto, if more than one, other than ESD. In such event the obligations, representations and warranties of Grantee hereunder shall be joint and several.
- (d) As used herein, the term Beneficiary shall include all signatories hereto, if more than one, other than ESD. In such event the obligations, representations and warranties of Beneficiary hereunder shall be joint and several.

CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT (the “Agreement”) dated as January 1, 2019 is by and between the TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “Agency”) and MADISON TINNEY (“Tinney”), collectively, the “Parties”.

W I T N E S S E T H :

WHEREAS, the Agency is a public benefit corporation organized under the laws of the State of New York

WHEREAS, the Agency is charged with the responsibility for directing economic development in and for the County of Tioga; and

WHEREAS, Tinney has considerable experience in the field of consulting on social media outreach; and

WHEREAS, the Agency wishes to retain the services of Tinney on a contractual basis to assist the Agency its efforts to enhance their social media presence;

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter set forth, the Parties do hereby agree as follows:

1. Tinney agrees to provide professional consulting services to the Agency from the period of January 1, 2019 through December 31, 2019, including, but not limited to the following: See Exhibit “A” attached hereto.
2. The above services, including telephone conferences and e-mail correspondence, shall be rendered by Tinney at such times and places as, in her best professional judgment, shall be convenient and productive to the efforts of the Agency.
3. Tinney shall be compensated for services rendered under this Agreement at the

rate of \$300 per month, payable in monthly installments.

4. Tinney shall be deemed to be an independent contractor, not an employee of the Agency, and shall receive an IRS Form 1099 for the purpose of reporting income under this Agreement. Tinney shall be responsible for payment of all New York State and Federal income taxes, FICA, and Medicare taxes based upon payments made to her by the Agency under this Agreement.

5. Either Party may terminate this Agreement upon not less than seven (7) days' written notice to the other by first class mail. In the event of such termination, Tinney shall be compensated for services rendered pro-rata until, and including, the date of termination. All notices hereunder shall be provided at the following addresses:

To the Agency: Tioga County Industrial Development Agency
56 Main Street
Owego, New York 13827

Attn: Chairman

To Tinney: Madison Tinney
276 Allyn Rd.
Barton, NY 13734

6. All information, correspondence, contracts, and documents of the Agency shall be deemed confidential and shall not be disclosed by Tinney to any other person or entity, except in the performance of her duties under the terms of this Agreement.

7. This Agreement may not be assigned by either Party.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day first above written

Madison Tinney

TIOGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Ralph E. Kelsey, Chairman

EXHIBIT "A"

Services to be rendered by Madison Tinney pursuant to consulting services agreement with Tioga County Industrial Development Agency dated as of January 1, 2019, including, but not limited to, the following:

Freelance Social Media Manager

- Conceptualize and design regular posts (minimum 8 per month) for the Agency's Facebook and Instagram social media platforms
- Monitor conversations and comments surrounding the social media updates and respond to feedback
- Engage with other social media users' profiles through likes and comments in order to show public support of Tioga County businesses
- Summarize monthly analytics to demonstrate the success of the social media strategy and show areas for improvement

Any additional services rendered by Madison Tinney outside of social media management require prior approval and will be compensated at the rate of \$20 per hour.

CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT (the “Agreement”) dated as January 1, 2019 is by and between the TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “Agency”) and LEE ANN TINNEY (“Tinney”), collectively, the “Parties”.

W I T N E S S E T H :

WHEREAS, the Agency is a public benefit corporation organized under the laws of the State of New York

WHEREAS, the Agency is charged with the responsibility for directing economic development in and for the County of Tioga; and

WHEREAS, Tinney has considerable experience in the field of economic development; and

WHEREAS, the Agency wishes to retain the services of Tinney on a contractual basis to assist the Agency its efforts to enhance economic development opportunities for the County of Tioga and its residents;

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter set forth, the Parties do hereby agree as follows:

1. Tinney agrees to provide professional consulting services to the Agency from the period of January 1, 2019 through December 31, 2019, including, but not limited to the following: See Exhibit “A” attached hereto.

2. The above services, including telephone conferences and e-mail correspondence, shall be rendered by Tinney at such times and places as, in her best professional judgment, shall be convenient and productive to the efforts of the Agency.

3. Tinney shall be compensated for services rendered under this Agreement at the rate of TWO THOUSAND ONE HUNDRED AND TWENTY-FIVE AND 00/100 DOLLARS (\$2,125.00), per MONTH, payable in monthly installments of TWO THOUSAND ONE HUNDRED AND TWENTY-FIVE AND 00/100 DOLLARS (\$2,125.00).

