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JOHN J. PISECK, JR.
Chief Executive Officer

VICTORIA L. ADAMS
Operations Manager

NICOLE A. FARBER
Administrative Office Assistant

SAMANTHA F. CANARELLI
Marketing & Communications Specialist

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DR. TERRI GRATES DAY
Director

COUNTY REPERSENTATIVE

GREGORY MALTA,SR.—District 1
Herkimer County Legislator

COUNSEL

ANTHONY G. HALLAK, Esq.
Felt Evans, LLP

Special:
CHARLES MALCOLM, Esq.
SHANNON WAGNER, Esq.
Hodgson Russ, LLP

MINUTES November 25, 2025

Herkimer County Industrial Development Agency Board of Directors Meeting

The Herkimer County Industrial Development Agency held a regular meeting of the Board of Directors, on Tuesday, November 25, 2025 at 8:00 AM. The meeting was held electronically via zoom conference as well as a public meeting open for the public to attend in person. Members of the public were invited to join the meeting virtually by going to www.zoom.com or by dialing (929) 205-6099 and entering meeting ID: 875-6466-4800 and passcode: 402411. Members of the public were invited to attend the meeting in person in the Herkimer County Chamber of Commerce conference room at 420 E. German Street, Herkimer, NY 13350.

Vice Chairman Albrecht lead the Pledge of Allegiance, and called the meeting to order at 8:00 AM.

The following members were present in person and answered the roll call: Cory Albrecht, Tim Day, Ann Gaworecki, Robert Davenport, Frank Mendl, and Dr. Terri Grates Day. **Quorum Present (6)**

Members Absent: Chairman Vincent (Jim) Bono.

Agency Staff Present: John Piseck, Victoria Adams, Nicole Farber, and Samantha Canarelli.

Also Present in Person: Anthony Hallak, Felt Evans LLP., Herkimer County Legislator Anthony J. Lucenti, and Herkimer County Legislator Pete Campione.

Also Present Virtually: Chairman Vincent (Jim) Bono, Chuck Malcomb (joined at 8:49am), Hodgson Russ LLP, Shannon Wagner, Hodgson Russ LLP, Mark Gaworecki, Herkimer County Legislator, Tyler Clemons, Legislative Communications Director, and Elaine Sperbeck, Herkimer County Resident.

Mission Statement: Samantha Canarelli read the Agency's mission statement.

Minutes: The meeting minutes of the board meeting on October 28, 2025 were offered for review. **Tim Day moved, seconded by Robert Davenport to approve the minutes as presented. The motion carried with 6 ayes and 0 nayes.**

Financial Reports:

October Financial Reports: The October 2025 Financial Report, Balance Sheet, Check Register, and PILOT Report were reviewed. After discussion. **Tim Day moved, seconded by Dr. Terri**

Grates Day to approve all financial reports as presented. The motion carried with 6 ayes and 0 nayes.

Marketing Update: Samantha Canarelli delivered a comprehensive marketing update highlighting strong progress across several key initiatives. Social media channels are being consistently refreshed to drive engagement and expand the Agency's visibility, resulting in increased activity across all platforms from September to October. The Agency is also exploring the addition of a dedicated properties page and a commercial real estate page to its website to further support organizational growth. In addition, Samantha continues to expand her expertise through ongoing professional development and workshops, ensuring the Agency and its properties are effectively positioned and marketed to their fullest potential. Lastly, the agency has reached out to Mike Wolf of American Pickers to invite him to serve as a guest speaker at the Brownfield event in April. **This item was for discussion only.**

Microenterprise Grant: Victoria Adams provided an update on the Herkimer County Microenterprise Grant program. Since the last meeting, funds have been received and disbursed to Melfe's and Avot. A second drawdown for Melfe's is underway, with the Agency working to obtain the necessary proof-of-payment documentation before submitting the request. A second draw request for Sureprint is also in progress. Upon completion of these requests, both businesses will have fulfilled their grant requirements. The Agency continues to work with Timeless Salon to obtain the remaining provisional payment documentation. Tax returns for 2024 have been received and align with previous years. The Agency will maintain follow-up to ensure all required documentation is secured and that funds are used appropriately. **This item was for discussion only.**

Federal Uniform Grant Guidance Policy: The board was presented with an authorizing resolution prior to the meeting. Upon review and discussion, **Tim Day made the following motion;**

> **RESOLUTION APPROVING AMENDMENTS TO THE FEDERAL UNIFORM GRANT GUIDANCE POLICY OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY.**

Seconded by Robert Davenport, the motion carried with 6 ayes and 0 nayes. The official resolution is attached to the original minutes. *Resolution No.: 112525-01*

Local Gas LLC Lender Financing: The board was presented with an authorizing resolution prior to the meeting. Upon review and discussion, **Dr. Terri Grates Day made the following motion;**

> **RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH CERTAIN PROJECTS UNDERTAKEN FOR THE BENEFIT OF LOCAL GAS, LLC.**

Seconded by Frank Mendl, the motion carried with 5 ayes, 0 nayes and 1 recusal. The official resolution is attached to the original minutes. *Resolution No.: 112525-02*

HPK Industries Lender Financing Resolution: The board was presented with an authorizing resolution prior to the meeting. Upon review and discussion, **Robert Davenport made the following motion;**

> **RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE AND RELATED DOCUMENTS IN**

CONNECTION WITH CERTAIN PROJECTS UNDERTAKEN FOR THE BENEFIT OF HPK HOLDINGS, LLC.

Seconded by Tim Day, the motion carried with 6 ayes and 0 nayes. The official resolution is attached to the original minutes. *Resolution No.: 112525-03*

Aldrich Trucking Lender Financing Resolution: The board was presented with an authorizing resolution prior to the meeting. Upon review and discussion, **Tim Day made the following motion;**

RESOLUTION AUTHORIZING THE AGENCY TO CONSENT TO THE ASSIGNMENT OF A LEASE-LEASEBACK TRANSACTION FROM THE COMPANY TO BLACK GOLD ESTATES LLC AUTHORIZING THE EXECUTION BY THE AGENCY OF CERTAIN MORTGAGE RELATED DOCUMENTS IN CONNECTION WITH CERTAIN PROJECTS FOR REAL PROPERTY SITUATE IN TOWN OF SCHUYLER, COUNTY OF HERKIMER KNOWN AS 142 USYK DRIVE, SCHUYLER, NEW YORK 13440.

Seconded by Dr. Grates Day, the motion carried with 5 ayes, 0 nayes and 1 recusal. The official resolution is attached to the original minutes. *Resolution No.: 112525-04*

Herkimer Solar Lender Financing Resolution: The board was presented with an authorizing resolution prior to the meeting. Upon review and discussion, **Tim Day made the following motion;**

RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN DOCUMENTS IN CONNECTION WITH FINANCING IN CONNECTION WITH THE HERKIMER SOLAR, LLC PROJECT.

Seconded by Robert Davenport, the motion carried with 6 ayes and 0 nayes. The official resolution is attached to the original minutes. *Resolution No.: 112525-05*

HCCC Solar Lender Financing Resolution: The board was presented with an authorizing resolution prior to the meeting. Upon review and discussion, **Tim Day made the following motion;**

RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF CERTAIN DOCUMENTS IN CONNECTION WITH FINANCING IN CONNECTION WITH THE HCCC SOLAR, LLC PROJECT.

Seconded by Robert Davenport, the motion carried with 6 ayes and 0 nayes. The official resolution is attached to the original minutes. *Resolution No.: 112525-06*

EPR Water Final Authorizing Resolution: The Final Authorization Resolution was removed from the agenda due to pending documentation that had not yet been received. Anthony Hallak of Felt Evans LLP reported that the necessary materials are anticipated to be available by the second week of December. **This item was for discussion only.**

Schuyler Business Park:

- **Entrance and Water Tower:** Work on the entrance has progressed as far as possible at this stage. The lighting installation remains pending due to backordered materials, with delivery expected in March or April. Additionally, the roadway was found to be out of specification

following measurements conducted by the Department of Transportation. Required corrective work will be scheduled for next spring. A meeting was requested with the Water Authority, but it was not added to their board agenda, in part due to the upcoming retirement of their executive director. Recent bids for a glass-lined tank exceeded the available budget, and no additional funding is currently available to pursue that option. As an alternative, the Agency met with the Water Authority to discuss the feasibility of a steel tank, which is expected to fall within budget. Discussions are ongoing, and a meeting will be scheduled. All interested parties will be welcome to attend. **This item was for discussion only.**

- **Stark Development:** The Agency met with the Town of Schuyler a few weeks ago to review project progress. Several questions remain outstanding for the developer and engineer, but overall, Utica Roof Pros has expressed a desire to move forward. An application is expected to be ready for consideration by the next meeting. The Agency is currently awaiting additional details from the attorneys to advance the process. **This item was for discussion only.**

Four Corners: Following the last meeting, Felt Evans LLP issued a letter to the attorney representing the company who submitted a purchase and sale agreement to the Agency without the required deposit. No response has been received to date. As a result, the property remains available, and the Agency has already fielded several inquiries. The Agency is currently assessing various options to determine the most beneficial course of action moving forward. **This item was for discussion only.**

Manheim Business Park: The Agency has engaged in preliminary discussions with a prospective developer expressing interest in purchasing the park. At this time, further details will be reserved for discussion in executive session. **This item was moved to executive session for further discussion.**

Bills School Public Hearing Resolution: The Board was presented with an authorizing resolution to approve the scheduling of a public hearing. Following review and discussion, **Dr. Grates Day made the following motion;**

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF HERKIMER LOCAL DEVELOPMENT CORPORATION.

Seconded by Robert Davenport, the motion carried with 6 ayes and 0 nayes. The official resolution is attached to the original minutes. *Resolution No.: 112525-07*

Member voting requested via roll call as follows:

Cory Albrecht	VOTING	Yes
Tim Day	VOTING	Yes
Ann Gaworecki	VOTING	Yes
Vincent James Bono	VOTING	Absent

Frank Mendl	VOTING	Yes
Dr. Terri Grates Day	VOTING	Yes
Robert Davenport	VOTING	Yes

The motion carried with 6 ayes and 0 nayes.

Strategic Plan (Handout): Action on this item was deferred and will be taken up at the next Board meeting. **This item was for discussion only.**

Economic Impact Study for Remington Arms: Following extensive discussions, the Agency expressed its interest in sponsoring an economic study for the site. The study would outline anticipated benefits at full buildout, including projected sales and property tax revenues, as well as construction and deconstruction impacts. The Agency received a proposal from Windsor Turner and intends to utilize an existing grant to fund the work. Support and approval from the Board are being requested to move forward. **Tim Day moved, seconded by Frank Mendl to approve the Economic Impact Study in the amount of $17,500. The motion carried with 6 ayes and 0 nayes.** *Resolution No.: 112525-08*

Water Transmission Line: **This item was moved to executive session for further discussion.**

Chamber of Commerce Sponsorship: **Tim Day moved, seconded by Robert Davenport to support and approve Sponsorship in the amount of $5,000. The motion carried with 6 ayes and 0 nayes.** *Resolution No.: 112525-09*

Comments Welcome from Elected Officials, Herkimer County Legislator Pete Campione commended the Agency's progress and encouraged continued efforts.

