

**Jefferson County Industrial Development Agency**  
800 Starbuck Avenue, Suite 800  
Watertown, New York 13601  
Telephone: (315) 782-5865 or (800) 553-4111 Facsimile (315) 782-7915  
[www.jcida.com](http://www.jcida.com)

---

## Notice of Board Meeting

**Date:** April 17, 2024

**To:** William Johnson  
David Converse  
W. Edward Walldroff  
Paul Warneck  
Lisa L'Huillier  
John Condino

**From:** Chairman Robert Aliasso

**Re:** Notice of Board of Directors' Meeting

=====

The Jefferson County Industrial Development Agency will hold its Board Meeting on **Wednesday, May 1, 2024 at 8:30 a.m.** in the board room at 800 Starbuck Avenue, Watertown, NY.

The live stream link will be available at [www.jcida.com](http://www.jcida.com).

**Zoom:**  
<https://us02web.zoom.us/j/84355250468?pwd=R0t4VjRPdGJBZDJrL2JQYVVVjKytDdz09>  
Meeting ID: 843 5525 0468  
Passcode: 011440  
1-929-205-6099 US (New York)

Please confirm your attendance with Peggy Sampson [pssampson@jcida.com](mailto:pssampson@jcida.com) at your earliest convenience.

pss

c: David Zembiec, CEO  
Marshall Weir  
Lyle Eaton  
Jay Matteson  
Robin Stephenson  
Christine Powers  
Greg Gardner  
Kent Burto  
Rob Aiken  
Justin S. Miller, Esq.  
Joseph V. Frateschi, Esq.  
Media

**BOARD MEETING AGENDA**  
**Wednesday, May 1, 2024 - 8:30 a.m.**

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Privilege of the Floor**
- IV. Minutes – April 4, 2024**
- V. Treasurer’s Report – April 30, 2024**
- VI. Committee Reports**
  - a. Alternative Energy Ad Hoc Committee**
- VII. Unfinished Business**
- VIII. New Business**
- IX. Counsel**
  - 1. Authorizing Resolution No. 05.01.2024.01 for Convalt Energy/Convalt Manufacturing LDA Renewal and Loan Extension (Phase I Project)**
- X. Adjournment**

**Jefferson County Industrial Development Agency  
Board Meeting Minutes  
April 4, 2024**

**DRAFT**

The Jefferson County Industrial Development Agency held its board meeting on Thursday, April 4, 2024 in the board room at 800 Starbuck Avenue, Watertown, NY.

**Present:** Robert E. Aliasso, Jr., W. Edward Walldroff, John Condino, William Johnson, Lisa L'Huillier, David Converse, Paul Warneck

**Excused:** None

**Absent:** None

**Also Present:** Christine Powers, Rob Aiken, Joseph Frateschi (Harris Beach), Craig Fox (Watertown Daily Times)

**Zoom:** Hari Achuthan (Convalt Energy) and Kurtis Holle (KeyBanc Capital Markets)

**Staff Present:** Marshall Weir, Lyle Eaton, Peggy Sampson, Joy Nuffer, Robin Stephenson, Jay Matteson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:27 a.m.
- II. Privilege of the Floor:** Guests were invited to speak. No one spoke.
- III. Minutes:** Minutes of the meeting held March 7, 2024 were presented. A motion to approve the minutes as presented was made by Ms. L'Huillier, seconded by Mr. Johnson. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending March 31, 2024. He reviewed the delinquent loans. He noted that the Colleen's Cherry Tree Inn loan is being turned over for collection. Taste of Design is three months behind and has been issued a default notice.

After discussion, a motion was made by Mr. Warneck to accept the financial statement as presented, seconded by Mr. Condino. All in favor. Carried.

**V. Committee Reports:**

- a. Alternative Energy Ad Hoc Committee** – Mr. Warneck mentioned the proposed Boralex project in the Town of Hounsfield. He said that they have acquired property on Slaughter Road for \$970,000 and received approval from ORES to expand their project. He said that they have not approached our IDA to start negotiations for a PILOT.

Mr. Matteson mentioned that one of the Ag grantees is raising sheep to graze the solar projects. He also mentioned that he would re-circulate a technical paper that the Tug Hill Commission developed several years ago relating to solar.