4. Tinney shall be deemed to be an independent contractor, not an employee of the Agency, and shall receive an IRS Form 1099 for the purpose of reporting income under this Agreement. Tinney shall be responsible for payment of all New York State and Federal income taxes, FICA, and Medicare taxes based upon payments made to her by the Agency under this Agreement.

5. Either Party may terminate this Agreement upon not less than thirty (30) days' written notice to the other by first class mail. In the event of such termination, Tinney shall be compensated for services rendered pro-rata until, and including, the date of termination. All notices hereunder shall be provided at the following addresses:

To the Agency: Tioga County Industrial Development Agency
56 Main Street
Owego, New York 13827

Attn: Chairman

To Tinney: Lee Ann Tinney
352 Ro-Ki Blvd
Nichols, New York 13812

6. All information, correspondence, contracts, and documents of the Agency shall be deemed confidential and shall not be disclosed by Tinney to any other person or entity, except in the performance of her duties under the terms of this Agreement.

7. This Agreement may not be assigned by either Party.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day first above written.

Lee Ann Tinney

TIOGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Ralph E. Kelsey, Chairman

EXHIBIT "A"

Services to be rendered by Lee Ann Tinney pursuant to consulting services agreement with Tioga County Industrial Development Agency dated as of January 1, 2019, including, but not limited to, the following:

Economic Development Government and Business Liaison

- Act as liaison with governmental officials (Local, State, and Federal)
- Act as a liaison with business community representatives
- Attend municipal meetings as needed
- Attend school board meetings as needed
- Represent the Agency on the Southern Tier Regional Economic Development Council & Executive Committee
- Represent the Agency on the Southern Tier Regional Economic Development Corporation
- Make monthly reports of Department of Economic Development and Planning Activity to the Agency Board of Directors
- Present potential projects to the Agency Board of Directors
- Work in partnership with the Agency Administrator to facilitate economic development projects
- Provide support for the Agency throughout economic development activities
- Participate with Agency Board Members on the annual review of the Agency Administrator
- Interface with Agency Counsel as needed
- Other duties as assigned and agreed upon related to the operations of the agency



Industrial Development Agency

Proposal to Provide Professional Audit Services

December 20, 2018

Submitted to:

**Ms. Christine Curtis,
Executive Administrator**
56 Main Street #205
Owego, NY 13827

Submitted by:

Gregg Evans, CPA, CFE, Partner
Bonadio & Co., LLP
432 North Franklin Street, Suite 60
Syracuse, NY 13204
www.bonadio.com
gevans@bonadio.com

THE BONADIO GROUP
CPAs, Consultants & More





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August 24, 2018

Ms. Christine Curtis,
Executive Administrator
56 Main Street #205
Owego, NY 13827

Re: Proposal to Provide Professional Auditing Services

Dear Ms. Curtis:

It is Bonadio & Co., LLP's (Bonadio) pleasure to submit this proposal to provide auditing services to the Tioga County Industrial Development Agency (TCIDA) for the year ending December 31, 2018.

The attached proposal sets forth the qualifications of our Firm and the scope and approach for providing the high quality services TCIDA need. We are committed to provide you with the best in auditing and other professional services if selected.

We believe you'll find that Bonadio is the most qualified firm to provide audit services to the organization.

- **Government audit experience.** We serve more than 250 governments across NYS including five cities, 25+ counties and over 60 school districts. We are government experts!
- **Dedicated Government Staff.** Our government team is just that – a team of professionals exclusively dedicated to government clients. There are no tax or other competing deadlines we have to meet that could take us away from serving you.
- **Information Technology.** In today's environment, information technology is an area of constant change, regulation, and risk. Bonadio has a department consisting of experts from many disciplines. We can assist with anything from software implementation and policy writing, to regulatory compliance and full-blown risk assessment consulting.
- **Quality Control.** Each and every report issued by us undergoes a thorough quality review prior to issuance. You can be assured that our reports are accurate and that all professional auditing and accounting standards have been met.
- **We have statewide capability:** With over 750 employees across NYS, our size allows us to easily commit to the required resources you desire and we believe that you will find our fees very competitive and reflective of our desire to serve as your auditors.

432 North Franklin Street, Suite 60
Syracuse, New York 13204
p (315) 476-4004
f (315) 475-1513

www.bonadio.com

Firm and Irrevocable Offer

Bonadio & Co., LLP agrees to all of the requirements and to provide all the services as outlined in your Request for Proposal.

We want to work for you!