Project Updates:

- NYS EDC Policy Forum – November 12th & 13th @ Turning Stone Casino
- Fast NY
- Southern Tier Developers Summit – November 18th @ Binghamton
- ABO Training – Victoria Adams and John Piseck completed November 19th
- SHPO Remington Arms
- Community Holdings
- Village of Herkimer BOA – Designation Package
- Feldmeier Equipment
- Board Member Bios
- Herkimer DRI Small Projects Fund
- Quackenbush

Tim Day moved, seconded by Dr. Terri Grates Day to enter into executive session at 8:47am to discuss matters of potential litigation. All board members, John Piseck, Victoria Adams, Nicole Farber, Samantha Canarelli, Anthony J. Lucenti, Pete Campione. Chairman Vincent (Jim) Bono, Mark Gaworecki, and Shannon Wagner were invited to stay virtually.

****

Cory Albrecht and Anthony Hallak excused themselves 8:47am.

Chuck Malcomb joined the meeting at 8:49am virtually.

Cory Albrecht and Anthony Hallak returned at 9:01am.

Dr. Terri Grates Day moved, seconded by Robert Davenport to end executive session at 9:30am. The motion carried with 6 ayes and 0 nayes.

Heritage Technical Services (handout): An invoice has been submitted for engineering services related to the water transmission line litigation. The Agency previously remitted a retainer payment of $4,900.00 to the service provider. The Agency is requesting authorization to approve an additional payment of $6,892.50 to cover the outstanding balance for the services rendered. **Tim Day moved, seconded by Robert Davenport to approve payment not to exceed $11,792.50. The motion carried with 6 ayes and 0 nayes.** *Resolution No.: 112525-11*

Manheim Business Park Resolution: The board was presented with an authorizing resolution for sale of land. Upon review and discussion, **Robert Davenport made the following motion;**

> **RESOLUTION AUTHORIZING THE SALE OF LAND LOCATED IN THE TOWN OF MANHEIM, HERKIMER COUNTY, NEW YORK AND THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF CERTAIN DOCUMENTS IN CONNECTION WITH SUCH SALE.**

Seconded by Frank Mendl, the motion carried with 6 ayes and 0 nayes. The official resolution is attached to the original minutes. *Resolution No.: 112525-10*

Bills School Sale Price: John Piseck has requested to make a motion to approve the sales price for Bills School in the amount of $150,000.00. **Frank Mendl moved, seconded by Dr. Terri Grates Day to approve sales price. The motion carried with 6 ayes and 0 nayes.** *Resolution No.: 112525-12*

Being no other business, Tim Day moved, seconded by Dr. Terri Grates Day to adjourn at 9:33 AM. The motion carried with 6 ayes and 0 nayes.

Respectfully Submitted,

Nicole Farber
Administrative Assistant

HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
RESOLUTION REGARDING FEDERAL UNIFORM GRANT GUIDANCE POLICY

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, Suite 101A in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Ann Gaworecki	Director
Frank Mendl	Director
Robert Davenport	Secretary
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by Tim Day, seconded by Robert Davenport, to wit:

Resolution No.: 112525-01

RESOLUTION APPROVING AMENDMENTS TO THE FEDERAL UNIFORM GRANT GUIDANCE POLICY OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, under Section 858 of the Act, the Agency has the power to make certain appointments and approve certain administrative matters; and

WHEREAS, the Agency previously adopted certain federal uniform grant guidance (the "Existing Guidelines") related to various federal grants to be applied for by the Agency; and

WHEREAS, the staff of the Agency and counsel to the Agency have conducted a review of the Existing Guidelines in connection with various an administrative and financial review submitted by the Agency to the federal Environmental Protection Agency (the "EPA") in connection with proposed grant funding to be applied for by the Agency (collectively, the "Review"); and

WHEREAS, in connection with such Review, the staff of the Agency and counsel to the Agency proposed certain amendments to the Existing Guidelines (collectively, the "Proposed Amendments"), which Proposed Amendments are attached hereto as Schedule A, and which have been presented to the members of the Agency and reviewed by the members of the Agency at this meeting; and

WHEREAS, as provided in the Agency's Governance Committee Charter, the members of the Governance Committee have reviewed the Proposed Amendments and made certain recommendations to the full board regarding adopting the Proposed Amendments; and

WHEREAS, the members of the Agency desire to approve and adopt the Proposed Amendments; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. All action taken by the staff, counsel, and/or the members of the Governance Committee and the Agency with respect to the Review and the Proposed Amendments is hereby ratified and confirmed.

Section 2. The Agency hereby approves the Proposed Amendments, presented and reviewed by the members of the Agency, a copy of which is attached hereto as Schedule A.

Section 3. The Agency hereby authorizes and directs the Chairman, Vice Chairman, Chief Executive Officer and counsel to the Agency to take all steps necessary to implement the Proposed Amendments.

Section 4. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Ann Gaworecki	VOTING	YES
Frank Mendl	VOTING	YES
Robert Davenport	VOTING	YES
Dr. Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.



Victoria Adams, Assistant Secretary

(SEAL)

SCHEDULE A

PROPOSED AMENDMENTS TO
FEDERAL UNIFORM GRANT GUIDANCE POLICY

- SEE ATTACHED -

HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
FEDERAL UNIFORM GRANT GUIDANCE

Table of Contents

Statement	2
Definitions	3
Acronyms	4
Appendix A – Financial Standards	5
Appendix B - Allowability of Cost	8
Appendix C – Cash Management	14
Appendix D - Standards of Conduct	16
Appendix E – Eligibility	18
Appendix F – Equipment and Real Property Management	18
Appendix G – Matching, Level of Effort and Earmarking	20
Appendix H – Period of Performance	21
Appendix I – Procurement and Suspension and Debarment	21
Appendix J – Program Income	22
Appendix K – Reporting	22
Appendix L – Subrecipient Monitoring	24
Appendix M – Special Tests and Provisions	24

Statement

The Federal Uniform Grant Guidance identifies the criteria that must be met in order to properly charge costs to federally funded projects.

The Herkimer County Industrial Development Agency (Agency) shall adhere to all applicable cost principles governing the use of Federal grants and contracts. This policy addresses the importance of properly classifying costs, both direct and indirect, charged to grant funded projects and that proposed and actual expenditures are consistent with the grant agreement and all applicable Federal rules embodied in the Uniform Grant Guidance at 2 CFR 200 (UGG). Agency personnel who are responsible for administering, expending or monitoring grant funded programs should be well versed with the categories of costs that are generally allowable and unallowable.

All costs expended using Federal funds must meet the following general criteria laid forth in the UGG at 2 CFR 200, Subpart E:

- Be **necessary and reasonable** for the proper and efficient performance and administration of the grant program.
- Be **allocable** to Federal awards under the provisions of the Federal circular.
- Be authorized and not prohibited under state or local laws or regulations.
- Conform to any limitations or exclusions set forth in the principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
- Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the Agency.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost and also be charged to a Federal award as an indirect cost.
- Except as otherwise provided for in the Federal circular, be determined in accordance with generally accepted accounting principles and not included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period.
- Be net of all applicable credits.
- Be adequately documented.

The cost guidelines of the UGG must be considered any time Federal award funds are to be expended. The Agency may apply Federal UGG requirements to non-Federal projects.

Federal regulations also require that any other Agency policies related to specific types of expenditures must also be followed. Examples include travel, meals, procurement or equipment accountability.

Direct and indirect costs

Allowable and allocable costs must be appropriately classified as direct or indirect. In general, direct costs are those that can be identified specifically with a particular cost objective while indirect costs are those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the

results achieved. It is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost.

If an indirect cost rate is going to be utilized for charging indirect rates, the rate must first be approved by the applicable approving authority or not exceed the de minimis level of 10%. In general, however, indirect costs will be borne by the Agency and not allocated to the grant.

Cost transfers

Any costs charged to a Federal award that do not meet the allowable cost criteria must be removed from the award account and charged to an account that does not require adherence to Federal UGG or other applicable guidelines. Cost transfers must be performed in accordance with the Agency's policy and will be approved by the Chief Executive Officer as a transfer.

Failure to adequately follow this policy and related procedures could result in questioned costs, audit findings, potential repayment of disallowed costs and discontinuance of funding. Grant Coordinators, agency personnel and any other individuals responsible for expending grant funds are held responsible for compliance with UGG.

Responsibilities

The Chief Executive Officer and the Chief Financial Officer are responsible for creating purchasing documents and encumbering grant funds at the request of the Grant Coordinator. They should be familiar with the general cost principals embodied in the Federal UGG. The Chief Executive Officer or Chief Financial Officer must notify the Grant Coordinator when they recognize a request as an unallowable cost and will reject the requisition.

The Grant Coordinator must ensure that any costs charged to their award are aligned with applicable cost principles, are computed correctly, and would not create a compliance violation. The Grant Coordinator should collect, maintain and where applicable, submit copies of adequate documentation to support the expenditures. The Grant Coordinator will monitor, review and approve (or disapprove) grant expenditures at the program office level as the first level of "Approver" for non-personnel expenditures to ensure that applicable cost principles, regulations and policies are followed.

Definitions

Direct costs are expenses that are specifically associated with a particular grant program that can be directly assigned to such activities relatively easily with a high degree of accuracy. Common examples of direct costs include the Grant Coordinator's salary and fringe benefits, equipment and supplies for the program, subcontracted service provider, or other materials consumed or expended in the performance of the grant.

Indirect costs are incurred for common or joint objectives and, therefore, cannot be readily and specifically identified with a particular program. They are expenses that benefit more than one grant. Common examples of indirect costs include utilities, local telephone charges, shared office supplies, administrative or secretarial salaries.

Acronyms

ACH	Automated Clearing House
CFDA	Catalog of Federal Domestic Assistance
CFR	Code of Federal Regulations
DoED (ED)	US Department of Education
EDGAR	Education Department General Administrative Regulations
EPLS	Excluded Parties List System
ESEA	Elementary and Secondary Education Act
FERPA	Family Educational Rights and Privacy Act
FMV	Full Market Value
G5	The US DoED Grant Management System
GAN	Grant Award Notice
GAAP	Generally Accepted Accounting Principles
GSA	General Services Administration
LEP	Limited English Proficiency
MORIC	Mohawk Regional Information Center
MWBE	Minority and Women Owned Business Enterprise
NY GML	New York General Municipal Law
NYSED	New York State Education Department
OMB	Office of Management and Budget
PCEN	Pupils with Compensatory Educational Needs
SAM	System for Award Management
UGG	Uniform Grant Guidance
WAWF	Wide Area Work Flow

Appendix A – Financial Standards

The Agency maintains a proper financial management system in order to receive both direct and state-administered grants and to expend funds associated with a grant award. Fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in return of funds or termination of the award.

A. Financial Management Standards

Financial management systems standards include:

Identification

The Agency shall identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and, if applicable, name of the pass-through entity.

Financial Reporting

Accurate, current, and complete disclosure of the financial results of each Federal award or program must be made in accordance with the financial reporting requirements set forth in the grant award document. The Agency must maintain records which adequately identify the source and application of funds provided for Federally-assisted activities. These records must contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation. Reports will be filed in a timely fashion on the forms directed by the state or Federal agency.

Internal Controls

Effective control and accountability must be maintained for all funds, real and personal property, and other assets. The Agency shall safeguard all such property and must assure that it is used solely for authorized purposes. The Agency maintains an internal controls procedures manual which shall be followed to implement these activities. The Agency's Chief Financial Officer shall, from time to time, assess the effectiveness of these controls across all risk areas and shall include the controls of Federal grants and programs as part of this regular review.

B. Overview of the Financial Management/Accounting System

The Agency maintains an accounting system for financial management. All budgets are loaded into the system before the beginning of the fiscal year, and transfers within accounts are authorized by the board of directors. The Agency Chief Financial Officer is responsible for overseeing the entire system and its functional integration. Federal funds are named in such a fashion to permit a clear delineation of the accounting for subsequent identification by CFDA title and number. Plain English names, including contract numbers if applicable, are used to track grants and targeted Federal funds.

The Chief Executive Officer, in conjunction with the Chief Financial Officer and the Grant Coordinator, shall compile or cause to be compiled timely, accurate financial reports. Monthly grant reports shall include current and cumulative expenditures against project budget, with unencumbered amounts remaining identified

C. Budgeting

The Planning Phase: Meetings and Discussions

Before Receiving the Grant Award Notice (GAN). Upon notification of the availability of a grant, the Chief Executive Officer shall make an initial determination whether the Agency meets the minimum qualifications for the grant; whether this grant, if awarded, supplements and does not supplant any existing efforts in this area; and whether the grant is in concert with the Agency's objectives. If the Chief Executive Officer determines that it is in the Agency's best interests to apply for a specific grant, he/she shall convene a small working group to develop a grant proposal meeting the objectives of the Agency and the awarding agency. In the event of grants continuing on a forward funded basis, the Chief Executive Officer shall develop a preliminary guide for the upcoming budget. Prior to filing the grant application for new awards, the Chief Executive Officer shall present the general grant concept to the Board of Directors and receive its approval on filing for the grant.

Reviewing and Approving the Budget: The budget is developed by the Chief Executive Officer and the Chief Financial Officer once an amount is determined. The final approval of the grant budget normally resides with the awarding agency. Instructions and timelines for approval shall be followed in submitting the budget to the awarding agency. The Chief Executive Officer, in conjunction with the Chief Financial Officer, shall review the items in the budget to ensure allowability. See Appendix B for a discussion on allowability of costs. If this review determines that a cost is not allowable, then it shall be eliminated from the budget and the Grant Coordinator shall be notified of this action. Once the Agency Office determines that all budgeted items are allowable, the budget is approved by the Chief Executive Officer and forwarded to the awarding agency for its approval. Simultaneously, the grant application and the budget is submitted to the Chief Financial Officer.

After Receiving the GAN. Upon receipt of notice that a new grant will be awarded, the Chief Executive Officer will prepare plans for implementation. In the case of continuation of forward funded grants, the Grant Coordinator will coordinate the budget with the Chief Executive Officer and Chief Financial Officer to ensure proper accounting for the expenditures.

Amending the Budget

The Grant Coordinator or Chief Financial Officer, as appropriate, shall prepare necessary documentation to amend any grants awarded. These amendments shall consider available carryover and shall comply with amendment provisions received in the Grant Award Notice. The Chief Executive Officer or Chief Financial Officer shall approve the amendments. If necessary, amendments shall be forwarded to and approved by the awarding agency.

Budget Control

On a monthly basis the Chief Financial Officer will provide the Chief Executive Officer with a report of expenditures incurred during the month. This shall be incorporated into the monthly Chief Financial Officer's report for all Agency funds.

D. Accounting Records

Payroll and purchasing records for each grant, as well as application records, shall be maintained for a period of six years after the final receipts are made and the final bills are paid.

E. Spending Grant Funds

The Chief Financial Officer shall oversee the accounting functions for all grants. Payroll operations will make allowable payments for personnel services. No employees shall be paid unless approved by the Chief Executive Officer. Purchasing operations shall be in accordance with the Agency Purchasing policy. Requisitions shall originate at the user level and be approved by the Grant Coordinator, or Chief Executive Officer before execution as a Purchase Order. Only the Chief Executive Officer may commit the funds to a purchase.

Appendix B - Allowability of Cost

Expenditures must be aligned with approved budgeted items. Any changes or variations from the state or federally approved budget and grant application need prior approval from the state or Federal government. For grants originating directly from the Federal government, changes will be submitted in a format approved by the awarding agency.

When determining how the Agency will spend its grant funds, the Chief Executive Officer will review the proposed cost to determine whether it is an allowable use of Federal grant funds *before* obligating and spending those funds on the proposed good or service. All costs supported by Federal funds must meet the standards in the bulleted list below. Agency personnel must consider these factors when making an allowability determination.

- **Be Necessary and Reasonable for the performance of the Federal award.** Agency staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the Agency or the proper and efficient performance of the Federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; Federal, state and other laws and regulations; and terms and conditions of the Federal award.
- Market prices for comparable goods or services for the geographic area.
- Restrictions regarding product origin (e.g., "Buy American" requirements)
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the Agency, its employees, the public at large, and the Federal government.
- Whether the Agency significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the Federal award's cost. 2 C.F.R. §200.404

While 2 C.F.R. §200.404 does not provide specific descriptions of what satisfies the "necessary" element beyond its inclusion in the reasonableness analysis above, necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the Agency can demonstrate that the cost addresses an existing need, and can prove it.

When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant program.
- Whether the cost is identified in the approved budget or application.
- Whether there is a benefit associated with the cost.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.

- Whether the cost addresses program goals and objectives and is based on program data.

Allocable to the Federal award. A cost is allocable to the Federal award if the goods or services involved are chargeable or assignable to the Federal award in accordance with the relative benefit received. This means that the Federal grant program derived a benefit in proportion to the funds charged to the program. 2 C.F.R. §200.405. For example, if 50% of an employee's salary is paid with grant funds, then that employee must spend at least 50% of his or her time on the grant program. This will be documented in order to demonstrate the allocability determination.

- **Consistent with policies and procedures that apply uniformly to both Federally financed and other activities of the Agency.**

- **Conform to any limitations or exclusions set forth as cost principles in the terms and conditions of the Federal award.**

- **Consistent treatment**. A cost cannot be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.

- **Adequately documented**. All expenditures must be properly documented.

- **Be determined in accordance with general accepted accounting principles (GAAP), unless provided otherwise in the condition of the Federal award.**

- **Not included as a match or cost-share, unless the specific Federal program authorizes Federal costs to be treated as such**. Some Federal program statutes require the non-Federal entity to contribute a certain amount of non-Federal resources to be eligible for the Federal program.

- **Be the net of all applicable credits**. The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the Federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the Agency relate to the Federal award, they shall be credited to the Federal award, either as a cost reduction or a cash refund, as appropriate. 2 C.F.R. §200.406. Non-cash credits (reward programs based on points, miles, etc.) shall not be considered credits and shall not be accrued to the Federal award.

As provided above, in addition to Federal guidelines, Federal rules require state- and Agency-level requirements and policies regarding expenditures be followed as well. Policies relating to local expenditures are listed as Related Policy above.

Selected Items of Cost

Part 200 examines the allowability of 55 specific cost items (commonly referred to as Selected Items of Cost) at 2 C.F.R. §§ 200.420-200.475. These cost items are listed in the chart below along with the citation where it is discussed whether the item is allowable. Do not assume that an item is allowable because it is specifically listed in the regulation as it may be unallowable in a specific award despite its inclusion in the selected items of cost section. The expenditure may be unallowable for a number of

reasons, including: the express language of the regulation states the item is unallowable; the terms and conditions of the grant deem the item unallowable; or State/local restrictions dictate that the item is unallowable. The item may also be unallowable because it does not meet one of the cost principles, such as being reasonable because it is considered too expensive. If an item is unallowable for any of these reasons, Federal funds cannot be used to purchase it.

Agency personnel responsible for spending Federal grant funds and for determining allowability must be familiar with the Part 200 selected items of cost section. The Agency must follow these rules when charging these specific expenditures to a Federal grant. When applicable, Agency staff must check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, program-specific rules may deem a cost as unallowable and Agency personnel must follow those non-Federal rules as well.

The selected item of cost addressed in Part 200 includes the following (in alphabetical order):

Item of Cost	**Citation of Allowability Rule**
Advertising and public relations costs	Allowable with restrictions
Advisory councils	Allowable with restrictions
Alcoholic beverages	Not allowable
Alumni/ae activities	Not specifically addressed
Audit services	Allowable with restrictions
Bad debts	Not allowable
Bonding costs	Allowable with restrictions
Collection of improper payments	Allowable
Commencement and convocation costs	Not specifically addressed
Compensation – personal services	Allowable with restrictions
Compensation – fringe benefits	Allowable with restrictions
Conferences	Allowable with restrictions
Contingency provisions	Not allowable with exceptions
Contributions and donations	Not allowable
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	Allowable with restrictions
Depreciation	Allowable with qualifications
Employee health and welfare costs	Allowable with restrictions
Entertainment costs	Not allowable with exceptions
Equipment and other capital expenditures	Based on specific requirements
Exchange rates	Allowable with restrictions
Fines, penalties, damages and other settlements	Not allowable with exception
Fund raising and investment management costs	Not allowable with exception
Gains and losses on disposition of depreciable assets	Allowable with restrictions
General costs of government	Not allowable with exceptions

Goods and services for personal use	Not allowable
Idle facilities and idle capacity	Idle facilities – not allowable with exceptions; idle capacity – allowable with restrictions
Insurance and indemnification	Allowable with restrictions
Intellectual property	Allowable with restrictions
Interest	Allowable with restrictions
Lobbying	Not allowable
Losses on other awards or contracts	Not allowable
Maintenance and repair costs	Allowable with restrictions
Materials and supplies costs, including costs of computing devices	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	Allowable with restrictions, not allowable for lobbying organizations
Organization costs	Not allowable except Federal prior approval
Participant support costs	Allowable with prior approval of the Federal awarding agency
Plant and security costs	Allowable
Pre-award costs	Allowable with restrictions
Professional services costs	Allowable with restrictions
Proposal costs	Allowable with restrictions
Publication and printing costs	Allowable with restrictions
Rearrangement and reconversion costs	Allowable (ordinary and normal)
Recruiting costs	Allowable with restrictions
Relocation costs of employees	Allowable with restrictions
Rental costs of real property and equipment	Allowable with restrictions
Scholarships and student aid costs	Not addressed; refer to Federal agency awarding grant
Selling and marketing costs	Not allowable with exceptions
Specialized service facilities	Allowable with restrictions
Student activity costs	Not allowable unless specifically provided for in the Federal award
Taxes (including Value Added Tax)	Allowable with restrictions
Termination costs	Allowable with restrictions
Training and education costs	Allowable for employee development
Transportation costs	Allowable with restrictions
Travel costs	Allowable with restrictions
Trustees	Not specifically addressed, refer to Federal agency awarding agency

Likewise, it is possible for the State and/or Agency to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be allowable. Accordingly, employees must consult Federal, State and Agency requirements when spending Federal

funds. In general, Agency travel and procurement policy complies with state and Federal requirements. Compliance with Agency policy meets the intent of the uniform guidance.

In order for a cost to be allowable, the expenditure must also be allowable under the applicable program statute, along with accompanying program regulations, non-regulatory guidance and grant award notifications.

The state and/or Agency rules related to some specific cost items are discussed below. All purchases of goods and services must be accomplished through the Chief Executive Officer, with the Chief Financial Officer acting to commit the funds. The Chief Executive Officer shall coordinate personnel services procured through Federal awards, including both assignment of personnel costs to the grant and procurement of personnel services from an outsides source. Agency employees must be aware of these State and Agency rules and ensure they are complying with these requirements.

Time and Effort Standards

All employees who are paid in full or in part with Federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with Agency funds but is used to meet a required "match" in a Federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to Federal grants.

Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
- Encompass both Federally assisted and all other activities compensated by the Agency on an integrated basis;
- Comply with the established accounting policies and practices of the Agency and Support the distribution of the employee's salary or wages among specific activities or costs objectives.
- Be certified by the supervisor to assure that the work was in compliance with the grant or award intent.

Time and Effort Procedures

The Agency's time and attendance accounting procedures are based on accounting for time "lost." Specifically, the Agency requires that all time away from work be reported, while time on the job is generally considered as having been accomplished without providing documentation to that effect. Individuals compensated by Federal grant or award must account for the time on the job, and the portion of time spent on Federally related work, separately in order to properly meet the time and effort requirements. These records will be filed with the applicable grant to substantiate the use of time.

Helpful Questions for Determining Whether a Cost is Allowable

In addition to the cost principles and standards described above, Agency Staff can refer to this section for a useful framework when performing an allowability analysis. In order to determine whether Federal funds may be used to purchase a specific cost, it is helpful to ask the following questions:

- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved program plan and budget?
- Is the proposed cost consistent with program specific fiscal rules?
  - For example, the Agency may be required to use Federal funds only to supplement the amount of funds available from non-Federal (and possibly other Federal) sources.
- Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

As a practical matter, the Staff should also consider whether the proposed cost is consistent with the underlying needs of the program and the approved Agency goals and strategy. For example, program funds must benefit the appropriate population of students for which they are allocated. Funds should be targeted to address areas of weakness, as necessary. To make this determination, the Chief Executive Officer should review data when making purchases to ensure that Federal funds to meet these areas of concern.

Appendix C – Cash Management

The Agency will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the Agency. If the Agency receives an advance in Federal grant funds, the Agency will remit interest earned on the advanced payment quarterly to the Federal agency consistent with 2 C.F.R. § 200.305(b)(9).

When calculating the interest earned on grant funds, regardless of the date of obligation, interest is calculated from the date that the Federal funds are drawn down until the date on which those funds are disbursed by the Agency.

Interest would not accrue if the Agency uses non-Federal funds to pay the vendor and/or employees

prior to the funds being drawn down from system, commonly known as a reimbursement.

Payment Methods

Reimbursements: The Agency will initially charge Federal grant expenditures to non-Federal funds.

The Chief Executive Officer will request reimbursement for actual expenditures incurred under the Federal grants at least semi-annually, and more frequently if dictated by the awarding agency. Requests for reimbursement will be filed with the Grants Finance Unit, depending on the source of the grant. The reimbursement method will dictate the required forms to substantiate the claim. All reimbursements shall be based on actual disbursements, not on obligations.

Consistent with state and Federal requirements, the Agency will maintain source documentation supporting the Federal expenditures (invoices, time sheets, payroll stubs, etc.) for a period of six years after the grant is closed and the final funds are received and will make such documentation available for review by the granting agency upon request.

Reimbursements of actual expenditures do not require interest calculations.

Advances: To the extent the Agency receives advance payments of Federal grant funds, the Agency will strive to expend the Federal funds on allowable expenditures as expeditiously as possible. Specifically, the Agency attempts to expend all drawn downs of Federal funds within 72 hours of receipt. The Agency will hold Federal advance payments in interest-bearing accounts, unless an allowable exception applies. The Agency will begin to calculate interest earned on cash balances once funds are deposited into the Agency's account.

Interest on advances will be calculated based on interest received daily and shall be apportioned to the Federal funds in the account in direct proportion to the overall amount in the account. Total Federal grant cash balances will be calculated on cash balances per grant and applying the Agency's actual interest rate. The Agency will remit interest earned on grant funds annually to the U.S. Department of Health and Human Services Payment Management System (regardless of the Federal awarding agency for the grant) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. The Agency may retain up to $500 of interest earned per year. To the maximum extent possible, use of advance payments shall be avoided. Reimbursements are the preferred means of utilizing Federal grants.

Carryover

State-Administered Grants: The Agency may be able to "carryover" any funds left over at the end of the initial 15 month period into the next year. These leftover funds are typically referred to as carryover funds and continue to be available for obligation for an additional 12 months. 34 C.F.R. § 76.709. Accordingly, the Agency may have multiple years of grant funds available under the same program at the same time. The Chief Financial Officer will track the expenditures and encumbrances and will determine the amount of available funding for carryover. The Chief Executive Officer will be kept aware of this amount and will adjust the expenditures to reflect this factor. The carryover will be reported in the monthly fiscal reports submitted to the Chief Executive Officer.

Direct Grants: Direct grants are not normally subject to carryover provisions. However, under 2 C.F.R. § 200.308, direct grantees enjoy unique authority to expand the period of availability of Federal funds. The Agency is authorized to extend a direct grant automatically for one 12-month period. Prior approval is not required in these circumstances; however, in order to obtain this extension, the Agency must provide written notice to the Federal awarding agency at least 10 calendar days before the end of the period of performance specified in the award. This one-time extension may not be exercised merely for the purpose of using unobligated balances. The Chief Executive Officer will coordinate the notice to the awarding agency and monitor the progress in obtaining the extension.

The Agency will seek prior approval from the Federal agency when the extension will not be contrary to Federal statute, regulation or grant conditions and:

- The terms and conditions of the Federal award prohibit the extension;
- The extension requires additional Federal funds; or
- The extension involves any change in the approved objectives or scope of the project. 2 C.F.R. § 200.308(d)(2).

Appendix D - Standards of Conduct

Conflicts of Interest

In accordance with 2 C.F.R. §200.112, NY GML §§ 806 and 808, the Agency maintains a code of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of the Agency may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. Any gift having a value of $75 or more, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him or her in the performance of his or her official duties or was intended as a reward for any official action on his or her part shall not be accepted. However, the Board welcomes and encourages the writing of letters or notes expressing gratitude or appreciation to staff members. Gifts from children that are principally sentimental in nature, and of significant financial value, may be accepted in the spirit in which they are given.

"Officer or Employee" means an officer or employee of the Agency, whether paid or unpaid,

including members of the Board and their appointed professional or nonprofessional staff.

"Interest" means an officer or employee shall be deemed to have an interest in the contract of (a) his spouse, minor children and dependents, except a contract of employment with the municipality which such officer or employee serves, (b) a firm, partnership or association of which such officer or employee is a member or employee, (c) a corporation of which such officer or employee is an officer, director, or employee and (d) a corporation any stock of which is owned or controlled directly or indirectly by such officer or employee."

Any employee, officer, or member of the public noting or suspecting a violation of this policy is encouraged to bring the matter to the Board or the Chief Executive Officer. Matters of this nature shall be held in confidence to the maximum extent possible pending a thorough investigation of the allegations of impropriety. Knowing or willful violation of this policy by any employee or member of the Board may result in disciplinary action up to and including dismissal.

In addition to any penalty contained in any other provision of law, any person who shall knowingly and intentionally violate any of the provisions of the Board's code of ethics and its accompanying regulation may be fined, suspended, or removed from office or employment, as the case may be, in the manner provided by law.

Any Agency officer or employee who has, will have, or later acquires an interest in any action, legislation, or proposed contract shall publicly disclose the nature and extent of such interest in writing to the Board of Directors, except that such disclosure shall not be required for any of the exceptions listed under New York General Municipal Law §802

No Agency officer or employee shall, after termination of services or employment with the Agency, appear before any board, or department, of the Agency in relation to any case in which the individual personally participated during the period of service or employment, or which was under active consideration.

No Agency officer or employee shall engage in, solicit, negotiate for, or promise to accept private employment when such interests or services create a conflict with or impairs the proper discharge of official duties. This shall include entering into contingency agreements to represent clients before the Board.

Board members shall disclose, in writing, upon assuming office, any possible conflicts of interest. This shall be entered into the minutes of the Board. At any time where a possible conflict arises, the Board member will also make such disclosure in writing. As an example, a board member married to the owner of a business, or acting as an officer in the business, with which the Agency conducts business exceeding $750 annually, must make such disclosure. The disclosure only needs to be made once unless there is a material change to the underlying factors. By making such a notice the appearance of impropriety is mitigated and the ability to influence the Agency for personal gain is in full view.

Participation of Small Businesses and Minority and Women Owned Business Enterprises

To the extent required by a certain grant or award, the Agency shall make good faith efforts to solicit and use Small Businesses, Minority Owned Firms, Women's Business Enterprises and Labor Surplus Areas when procuring construction, equipment, services and supplies for a project to be financed with the proceeds of such grant or award.

To the extent the Agency receives an award of a grant from the Environmental Protection Agency (EPA), the Agency shall submit any required MBE/WBE Utilization Form (EPA Form 5700-52a) to the EPA on an annual basis.

Appendix E – Eligibility

The main objective of this compliance requirement is that only eligible individuals or organizations participate in Federal assistance programs. The criterion for determining eligibility will vary from program to program, but the objective that only eligible individuals or organizations participate remains consistent across all Federal programs. To comply with this objective, recipients must first assure that proper eligibility determinations are made, which means that the recipient must determine the parameters and limitations to define eligibility for a specific program in accordance with the program's purpose. Eligibility for a specific award will be announced in the award notice. In making application for a grant or award, the Agency will ensure that it is qualified for all eligibility criteria and shall maintain evidence of the qualification for the duration of the award period and the required records holding period.

Appendix F – Equipment and Real Property Management

Equipment and real property procured through any Federally funded award shall be accounted for under Agency's Procurement; Purchasing; and Depreciation Policy. The Agency shall maintain an active accounting and inventory system for all items procured through Federal grants.

A. Property Classifications

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the Agency for financial statement purposes, or $1,000. 2 C.F.R. § 200.33.

Supplies means all tangible personal property other than those described in § 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the Agency for financial statement purposes or $1,000, regardless of the length of its useful life. 2 C.F.R. § 200.94.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. 2 C.F.R. § 200.20.

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

- Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and

- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance). 2 C.F.R. § 200.12.

B. Inventory Procedure

Upon receipt any property classified above, the Shipping and Receiving Department or the Technology Department shall identify the equipment, inspect it for condition, ensure it matches the requirement stated on the purchase order, and shall apply asset control tags to the equipment/item. The item shall be entered into the inventory system in sufficient detail to provide a discrete identification of the item (nomenclature, serial numbers, model numbers, etc.) as well as the location where the equipment will ultimately be situated. Only after this is accomplished will the equipment be shipped to the final destination. Receiving reports will then be signed and forwarded to the Chief Financial Officer for processing and payment.

C. Inventory Records

For each equipment and computing device purchased with Federal funds, the following information is maintained:

- Serial number or other identification number;
- Source of funding for the property;
- Who holds title;
- Acquisition date and cost of the property;
- Percentage of Federal participation in the project costs for the Federal award under which the property was acquired;
- Location, use and condition of the property; and
- Any ultimate disposition data including the date of disposal and sale price of the property.

Upon final disposition of the property (either at the end of useful life, sale, loss, etc.) the Chief Financial Officer shall request that the Board of Directors declare the item excess to the needs of the Agency. Once this resolution is recorded in the minutes, the Chief Financial Officer may dispose of the property within the guidelines approved by the Board of Directors. Any monetary value derived from the disposal of the property shall be applied as a credit to the Federal Grant, if applicable.

D. Physical Inventory

A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

E. Maintenance

In accordance with 2 C.F.R. § 200.313(d)(4), the Agency maintains adequate maintenance procedures to ensure that property is kept in good condition. Issues arising during normal operations will be reported to the Chief Executive Officer.