If you have any questions regarding the information contained in this proposal or on any other matter, please contact me at (315) 214-2743 / gevans@bonadio.com. We're available at your convenience, to meet with you to discuss any questions you may have and to demonstrate our interest in serving you.

Very truly yours,

THE BONADIO GROUP

A handwritten signature in blue ink, appearing to read "Gregg H. Evans", with a stylized flourish at the end.

By:
Gregg H. Evans, CPA, CFE,
Partner

Understanding of Scope

It is B&Co.'s understanding that both TCIDA intend to select and engage an independent accounting firm to perform the following services:

- Conduct an audit of the organization's basic financial statements that include a Statement of Net Position, Statement of Revenue and Expenses and Change in Net Position, a Statement of Cash flows and related footnotes in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards* as issued by the Comptroller General of the United States of America.
- Prepare and issue an Independent Auditor's Report on the financial statements following the completion of our audit, as described above.
- Prepare and issue an Independent Auditor's 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*.
- Prepare and issue an Independent Auditor's Report on Compliance with Section 2925(3)(f) of the Public Authorities Law (PAL) as it relates to investments.
- Obtain an understanding of the design and operational effectiveness on the Organization's policies and procedures as it relates to their submission of required reporting to the New York State Public Authorities Reporting Information System (PARIS).

Your Bonadio Team

We believe that our people make the difference. The primary personnel assigned to serve you have a unique blend of consulting, audit, governmental, and business consulting experience. A complete firm-wide organizational chart can be provided to you upon request.

Please be aware that we maintain continuing professional education as required by professional standards and meet the independence requirements of *Government Auditing Standards*, published by the U.S. General Accounting Office.

More detailed biographies are included in the Appendix. Each of these individuals will be available for continuing advice and counsel throughout the term of the engagement.

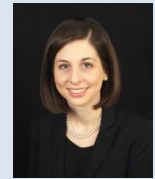
Gregg Evans, CPA, CFE



Role:
Relationship Partner

Duties:
Gregg is responsible for the overall engagement relationship. In this way, Gregg is a main point of contact to ensure the consistent and timely delivery of every aspect of this account.

Keeley Ann Hines, CPA



Role:
Engagement Principal

Duties:
Keeley is the engagement audit principal and oversees the day-to-day activities of the staff assigned to the engagement. She is also the signing partner which means that he is ultimately responsible for the technical matters and all deliverables. Keeley is a key contact and resource for the audit team, as well as the day-to-day accounting personnel.

Michelle Lesser



Role:
Engagement Senior

Duties:
Michelle is the audit senior on this engagement. She is responsible for completion of audit fieldwork and financial reporting.

Kristen Clark, CPA



Role:
Quality Control Partner

Duties:
Kristen will be responsible for the second partner review and assisting as necessary on technical matters as they arise. Kristen and the entire Professional Excellence Division are critical resources for all of our engagement teams as matters arise. This allows matters to be resolved timely and accurately, and they are also available to meet with you as necessary.

Gregg Evans, CPA, CFE, Partner (gevans@bonadio.com)



Gregg is a partner and Government Compliance and Labor team leader in our Syracuse office. He has over 20 years of professional experience providing auditing, consulting, and accounting services to a variety of clients including municipalities, public authorities and other tax-exempt entities. As a result of this work, he has developed extensive experience with respect to compliance and reporting requirements for these organizations, knowledge of Governmental Accounting Standards Board (GASB) pronouncements, the NYS Public Authorities Reform Act, federal compliance requirements, as well as the evaluation and design of internal controls.

Gregg is a graduate of Le Moyne College. He is a member of the New York State Society of Certified Public Accountants (NYSSCPA), American Institute of Certified Public Accountants (AICPA) and Association of Certified Fraud Examiners.

Gregg serves on the Board of Directors for Central New York Services. He is a recipient of the *Central New York 40 Under Forty Award*.

Keeley Ann Hines, Principal (khines@bonadio.com)



Keeley is a principal in the Government Compliance and Labor division, and a member of the Single Audit Advisory Committee. Keeley has more than 10 years of professional experience providing auditing and accounting services to a variety of clients including municipalities, public authorities, school districts and other tax-exempt entities. She has extensive knowledge and experience with Government Accounting Standards Board (GASB) pronouncements and federal compliance requirements, as well as *Government Auditing Standards*.

Keeley received her B.S. in Accounting from Le Moyne College and is a member of the American Institute of Certified Public Accountants (AICPA), the New York State Government Finance Officers' Association (NYSGFOA) and the New York State Society of Certified Public Accountants (NYSSCPA).