F. Lost or Stolen Items

The Agency maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property. Devices are assigned to a building for use by trained personnel. Losses will be reported to the Chief Executive Officer as soon as practicable after the loss is noticed. At that time, appropriate administrative personnel will conduct an inquiry to determine the nature and cause

of the loss. If a theft is suspected, a police report will be filed. If the property is not recovered in 60 days, it can be removed from the inventory as a loss.

G. Use of Equipment

Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the Agency will not encumber the property without prior approval of the Federal awarding agency and the pass-through entity.

During the time equipment is used on the project or program for which it was acquired, the equipment will also be made available for use on other projects or programs currently or previously supported by the Federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the Federal awarding agency that financed the equipment. Second preference is given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-Federally funded programs or projects is also permissible.

When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority: (1) activities under a Federal award from the Federal awarding agency which funded the original program or project; then (2) activities under Federal awards from other Federal awarding agencies.

H. Disposal of Equipment

When it is determined that original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, the Chief Executive Officer will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of $5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the Federal awarding agency. If the item has a current FMV of more than $5,000, the Federal awarding agency is entitled to the Federal share of the current market value or sales proceeds. All final decisions to excess property are reserved to the Board of Directors.

If acquiring replacement equipment, the Agency may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property. Net cost will be applied to any accounts used to acquire equipment including a trade in.

Appendix G – Matching, Level of Effort and Earmarking

Matching, also referred to as "cost sharing", is a requirement for the recipient to provide contributions or donations of a specified amount or percentage to supplement Federal assistance received. In other words, when the recipient participates in a Federal program and an operating budget is prepared, the Federal government may require the recipient to provide contributions to cover a portion of that program's operations.

Level of effort defines particular goals or objectives the recipient must achieve with the assistance received, and includes recipient requirements for a specified level of service, specified level of expenditures for designated activities, and Federal funds to supplement and not supplant non-Federal services.

Earmarking is a requirement that specifies a limit amount or percentage of the program's assistance that must (minimum) or may (maximum) be used for specified activities. Examples of this include limits imposed on the Federal government on the amount of Federal funds to cover administrative expenses, or a percentage requirement for total program funds provided to subrecipients. Earmarking may also be specified in relation to the types of participants covered (e.g. a limit on how many participants a recipient can provide assistance to).

Individual Federal grants may have matching or level of effort requirements associated with the grant as a condition of award. The Chief Executive Officer will determine these requirements during the application/pre-award phase of the process. These requirements will be budgeted and tracked during execution of the award. The following criteria will be met when identifying matching/level of effort/earmarking of funds by the Agency:

- Must be verifiable in the Agency's accounting system
- Must not be included as the contribution to any other Federal award (no "double-dipping")
- Must be necessary and reasonable for accomplishing the program objectives
- Must be allowable under cost principles previously stated in this guidance
- Must not be paid by another Federal agency or under another Federal award
- Must be provided for in the budget approved for the award by the applicable Federal Agency.

The Chief Executive Officer will ensure that earmark requirements are fully complied with. The Chief Financial Officer will monitor this aspect and ensure that no funds are disbursed that do not meet the earmark requirements.

Appendix H – Period of Performance

The period of performance will be described in the grant award notice. All obligations must occur on or between the beginning and ending dates of the grant project. 2 C.F.R. § 200.309. This period of time is known as the period of performance. 2 C.F.R. § 200.77. The period of performance is dictated by statute. Further, certain grants have specific requirements for carryover funds that must be adhered to. The period of performance is a required data point for claiming reimbursement. The period of performance can only be changed by the awarding agency. In instances where the budget is under executed and funding will remain at the end of the performance period, the Chief Executive Officer will apply to the awarding agency for an extension of the time for performance. If granted, this extension will be listed on a modification to the grant award notice. On application for reimbursement, all information on award notice modifications must be annotated on the claim in order for it to be processed properly and in a timely fashion.

Appendix I – Procurement and Suspension and Debarment

This section covers compliance of laws and regulations when obtaining a good or services from a vendor, supplier, or provider. The Agency will comply with its established Procurement policy and its Purchasing policy in all purchases made through Federal grants or awards. The fact that the source is a

Federal grant/award does not relieve the Agency from complying with all aspects of the effective policy. The procurement requirement is established to ensure that such goods and services are obtained in an effective manner, including the prohibition of conflicts of interest, the fair selection of vendors, provide open and free competition among vendors, etc. The suspension and debarment requirement establishes that certain non-Federal entities have been prohibited from participating in or receiving Federal assistance for various reasons, including prior mismanagement of funds or previous non-compliance of laws and regulations. This prohibition may be temporary (suspension) or indefinite (debarment; until specifically allowed by the government). When performing this purchase, the Agency Chief Executive Officer must verify that the vendor, supplier, provider or their respective principals (e.g., owners, top management, etc.) are not suspended, debarred or otherwise excluded by the Federal government. This is done by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) or by contacting the Federal agency.

The Agency awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The Agency may not subcontract with or award subgrants to any person or company who is debarred or suspended.

Appendix J – Program Income

Program income is sometimes directly generated by the Federally funded program. This type of income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. However, it generally does not include interest on program funds (which is covered under "Cash Management"); nor does it cover rebates, credits, discounts, and refunds (covered under "Allowable Costs/Cost Principles"); nor proceeds from the sale of equipment or real property (covered under "Equipment and Real Property Management"). The uses or treatment of program income are either deducted by the Federal agency from the current program budget (e.g., the program income substitutes part of the original budget), added to the current program budget, or used to meet matching requirements.

Use of Program Income

The default method for the use of program income for the Agency is the deduction method. Under the deduction method, any program income is deducted from total allowable costs to determine the net allowable costs. Program income will only be used for current costs unless the Agency is otherwise directed by the Federal awarding agency or pass-through entity. The Agency may also request prior approval from the Federal awarding agency to use the addition method. Under the addition method, program income may be added to the Federal award by the Federal agency and the Agency. The program income must then be used for the purposes and under the conditions of the Federal award.

While the deduction method is the default method, the Agency always refers to the Grant Award Notice prior to determining the appropriate use of program income.

Appendix K – Reporting

This section establishes that all recipients must submit reports (whether financial, performance-related, or of special nature) to the Federal government to monitor Federal assistance activities and uses. The most common reports are pre-designed by the Federal agency, are approved by OMB, and are available to all recipients and the general public. The time deadlines for submitting them vary depending on the report, and will generally be established in the initial Grant Award Notice. Furthermore, the reporting requirements (e.g., which reports must be submitted, the timing of the submission, information in the reports, etc.) may vary from recipient to recipient, although the Federal government has established several reports that apply to all recipients. Common reports include:

- SF-270 the *Request for Advance or Reimbursement.*
- SF-425 the *Federal Financial Report.*
- FS-10 the *Proposed Budget for a Federal or State Project*
- FS-10A the *Proposed Amendment for a Federal or State Project*
- FS-25 the *Request for Funds for a Federal or State Project*

Reconciliation and Closeout Procedures

It is critical for charges to match the actual disbursement. Budget estimates or other distribution percentages determined before the services are performed or purchases made do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed. Therefore, when filing final reports, all accounting must be for actual, not budgeted accounting numbers.

Record Retention

A. Retention:

The Agency maintains all records that fully show (1) the amount of funds under the grant or subgrant; (2) how the sub-grantee uses those funds; (3) the total cost of each project; (4) the share of the total cost of each project provided from other sources; (5) other records to facilitate an effective audit; and (6) other records to show compliance with Federal program requirements. The Agency also maintains records of significant project experiences and results. These records and accounts must be retained and made available for programmatic or financial audit and will be maintained for a minimum of six years after filing the final reports, unless the New York state retention period prescribes a longer retention period.

If any litigation, claim, or audit is started before the expiration of the record retention period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

Upon reaching the end of the retention period, records will be destroyed by shredding or, in the case of electron records, deletion with overwrite on the recorded section of the medium.

B. Access to Records

The Agency provides the awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives the right of access to any documents, papers, or other records of the Agency which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the Agency's personnel for the purpose of interview and discussion related to such documents.

C. Privacy

Documents subject to Freedom of Information Law requests or Freedom of Information Act requests will be reviewed for privacy concerns and properly redacted prior to release under either law. This does not apply to properly executed subpoenas or investigations by properly documented law enforcement in the conduct of official duties.

System for Award Management

The Agency shall annually register and update its information (including executive compensation and unique entity identifier) in the System for Award Management (SAM) (https://www.sam.gov/SAM/ (DUNS - https://www.dnb.com/).

Appendix L – Subrecipient Monitoring

In the event that the Agency awards subgrants to other entities (also known as pass-through entities), the Agency shall monitor those grant subrecipients to ensure compliance with Federal, state, and local laws. Monitoring is the regular and systematic examination of all aspects associated with the administration and implementation of a program. Each program office that awards a subgrant must have its own monitoring policy. This policy must ensure that any monitoring findings are corrected. The Agency shall require that all subrecipients provide required reports and financial documents in sufficient detail to permit the Agency to make its required reports. In this manner the Agency will exercise a level of control. The Agency may also conduct site visits, regular contact, interviews, meetings and examinations of the subrecipient, as well as requiring that the subrecipient be subject to an annual single audit. The specific measures will be developed at the time the subgrant is awarded and will be followed up by the Chief Executive Officer for the Agency.

Appendix M – Special Tests and Provisions

Certain programs have unique compliance requirements—established by laws, regulations, and contract or grant agreements—that do not fit into the requirements listed above. The Chief Executive Officer must review these, normally provided in the Grant Award Notice, and ensure compliance with those requirements. The Chief Financial Officer must review the program's contract, grant agreements, referenced laws, and regulations to identify unique compliance requirements. In conjunction with the Grant Coordinator and the Chief Executive Officer, the Chief Financial Officer will develop audit objectives and audit procedures under this section to ensure full compliance.

Originally adopted December 22, 2022
Amended and re-adopted ~~April 26~~_____, ~~2022~~2025

RESOLUTION AUTHORIZING MORTGAGE
LOCAL GAS, LLC

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Robert Davenport	Secretary
Ann Gaworecki	Director
Frank Mendl	Director
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by Dr. Day, seconded by Frank Mendl, to wit:

Resolution No.: 112525-02

RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH CERTAIN PROJECTS UNDERTAKEN FOR THE BENEFIT OF LOCAL GAS, LLC.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop,

encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of civic, manufacturing, warehouse and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, pursuant to a closing on April 18, 2024, the Agency entered into a leaseback agreement dated April 1, 2024 (the "2024 Leaseback Agreement") by and between the Agency and Local Gas, LLC (the "Company"), in connection with a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately 4.727 acre parcel of land located in the Town of Schuyler, Herkimer County, New York (the "Land"), (2) the construction on, under and over the Land of a manufacturing and office facility (the "Improvements") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") in, on, around, over and under the Improvements and the Land (the Land, the Improvements and the Equipment being collectively referred to as the "Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Leaseback Agreement, the Company and the Agency executed and delivered various documents including, but not limited to, (A) a lease agreement dated April 18, 2024 (the "Company Lease") by and between the Company, as landlord, and the Agency, as tenant, a memorandum of which was recorded in the office of the Herkimer County Clerk on April 24 2024 as Instrument No. RP2024-1726, (B) a memorandum of leaseback agreement which was recorded in the office of the Herkimer County Clerk on April 24, 2024 as Instrument No. RP2024-1727, and (C) various other documents in connection therewith (collectively, the "Basic Documents"); and

WHEREAS, the Company has informed the Agency, by electronic mail dated June 2025 (the "Financing Request"), that the Company intends to obtain a loan in the principal sum of not to exceed approximately $3,500,000.00 (the "Loan") from NBT Bank, N.A. (the "Lender") which Loan will be used to finance the Project and be secured by a mortgage dated as of December _____, 2025 (the "Mortgage") from the Agency and the Company to the Lender; and

WHEREAS, in connection with the Financing, the Company would like the Agency to enter into a mortgage and any other security documents and related documents (collectively, the "Financing Documents"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Financing; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Financing in order to make a determination as to whether the Financing is subject to SEQRA, and it appears that the Financing constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Financing, the Agency hereby makes the following determinations:

(A) The Financing constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(29), and therefore that, pursuant to 6 NYCRR 617.6(a)(l)(i), the Agency has no further responsibilities under SEQRA with respect to the Financing.

(B) The Agency will not be granting any mortgage recording tax exemption relating to the Financing Request.

(C) That since compliance by the Agency with the Financing Request will not result in the Agency providing more than $100,000.00 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Financing Request.

Section 2. Subject to (A) approval of the form of the Financing Documents, by Agency counsel and (B) receipt by the Executive Director of (1) the Agency's administrative fee relating to the Financing, if any, and (2) counsel's fees relating to the Financing, the Agency hereby authorizes the execution by the Agency of the Financing Documents.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairman, Vice Chairman or the Chief Executive Officer of the Agency is hereby authorized to execute and deliver the Financing Documents to the Company, and, where appropriate, the (Assistant) Secretary of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman, Vice Chairman or the Chief Executive Officer shall approve, the execution thereof by the Chairman, Vice Chairman or the Chief Executive Officer to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such

additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee er agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Financing Documents binding upon the Agency.

Section 5. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Ann Gaworecki	VOTING	RECUSAL
Frank Mendl	VOTING	YES
Robert Davenport	VOTING	YES
Dr. Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[*Remainder of page left blank intentionally*]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.

Victoria Adams, Assistant Secretary

(SEAL)

RESOLUTION AUTHORIZING MORTGAGE
HPK HOLDINGS, LLC

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Robert Davenport	Secretary
Ann Gaworecki	Director
Frank Mendl	Director
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by Robert Davenport, seconded by Tim Day, to wit:

Resolution No.: 112525-03

RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH CERTAIN PROJECTS UNDERTAKEN FOR THE BENEFIT OF HPK HOLDINGS, LLC.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated

Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of civic, manufacturing, warehouse and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, pursuant to a closing on September 2, 2020, the Agency entered into a leaseback agreement dated September 2, 2020 (the "Leaseback Agreement") by and between the Agency and HPK Holdings, LLC (the "Company"), in connection with a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately 6.61 acre parcel of land located in the Town of Frankfort, Herkimer County, New York (the "Land"), (2) the construction on, under and over the Land of a manufacturing and office facility (the "Improvements") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") in, on, around, over and under the Improvements and the Land (the Land, the Improvements and the Equipment being collectively referred to as the "Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Leaseback Agreement, the Company and the Agency executed and delivered various documents including, but not limited to, (A) a lease agreement dated September 2, 2020 (the "Company Lease") by and between the Company, as landlord, and the Agency, as tenant, a memorandum of which was recorded in the office of the Herkimer County Clerk on September 9, 2020 as Instrument No. RP2020-3798, (B) a memorandum of leaseback agreement which was recorded in the office of the Herkimer County Clerk on September 9, 2020 as Instrument No. RP2020-3799, and (C) various other documents in connection therewith (collectively, the "Basic Documents"); and

WHEREAS, the Company has informed the Agency, by electronic mail dated November 5, 2025 (the "Financing Request"), that the Company intends to obtain a loan in the principal sum of not to exceed approximately $1,800,000.00 (the "Loan") from KeyBank, N.A. (the "Lender") which Loan will be used to refinance the Project and be secured by a mortgage dated as of December _____, 2025 (the "Mortgage") from the Agency and the Company to the Lender; and

WHEREAS, in connection with the Financing, the Company would like the Agency to enter into a mortgage and any other security documents and related documents (collectively, the "Financing Documents"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Financing; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Financing in order to make a determination as to whether the Financing is subject to SEQRA, and it appears that the Financing constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Financing, the Agency hereby makes the following determinations:

(A) The Financing constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(29), and therefore that, pursuant to 6 NYCRR 617.6(a)(l)(i), the Agency has no further responsibilities under SEQRA with respect to the Financing.

(B) The Agency will not be granting any mortgage recording tax exemption relating to the Financing Request.

(C) That since compliance by the Agency with the Financing Request will not result in the Agency providing more than $100,000.00 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Financing Request.

Section 2. Subject to (A) approval of the form of the Financing Documents, by Agency counsel and (B) receipt by the Executive Director of (1) the Agency's administrative fee relating to the Financing, if any, and (2) counsel's fees relating to the Financing, the Agency hereby authorizes the execution by the Agency of the Financing Documents.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairman, Vice Chairman or the Chief Executive Officer of the Agency is hereby authorized to execute and deliver the Financing Documents to the Company, and, where appropriate, the (Assistant) Secretary of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman, Vice Chairman or the Chief

Executive Officer shall approve, the execution thereof by the Chairman, Vice Chairman or the Chief Executive Officer to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee er agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Financing Documents binding upon the Agency.

Section 5. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Ann Gaworecki	VOTING	YES
Frank Mendl	VOTING	YES
Robert Davenport	VOTING	YES
Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[*Remainder of page left blank intentionally*]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.



Victoria Adams, Assistant Secretary

(SEAL)

RESOLUTION APPROVING ASSIGNMENT OF LEASE-LEASEBACK TRANSACTION AND MORTGAGE FINANCING

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Robert Davenport	Secretary
Ann Gaworecki	Director
Frank Mendl	Director
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

After the meeting had been duly called to order, the Vice Chairman announced that amongst the purposes of the meeting was to consider and take action on certain matters pertaining to Ryan Aldrich Trucking & Sawing, Inc. (the "Company") and the assignment of the Lease-Leaseback Agreements to their Project Facility.

The following resolution was offered by Tim Day, seconded by Dr. Day, to wit:

Resolution No.112525-04

RESOLUTION AUTHORIZING THE AGENCY TO CONSENT TO THE ASSIGNMENT OF A LEASE-LEASEBACK TRANSACTION FROM THE COMPANY TO BLACK GOLD ESTATES LLC AUTHORIZING THE EXECUTION BY THE AGENCY OF CERTAIN MORTGAGE RELATED DOCUMENTS IN CONNECTION WITH CERTAIN PROJECTS

FOR REAL PROPERTY SITUATE IN TOWN OF SCHUYLER, COUNTY OF HERKIMER KNOWN AS 142 USYK DRIVE, SCHUYLER, NEW YORK 13440.

WHEREAS, Ryan Aldrich Trucking & Sawing, Inc., on behalf of itself and/or the principals (the "Company") applied to the Herkimer County Industrial Development Agency (the "Agency") to enter into a transaction relating to the acquisition, construction and equipping of office space, trucking terminal, maintenance garage, a product storage complex and related activities on a parcel of land located at 142 Usyk Drive, Schuyler, New York 13340, Herkimer County (the "Land"), and the acquisition and installation of equipment in the Improvements, all to be used by the Company in connection with providing a complete and fully operational Facility in support of Ryan Aldrich Trucking & Sawing, Inc. (the Land, Improvements and Equipment) are referred to collectively as the "Facility" and the construction and equipping of the Improvements is referred to as (the "Project"); and

WHEREAS, in furtherance of its obligations, the Company completed construction and equipping of the Project Facility; and

WHEREAS, the Company entered into and/or executed Project documents, including without limitation, Lease Agreement dated as of September 1, 2024, Memorandum of Lease Agreement dated as of September 1, 2024, Leaseback Agreement dated as of September 1, 2024, Memorandum of Leaseback Agreement dated as of September 1, 2024, Payment in Lieu of Tax Agreement dated as of September 1, 2024, Environmental Compliance and Indemnification Agreement dated as of September 1, 2024 and Project Completion and Recapture Agreement dated as of September 1, 2024; and

WHEREAS, the Lease-Leaseback Agreement states that the agreement may not be assigned in whole or in parts without the prior written consent of the Agency; and

WHEREAS, the Agency has received a request dated November 13, 2025 to assign the Company's interest in the Project to Black Gold Estates LLC; and

WHEREAS, the Company is not entitled to receive any further financial assistance except for those rights remaining pursuant to a Payment in Lieu of Tax Agreement dated as of September 1, 2024.

WHEREAS, the Company has informed the Agency, by electronic mail dated November 13, 2025 (the "Financing Request"), that the Company intends to obtain a loan in the principal sum of not to exceed approximately $2,500,000.00 (the "Loan") from Farm Credit (the "Lender") which Loan will be used to finance the Project and be secured by a mortgage dated as of December _____, 2025 (the "Mortgage") from the Agency and the Company to the Lender; and

WHEREAS, in connection with the Financing, the Company would like the Agency to enter into a mortgage and any other security documents and related documents (collectively, the "Financing Documents"); and

NOW THEREFORE,

Section 1. The Agency hereby finds and determines:

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

(b) The acquisition, construction and equipping of the Facility has been satisfactorily completed by the Company; and

(c) Based upon representations of the Company, the Facility conforms with the local zoning laws and planning regulations of Herkimer County and all regional and local use plans for the area in which the Facility is located; and

(d) The Company has met it obligations for job creation during the construction buildout and the Project has demonstrated the economic benefits for which the Agency is authorized to promote under the Act and fulfilled its Project obligations; and

(e) The Company has entered into a transaction for the sale of the Project Facility to Black Gold Estates LLC and the subleasing back of the Facility to Ryan Aldrich Trucking & Sawing, Inc.; and

(f) Ryan Aldrich Trucking & Sawing, Inc. intends to maintain all current employees; and

(g) The assignment of the Project to Black Gold Estates LLC will not violate any of the Project documents and will fulfill the purposes of the Act.

Section 2. That the Company's request pursuant to Section 6.3 of the Lease-Leaseback is approved with the understanding:

(a) Black Gold Estates LLC assumes any and all obligations under the Project documents, including without limitation, those imposed by the Project Completion and Recapture Agreement and reporting requirements; and

(b) Black Gold Estates LLC shall execute an Environmental Compliance and Indemnification Agreement; and

(c) That Aldrich Trucking & Sawing, Inc. shall remain obligated to fulfill their job retention requirements under the Project Completion and Recapture Agreement, including job retention and reporting, and continues to retain its obligations and liabilities thereunder, in addition to, and not in lieu of Black Gold Estates LLC; and

(d) The Company and Black Gold Estates LLC will provide such other documents as may be reasonably requested by the Agency's counsel, including without

limitation, Company/Black Gold Estates LLC resolutions, closing certificates, estoppel affidavits and opinions of counsel.

(e) That the Agency's consent is subject to (1) approval of the form of the financing documents by Agency counsel and (2) receipt by the Chief Executive Officer of (i) the Agency's administrative fee related to the assignment/financing and (ii) counsel fees related to the assignment/financing.

Section 3. The Chairman, Vice Chairman, Chief Executive Officer, Secretary and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions the Leaseback Agreement and Closing Documents and deliver such instrument necessary to assign the Project.

Section 4. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Ann Gaworecki	VOTING	RECUSAL
Frank Mendl	VOTING	YES
Robert Davenport	VOTING	YES
Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[*Remainder of page left blank intentionally*]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.