Keeley is a past member of the Board of Directors for the Syracuse office of the American Heart Association and past Chair of the Community Action Committee. Keeley is a past committee member of the Career Opportunities in the Accounting Profession program and past finance chair of the Most Holy Rosary School. She is a recipient of the *Central New York 40 Under Forty Award*.

Michelle Lesser, Senior (mlesser@bonadio.com)



Michelle is a senior in our Syracuse office and serves the Government Compliance and Labor division. She has experience providing audit and accounting services to municipalities, not-for-profits, single audits and public authorities.

Michelle is a St. John Fisher graduate. She is a member of the American Institute of Certified Public Accountants (AICPA) and New York State Government Finance Officers' Association, vice chair of the NYSSCPA NextGen committee and member of the United Way Young Leaders United program.

Kristen Clark, CPA, FHFMA, Syracuse Office Managing Partner and Professional Excellence Division Practice Leader (kclark@bonadio.com)



Kristen is one of our first “home grown” partners as well as our first woman partner, having started with The Bonadio Group right out of college. She was admitted to the partnership in 1998. Kristen is a member of our Board and serves as the Managing Partner of our Syracuse Office, where she has responsibility for overall client service, partner and employee engagement and market growth. In addition to this role, Kristen is Practice Leader for the firm’s Professional Excellence Division, which is responsible for overall risk management, quality and education for the firm. Kristen’s experience has included providing professional services to a wide range of tax-exempt, public authority and healthcare organizations. This experience has included financial audits, special project consulting, and other professional engagements. As a result of her work with healthcare, not-for-profit, and governmental organizations, she has extensive knowledge of cost reports, grant funding requirements, and compliance auditing and reporting.

Kristen received her B.S. degree in Accounting from St. John Fisher College in 1986. She is a fellow of the Healthcare Financial Management Association (HFMA), a member of the American Institute of Certified Public Accountants and the New York State Society of Certified Public Accountants, where she is a member of a statewide committee on peer reviews.

She is also active in the local civic community as a Board member of Empire Justice Center, a Board member and past president of the Rochester Regional Chapter of the HFMA, a member of St. John Fisher College School of Business Dean’s Leadership Circle, and the United Way Women’s Leadership Council. Kristen was a finalist for the Athena Award and a recipient of the *Rochester 40 Under Forty Award*.

Staff Continuity

As a professional service firm, we understand that a primary concern of most clients is continuity of people assigned. We are extremely sensitive to this issue and assure you that we will make every effort to maintain continuity of personnel on your engagement to ensure that you will be served by the individuals most familiar with your account. Our proposed team is committed to maintaining a long-term professional relationship that will benefit you in future years.

Bonadio’s current staff turnover rate is approximately 12% per year, well below the accounting industry norms of up to 30%. We are strongly committed to driving our retention rate up as a means of ensuring staff continuity for our clients. To this end, we have installed a set of core values called “The Promise” that represent commitments between the firm and our staff. In addition, we have initiated a strong mentoring and training program; including an application based Leadership Program.

The firm will rotate partners as required by New York State Public Authorities Accountability Acts (“PAAA”).



References

IDA REFERENCES:

New Rochelle Industrial Development Agency

Michael Lewis, City of New Rochelle, Deputy Commissioner of Finance

515 North Avenue
New Rochelle, NY 10801
(315) 654-2066

Livingston County Industrial Development Agency

William Bacon, Executive Director

6 Court Street, Room 306
Geneseo, NY 14454
(585) 243-7124

Amherst Industrial Development Agency

David Mingoia, Executive Director/CEO

4287 Main Street
Amherst, NY 14226
(716) 688-9000

OTHER PUBLIC AUTHORITY REFERENCES:

Onondaga County Tobacco Asset Securitization Corp.

Steve Morgan, CFO

421 Montgomery Street, FL 14
Syracuse, NY 13202
(315) 435-8496

Syracuse Urban Renewal Agency

Dave DeVecchio, Commissioner of Finance

City Hall Room 128
233 East Washington Street
Syracuse, NY 13202
(315) 448-8304

Greater Syracuse Property Development Corporation

d/b/a Greater Syracuse Land Bank

Katelyn Wright, Executive Director

431 East Fayette Street, Suite 375
Syracuse, NY 13202
(315) 422-2301



Accounting Experience

Bonadio has grown to be the largest independent provider of accounting, business advisory and financial services in Upstate New York. We have 10 offices spanning New York and Vermont with approximately 750 full-time employees. Our Government, Compliance and Labor team is comprised of 13 partners and principals dedicated to serving more than 400 governmental entities.