Victoria Adams, Assistant Secretary

(SEAL)

RESOLUTION AUTHORIZING EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH FINANCING HERKIMER SOLAR, LLC PROJECT

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, Suite 101A in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Robert Davenport	Secretary
Ann Gaworecki	Director
Frank Mendl	Director
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by Tim Day, seconded by Robert Davenport, to wit:

Resolution No.: 112525-05

RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN DOCUMENTS IN CONNECTION WITH FINANCING IN CONNECTION WITH THE HERKIMER SOLAR, LLC PROJECT.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial

and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on or about September 14, 2023 (the "Closing"), the Agency entered into a lease agreement dated as of September 1, 2023 (the "Lease Agreement") by and between the Agency and Herkimer Solar, LLC (the "Company") for the purpose of undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in approximately 23 acres of land (tax map number 104.4-1-64.1) located at 149 School Lane Road in the Town of Frankfort, Herkimer County, New York (the "Land"), (2) the construction on the Land of an approximately 3.154 MWAC solar energy generating facility, including panels, racking, inverters, electrical cables, battery storage, grid interconnection, site preparation, access roads and any other required improvements (all said improvements being collectively referred to as the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the "Equipment"), all of the foregoing to constitute a solar energy generating facility to be owned and operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease of the Project Facility to the Company pursuant to the Lease Agreement; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, (A) the Company executed and delivered to the Agency a certain lease to agency dated as of September 1, 2023 (the "Lease to Agency") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); (B) the Company and the Agency executed and delivered (1) a certain payment in lieu of tax agreement dated as of September 1, 2023 (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility and (2) a certain recapture agreement dated as of September 1, 2023 (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (C) the Agency and the Company executed and delivered the uniform agency project agreement dated as of September 1, 2023 (the "Uniform Agency Project Agreement") by and between the Agency and the Company relating to the terms of the granting by the Agency of the Financial Assistance to the Company; (D) the Agency filed with the assessor and mailed to the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Project Facility and the Payment in Lieu of Tax Agreement; (E) the Agency executed and delivered to the Company a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance and (F) the Agency filed with the New York State Department of Taxation and Finance the form entitled "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9)

of the Act) (the "Thirty-Day Sales Tax Report") (together with the Lease Agreement, the above enumerated documents being collectively referred to as the "Basic Documents"); and

WHEREAS, in order to finance a portion of the costs of the Project, the Company has informed the Agency, by correspondence dated November 20, 2025 (the "Financing") attached hereto as Exhibit A, that the Company intends to obtain a loan in the principal sum of up to $4,500,000 (the "Loan") from National Cooperative Bank, N.A. (the "Lender") which Loan may be secured by (A) a mortgage (the "Mortgage") from the Agency and the Company to the Lender and (B) an assignment of leases and rents (the "the Assignment of Lease and Rents") for the Company and the Agency to the Lender; and

WHEREAS, in connection with the Financing, the Company would like the Agency to enter into the Mortgage, the Assignment of Lease and Rents, a subordination agreement to subordinate the Underlying Lease and Lease Agreement to the Mortgage and any other security documents and related documents (collectively, the "Financing Documents"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Financing; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Financing in order to make a determination as to whether the Financing is subject to SEQRA, and it appears that the Financing constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Financing, the Agency hereby makes the following determinations:

(A) The Financing constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(29), and therefor that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Financing.

(B) The value of the mortgage recording tax exemption relating to the Financing will not exceed $100,000.

(C) That since compliance by the Agency with the Financing will not result in the Agency providing more than $100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Financing.

Section 2. The Agency hereby determines, pursuant to unforeseen circumstances on the part of the Company to request the above described benefit at the time of Closing, to deviate from its Fee Policy by charging a discounted administrative fee of $12,250 for the Request. Payment is due at the time of closing of the Financing.

Section 3. The Agency hereby approves the Financing, and the execution and delivery of the Financing Documents and an affidavit for mortgage recording taxes with respect to the Financing

Documents; subject in each case, however to the following conditions: (1) review of the Basic Documents with Agency staff and confirmation that the Company is in compliance with the terms and conditions contained in the Basic Documents; (2) approval by Special Agency Counsel to the Agency of the form of the documents to be executed by the Agency in connection with the Financing, including the forms of the Financing Documents; (3) receipt by the Agency of its administrative fee relating to the Financing and all fees and expenses incurred by the Agency with respect to the Financing Documents, including the fees and expenses incurred by Special Agency Counsel with respect thereto; and (4) the following additional conditions: None.

Section 4. Subject to the satisfaction of the conditions described in Section 3 hereof, the Chairman, Vice Chairman, or Chief Executive Officer of the Agency is hereby authorized to execute and deliver the Financing Documents to the Company, and, where appropriate, the Secretary of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, or Chief Executive Officer shall approve, the execution thereof by the Chairman, Vice Chairman, or Chief Executive Officer to constitute conclusive evidence of such approval.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Financing Documents binding upon the Agency.

Section 6. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Robert Davenport	VOTING	YES
Ann Gaworecki	VOTING	YES
Frank Mendl	VOTING	YES
Dr. Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.

Victoria Adams

Victoria Adams, Assistant Secretary

(SEAL)

EXHIBIT A

REQUEST

- SEE ATTACHED –

Pavia Law Office

Bianca M. Pavia, Esq.

8200 Pinestone Court
Buffalo, NY 14221

bianca@pavialawoffice.com
Telephone: (315) 723-8994
Fax: (315) 736-7940

November 20, 2025

Via Certified Mail (Return Receipt Requested) and E-Mail (NZeigler@hodgsonruss.com)

Herkimer County Industrial Development Agency
420 East German Street, Suite 101
Herkimer, New York 13350

Dear Mr. Piseck:

Re: Written Request for Subordination Agreement – Herkimer Solar, LLC Project located at 149 School Lane Road, Frankfort, New York (Tax ID # 104.4-1-64.1)

I write on behalf of my client, Herkimer Solar, LLC (the "Company"), in connection with its ongoing project with the Herkimer County Industrial Development Agency (the "Agency"). The Company is in the process of securing financing with National Cooperative Bank, N.A., located at 2011 Crystal Drive, Suite 800, Arlington, VA 22202 ("NCB"). In order to proceed with closing, we respectfully submit this written request for the Agency's consideration at its upcoming meeting.

The Company requests that the Agency enter into a subordination agreement with NCB, pursuant to which the Agency's interest under the existing lease and related project documents would be subordinate to the mortgage and security instruments in connection with the financing. The Company will provide any language or materials the Agency may need in order to review or prepare such agreement.

The Company further requests authorization for the Agency to execute and deliver any documents that may be required to effectuate the financing, including acknowledgements, assignments, consents, collateral agreements, estoppels, or other lender-required documents

Additionally, the Company formally requests that the Agency grant the mortgage recording tax exemption to the Company as an additional benefit under the Agency's Uniform Tax Exemption Policy with respect to the mortgage and any related financing instruments recorded in connection

with this NCB transaction. The Company understands that this benefit was not requested or approved at the time of the 2023 closing and is therefore expressly requesting this exemption now in connection with this NCB financing. The Company further certifies that no additional benefits are being sought at this time.

Please let us know if you require any additional information, supporting documentation, or lender-prepared drafts for your review in order for this matter to be considered at the November 25, 2025 Agency meeting.

Should you have any questions or concerns regarding this written request or if you need anything further from the Company, please do not hesitate to contact me. Thank you for your consideration.

Respectfully yours,

Bianca M Pavia

Bianca M. Pavia, Esq.

RESOLUTION AUTHORIZING EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH FINANCING HCCC SOLAR, LLC PROJECT

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, Suite 101A in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Robert Davenport	Secretary
Ann Gaworecki	Director
Frank Mendl	Director
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by Tim Day, seconded by Robert Davenport, to wit:

Resolution No.: 112525-06

RESOLUTION AUTHORIZING THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF CERTAIN DOCUMENTS IN CONNECTION WITH FINANCING IN CONNECTION WITH THE HCCC SOLAR, LLC PROJECT.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial

and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on or about September 14, 2023 (the "Closing"), the Agency entered into a lease agreement dated as of September 1, 2023 (the "Lease Agreement") by and between the Agency and HCCC Solar, LLC (the "Company") for the purpose of undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in approximately 29.5 acres of land (tax map number 113.2-1-29) located at 164 Shells Bush Road in the Town of Herkimer, Herkimer County, New York (the "Land"), (2) the construction on the Land of an approximately 3.168 MWAC solar energy generating facility, including panels, racking, inverters, electrical cables, battery storage, grid interconnection, site preparation, access roads and any other required improvements (all said improvements being collectively referred to as the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the "Equipment"), all of the foregoing to constitute a solar energy generating facility to be owned and operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease of the Project Facility to the Company pursuant to the Lease Agreement; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, (A) the Company executed and delivered to the Agency a certain lease to agency dated as of September 1, 2023 (the "Lease to Agency") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); (B) the Company and the Agency executed and delivered (1) a certain payment in lieu of tax agreement dated as of September 1, 2023 (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility and (2) a certain recapture agreement dated as of September 1, 2023 (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (C) the Agency and the Company executed and delivered the uniform agency project agreement dated as of September 1, 2023 (the "Uniform Agency Project Agreement") by and between the Agency and the Company relating to the terms of the granting by the Agency of the Financial Assistance to the Company; (D) the Agency filed with the assessor and mailed to the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Project Facility and the Payment in Lieu of Tax Agreement; (E) the Agency executed and delivered to the Company a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance and (F) the Agency filed with the New York State Department of Taxation and Finance the form entitled "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9)

of the Act) (the "Thirty-Day Sales Tax Report") (together with the Lease Agreement, the above enumerated documents being collectively referred to as the "Basic Documents"); and

WHEREAS, in order to finance a portion of the costs of the Project, the Company has informed the Agency, by correspondence dated November 20, 2025 (the "Financing") attached hereto as Exhibit A, that the Company intends to obtain a loan in the principal sum of up to $4,500,000 (the "Loan") from National Cooperative Bank, N.A. (the "Lender") which Loan may be secured by (A) a mortgage (the "Mortgage") from the Agency and the Company to the Lender and (B) an assignment of leases and rents (the "the Assignment of Lease and Rents") for the Company and the Agency to the Lender; and

WHEREAS, in connection with the Financing, the Company would like the Agency to enter into the Mortgage, the Assignment of Lease and Rents, a subordination agreement to subordinate the Underlying Lease and Lease Agreement to the Mortgage and any other security documents and related documents (collectively, the "Financing Documents"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Financing; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Financing in order to make a determination as to whether the Financing is subject to SEQRA, and it appears that the Financing constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Financing, the Agency hereby makes the following determinations:

(A) The Financing constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(29), and therefor that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Financing.

(B) The value of the mortgage recording tax exemption relating to the Financing will not exceed $100,000.

(C) That since compliance by the Agency with the Financing will not result in the Agency providing more than $100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Financing.

Section 2. The Agency hereby determines, pursuant to unforeseen circumstances on the part of the Company to request the above described benefit at the time of Closing, to deviate from its Fee Policy by charging a discounted administrative fee of $12,250 for the Request. Payment is due at the time of closing of the Financing.

Section 3. The Agency hereby approves the Financing, and the execution and delivery of the Financing Documents and an affidavit for mortgage recording taxes with respect to the Financing

Documents; subject in each case, however to the following conditions: (1) review of the Basic Documents with Agency staff and confirmation that the Company is in compliance with the terms and conditions contained in the Basic Documents; (2) approval by Special Agency Counsel to the Agency of the form of the documents to be executed by the Agency in connection with the Financing, including the forms of the Financing Documents; (3) receipt by the Agency of its administrative fee relating to the Financing and all fees and expenses incurred by the Agency with respect to the Financing Documents, including the fees and expenses incurred by Special Agency Counsel with respect thereto; and (4) the following additional conditions: None.

Section 4. Subject to the satisfaction of the conditions described in Section 3 hereof, the Chairman, Vice Chairman, or Chief Executive Officer of the Agency is hereby authorized to execute and deliver the Financing Documents to the Company, and, where appropriate, the Secretary of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, or Chief Executive Officer shall approve, the execution thereof by the Chairman, Vice Chairman, or Chief Executive Officer to constitute conclusive evidence of such approval.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Financing Documents binding upon the Agency.

Section 6. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Robert Davenport	VOTING	YES
Ann Gaworecki	VOTING	YES
Frank Mendl	VOTING	YES
Dr. Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.

Victoria Adams

Victoria Adams, Assistant Secretary

(SEAL)

EXHIBIT A

REQUEST

- SEE ATTACHED –

Pavia Law Office

Bianca M. Pavia, Esq.

8200 Pinestone Court
Buffalo, NY 14221

bianca@pavialawoffice.com
Telephone: (315) 723-8994
Fax: (315) 736-7940

November 20, 2025

Via Certified Mail (Return Receipt Requested) and E-Mail (NZeigler@hodgsonruss.com)

Herkimer County Industrial Development Agency
420 East German Street, Suite 101
Herkimer, New York 13350

Dear Mr. Piseck:

Re: Written Request for Subordination Agreement – HCCC Solar, LLC Project located at 164 Shells Bush Road, Herkimer, New York (Tax ID # 113.2-1-29)

I write on behalf of my client, HCCC Solar, LLC (the "Company"), in connection with its ongoing project with the Herkimer County Industrial Development Agency (the "Agency"). The Company is in the process of securing financing with National Cooperative Bank, N.A., located at 2011 Crystal Drive, Suite 800, Arlington, VA 22202 ("NCB"). In order to proceed with closing, we respectfully submit this written request for the Agency's consideration at its upcoming meeting.

The Company requests that the Agency enter into a subordination agreement with NCB, pursuant to which the Agency's interest under the existing lease and related project documents would be subordinate to the mortgage and security instruments in connection with the financing. The Company will provide any language or materials the Agency may need in order to review or prepare such agreement.

The Company further requests authorization for the Agency to execute and deliver any documents that may be required to effectuate the financing, including acknowledgements, assignments, consents, collateral agreements, estoppels, or other lender-required documents

Additionally, the Company formally requests that the Agency grant the mortgage recording tax exemption to the Company as an additional benefit under the Agency's Uniform Tax Exemption Policy with respect to the mortgage and any related financing instruments recorded in connection with this NCB transaction. The Company understands that this benefit was not requested or

approved at the time of the 2023 closing and is therefore expressly requesting this exemption now in connection with this NCB financing. The Company further certifies that no additional benefits are being sought at this time.

Please let us know if you require any additional information, supporting documentation, or lender-prepared drafts for your review in order for this matter to be considered at the November 25, 2025 Agency meeting.

Should you have any questions or concerns regarding this written request or if you need anything further from the Company, please do not hesitate to contact me. Thank you for your consideration.

Respectfully yours,

Bianca M Pavia

Bianca M. Pavia, Esq.

PUBLIC HEARING RESOLUTION
HERKIMER LOCAL DEVELOPMENT CORPORATION PROJECT

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, Suite 101A in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Robert Davenport	Secretary
Ann Gaworecki	Director
Frank Mendl	Director
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by Dr. Day, seconded by Robert Davenport, to wit:

Resolution No.: 112525-07

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF HERKIMER LOCAL DEVELOPMENT CORPORATION.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial,

research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Herkimer Local Development Corporation, a New York State not-for-profit local development corporation (the "Company"), has expressed its intention to the Agency to submit an application (the "Application") to the Agency to request that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project expected to consist of the following: (A) (1) the acquisition of a leasehold interest in a parcel of land located at 217 N. Washington Street (Tax Map No.: 120.25-2-14) in the Town and Village of Herkimer, Herkimer County, New York (the "Land"), together with an existing building located thereon (the "Facility"), (2) the making of certain renovations to the Facility and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (collectively, the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and prepared for redevelopment and revitalization; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than $100,000 to any project, the Agency, among other things, must (A) receive a completed Application and (B) hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency, Agency Counsel, and Agency Special Counsel, upon receipt of the completed Application to (A) establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the "Public Hearing"); (B) cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) conduct such Public Hearing; (E) cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Report") to be prepared; (F) cause a copy of the Report to be made available to the members of the Agency; and (G) cause this resolution to be

sent via certified mail, return receipt requested to the chief executive officer of the County and of each city, town, village and school district in which the Project Facility is to be located to comply with the requirements of Section 859-a of the Act.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 3. All action taken by the Chairman, Vice Chairman and/or Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this resolution is hereby ratified and confirmed.

Section 4. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Robert Davenport	VOTING	YES
Ann Gaworecki	VOTING	YES
Frank Mendl	VOTING	YES
Dr. Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.

Victoria Adams, Assistant Secretary

(SEAL)

RESOLUTION AUTHORIZING SALE OF PROPERTY TO SARATOGA BIOCHAR SOLUTIONS LLC

A regular meeting of Herkimer County Industrial Development Agency (the "Agency") was convened in public session at the Herkimer County Chamber of Commerce Conference Room located at 420 E. German Street, Suite 101A in the Village and Town of Herkimer, Herkimer County, New York, on November 25, 2025 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Vice Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Cory Albrecht	Vice Chairman
Tim Day	Treasurer
Robert Davenport	Secretary
Ann Gaworecki	Director
Frank Mendl	Director
Dr. Terri Grates Day	Director

ABSENT:

Vincent J. Bono	Chairman

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Piseck, Jr.	Chief Executive Officer
Victoria Adams	Operations Manager
Nicole Farber	Administrative Assistant
Samantha Canarelli	Marketing & Communications Specialist
Anthony Hallak, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by Robert Davenport, seconded by Frank Mendl, to wit:

Resolution No. 112525-10

RESOLUTION AUTHORIZING THE SALE OF LAND LOCATED IN THE TOWN OF MANHEIM, HERKIMER COUNTY, NEW YORK AND THE EXECUTION BY HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF CERTAIN DOCUMENTS IN CONNECTION WITH SUCH SALE.

WHEREAS, Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 410 of the 1970 Laws of New York, as amended, constituting Section 898 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance

the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, reconstruct, renovate and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, reconstructed, renovated and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, the Agency is currently the fee title owner of a certain parcel of land containing approximately 30 acres and located along Barker Road (Tax Map No.: 108.60-1-40) in the Village of Dolgeville, Town of Manheim, Herkimer County, New York (the "Property"); and

WHEREAS, the Agency received an offer from Saratoga Biochar Solutions LLC (the "Purchaser") to purchase the Property from the Agency; and

WHEREAS, the Purchaser is purchasing the Property to be developed for use in its sustainable biosolids remediation, treatment and fertilizer business; and

WHEREAS, to fulfill the requirements imposed by the New York State Public Authorities Law, as amended (the "PAL"), and the Agency's Property Disposition Policy and Property Acquisition Policy, an appraisal of the Property was obtained by the Agency in March, 2020, and is expected to be updated in connection with the transfer contemplated herein (the "Appraisal"), copies of which such Appraisal and any updates will be on file with the Agency; and

WHEREAS, the appraised value of the Property as specified in the Appraisal is $150,000, which value is expected to remain consistent or decrease in the updated Appraisal; and

WHEREAS, the Agency and the Purchaser are currently negotiating an agreement for purchase and sale relating to the Property (the "Purchase Contract"), which Purchase Contract shall provide for the conveyance of the Property from the Agency to the Purchaser (the "Disposition") for an expected purchase price of $300,000; and

WHEREAS, the Property will be conveyed by the Agency through the execution and delivery of a deed (the "Deed"), and any other documents required in connection therewith (together with the Deed and Purchase Contract, the "Conveyance Documents"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), it appears that the Disposition constitutes a "Type II action" (as said quoted term is defined in the Regulations), and therefore it appears that no further determination or procedure under SEQRA is required with respect to the Disposition; and

WHEREAS, in connection with the Disposition, the Agency desires to comply with the requirements imposed by such subsections of the PAL, the Agency's Property Disposition Policy and the Agency's Property Acquisition Policy, respectively; and

WHEREAS, based on the fair market value of the Property specified in the Appraisal and the proposed negotiated sale between the Agency and the Purchaser, Section 2897(6)(d)(i)(B) of the PAL requires that the Agency file an explanatory statement (an "Explanatory Statement") relating to the

Disposition with the (i) the Comptroller, (ii) the Director of the Budget, (iii) the Commissioner of General Services, (iv) the State Legislature, and (v) the Authority Budget Office, respectively (collectively, the "State Officials and Entities") at least ninety (90) days prior to the Disposition; and

WHEREAS, the Agency wishes to authorize the Disposition and the actions contemplated by the Conveyance Documents;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Pursuant to SEQRA, the Agency hereby finds and determines that:

(A) Pursuant to Sections 617.5(c)(26) of the Regulations, the Disposition is a "Type II action" (as said quoted term is defined in the Regulations).

(B) Accordingly, the Agency hereby determines that no environmental impact statement or any other determination or procedure is required under SEQRA with respect to the Disposition.

Section 2. The Agency hereby finds and determines that:

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

(B) The Appraisal was obtained by the Agency, pursuant to which the Property was appraised at $150,000, which value is expected to remain consistent or have decreased from the date of the Appraisal;

(C) The expected purchase price of the Property of $300,000 represents above fair market value for the usable portions of the Property;

(D) The Disposition is within the purpose, mission and governing statutes of the Agency, and thus is exempted from a public sale pursuant to Section 2897(6)(c)(v) of the PAL; and

(E) In no event shall the Disposition occur earlier than ninety (90) days after the date on which the Agency transmits the Explanatory Statement relating to the Disposition to the State Officials and Entities.

Section 3. In consequence of the foregoing, and subject to the approval of the form of the Conveyance Documents by Agency counsel, the Agency hereby determines to: (A) convey the Property to the Purchaser according to the terms of the Conveyance Documents and (B) execute the Conveyance Documents.

Section 4. The Agency is hereby authorized to convey the Property to the Purchaser pursuant to the Conveyance Documents and to do all things necessary and appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The Chairman, Vice Chairman and the Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Conveyance Documents and the other documents related thereto, and, where appropriate, the (Assistant) Secretary of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman, Vice Chairman or the Chief Executive Officer shall approve, the execution thereof by the Chairman, Vice Chairman or the Chief Executive Officer to constitute conclusive evidence of such approval.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Conveyance Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Conveyance Documents binding upon the Agency.

Section 7. This resolution shall take effect immediately.

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

Vincent James Bono	VOTING	ABSENT
Cory Albrecht	VOTING	YES
Tim Day	VOTING	YES
Robert Davenport	VOTING	YES
Ann Gaworecki	VOTING	YES
Frank Mendl	VOTING	YES
Dr. Terri Grates Day	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

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

I, the undersigned Assistant Secretary of Herkimer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 25, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 25th day of November, 2025.

Victoria Adams, Assistant Secretary

(SEAL)