Currently, we engage approximately 40 public authority clients across New York State, of which 6 are industrial development agencies. Based upon this experience and the volume of public authority clients, it is evident that B&Co. is committed to the mission of the New York State Authorities Budget Office (ABO) in making public authorities more accountable and transparent. B&Co. is committed to a partnership with each of our public authority clients to ensure all ABO deadlines are met for budgets (either 60 or 90 days prior to fiscal year end) and annual reporting and audit reports due 90 days after fiscal year end. We are aware of the requirement to rotate the lead partner on public authority audit engagements at least every 5 years. In adhering to this requirement, we are also committed to ensuring this transition has minimal impact on our clients by maintaining a lead partner/principal, as well as a relationship partner who is knowledgeable in the industry and specifically to your organization, to ensure a smooth partner rotation, as required.

B&Co. has vast knowledge and experience with the New York State Public Authorities Act of 2005, and the Reform Act of 2009. B&Co. is committed to evaluating compliance with those requirements that have a direct and material effect on the financial statements and financial reporting of your organization. Among others, B&Co. will consider the following as part of our audit strategy and risk assessment:

- Evaluate the independence of those charged with governance and the ensuring appropriate subcommittees have been created and board meetings are posted publicly
- Obtain and review the organization's mission statement and ensure this document has been made publicly available
- Ensure Codes of Conduct and ethics policies are developed, documented, and adhered to
- Obtain an understanding of the organization's internal controls structure and evaluate not only the design, but effectiveness of those key controls
- Ensure compliance with requirements as it relates to sale or disposal of material properly
- Determine the organization is developing detailed and appropriate operating budgets and multi-year financial plans and periodically reviewing actual results in relation to budgets and projected results

We understand that in accordance with Public Authorities Law, Section 2800, it is the responsibility of the board to review, question, understand and approve the financial statements while it is responsibility of the Chief Executive Officer, Chief Financial Officer, or equivalent, to certify and submit reports in the Public Authorities Reporting Information System (PARIS). With this being said, we have the necessary experience to navigate PARIS and are committed to ensuring management and those charged with governance have answers to all questions and concerns so they may make educated decisions. B&Co is dedicated to attending audit committee members and being regularly available to management and those charged with governance, as needed, throughout the year. Our team regularly monitors news releases by the ABO and reviews the biannual delinquent authorities listing to ensure our clients compliance with such requirements.



Proposed Fees

Our dual objective is to provide you with professional services at a reasonable cost, while complying with the highest professional standards. In establishing the cost of services to be billed, we estimate the number of hours to be devoted to the engagement times the hourly rates of individuals assigned to the engagement based on their estimated level of involvement.

We do not bill for routine telephone conversations or office overhead items such as copies, faxes or administrative support. Our fee estimate is based on existing accounting and auditing pronouncements and your current levels of operation. If significant changes occur in accounting or auditing requirements promulgated by professional oversight agencies or if operations were to change significantly, a new fee estimate would need to be agreed upon with management.

In order to properly serve our clients, we need to know what the issues affecting them are. We realize, however, that clients are sometimes hesitant to call us as they are afraid they will be “nickel and dimed” with fees for phone calls. To encourage regular contact with our clients, we offer unlimited phone support throughout the year. Because we will provide ongoing access to the accounting, auditing, and business advice you need on a fixed-price basis, you will not be inhibited from seeking timely advice by fear of the meter endlessly running. We want to offer you access to the accumulated wisdom of the firm through CPAs with substantial experience who can help you achieve your financial goals.

While fees may not be the primary basis of your decision, differences in proposed fees many times are not clearly understandable. If our proposed fees are not consistent with your expectations, please let us know and we will attempt to resolve any differences to your satisfaction.

Our proposed all-inclusive fee for the audit of the 2018 financial statements is \$14,500.



8550 United Plaza Blvd., Ste. 1001 - Baton Rouge, LA 70809
225-922-4600 Phone - 225-922-4611 Fax - pncpa.com

A Professional Accounting Corporation

Report on the Firm's System of Quality Control

To the Partners of
Bonadio & Co., LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Bonadio & Co., LLP (the firm) applicable to engagements not subject to PCAOB inspection in effect for the year ended April 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under Single Audit Act; audits of employee benefit plans, audit performed under FDICIA, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As part of our peer review, we considered reviews by regulatory entities as communicated to the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Bonadio & Co., LLP applicable to engagements not subject to PCAOB inspection in effect for the year ended April 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Bonadio & Co., LLP has received a peer review rating of *pass*.

A handwritten signature in black ink that reads 'Postlethwaite & Netterville' in a cursive script.

Baton Rouge, Louisiana
October 30, 2017