Deferiet –

Mr. Johnson noted that NYSERDA has changed their mind on the Deferiet site. Mr. Weir said that it is because National Grid pulled up all of the transmission lines, which altered the scope of putting in a solar project.

DRAFT

b. Corporate Park Ad Hoc Committee – No report.

c. Loan Review Committee –

- i. **Resolution No. 04.04.2024.01 for Drouin Distribution Ltd.** – A request for a \$40,000 loan to be used for working capital to help facilitate Reefertilizer's wholesale revenue growth and continued U.S. expansion.

Staff recommended a \$40,000 MICRO loan at a rate of 6% for a 5-year amortization. They are projecting to create two jobs within three years. The loan will be secured with a lien on all assets of the business, personal guarantees of Joey Drouin and Mike Drouin, cross-corporate guarantee with Reefertilizer Inc. as well as keyman life insurance up to the amount of the loan.

Mr. Condino said that it is hard to believe that their product is unique. He said it is marketed toward home growers, indicated that the name is suggestive and said the loan is a bit of a risk. It was noted that the product is fertilizer and does not contain cannabis. Board Members agreed that the loan is essentially unsecured and that there may be no recourse. There was a suggestion that we require the borrower to keep a certain amount of inventory at the Watertown location. Attorney Frateschi said that he may need to contact Canadian counsel to see how the IDA can secure assets in Canada. Mr. Warneck suggested giving the loan in phases. He said that it is the riskiest loan that he has seen at the IDA.

Hari Achuthan and Kurtis Holle joined the meeting at 9:00 a.m.

**Executive Session –**

At 9:03 a.m. a motion was made by Mr. Converse to enter into an executive session to discuss the personal financials of a particular person or corporation, potential legal issues, and the potential disposition/acquisition of real estate, seconded by Mr. Warneck. Board Members, LDC Board Members, Staff, and Counsel remained.

Mr. Achuthan and Mr. Holle left the meeting during the executive session.  
Mr. Aiken left the meeting at 10:00 a.m. during the executive session.

At 10:01 a.m. a motion was made by Mr. Converse to leave the executive session, seconded by Mr. Johnson. All in favor.

**Resolution No. 04.04.2024.01 continued** - A motion was made by Mr. Converse to approve the resolution, seconded by Mr. Johnson. Chairman Aliasso called for a vote. Mr. Warneck, Mr. Johnson, and Mr. Walldroff opposed. At this time, Mr. Warneck suggested amending the resolution to reduce the amount from \$40,000 to \$20,000. A motion to amend the resolution was made by Mr. Warneck, seconded by Mr. Converse. Roll call vote. Mr. Johnson – No, Mr.

Jefferson County Industrial Development Agency  
Board Meeting Minutes  
April 4, 2024

DRAFT

Converse – Yes, Mr. Walldroff – Yes, Mr. Warneck – Yes, Ms. L’Huillier – Yes, Mr. Condino – Yes, and Mr. Aliasso. Discussion ensued. Mr. Walldroff asked if we would be able to report delinquencies to the guarantor's credit reports in Canada if necessary. Attorney Frateschi said that he will have to talk to an attorney in Canada to determine how that could be accomplished among other things. Roll call vote approving the amended resolution. Mr. Johnson – No, Mr. Converse – Yes, Mr. Walldroff – Yes, Mr. Warneck – Yes, Ms. L’Huillier – Yes, Mr. Condino – Yes, and Mr. Aliasso. Carried.

**VI. Unfinished Business:**

- 1. Resolution No. 12.07.2023.03 for Sackets Harbor Brew Pub LLC d/b/a 1812 Brewing Company – Amended on 04.04.2024 to SHBP Realty Holdings LLC** – Attorney Frateschi said that this is a clean-up resolution making sure that the IDA has proper coverage since Mr. Scozzafava is operating out of four corporate entities. He said that SHBP Realty Holdings LLC is holding the real estate. He also noted that the SBA loans pushed the IDA interest to a third position. A motion was made by Mr. Warneck to approve the amended resolution, seconded by Mr. Condino. All in favor. Carried.
- 2. First Amendment to Grant Agreement - Town of Hounsfield Contract for Sewer System Design** – The original agreement was executed on August 10, 2022, with an initial payment of \$292,000 for the preliminary design of the project. The project is now prepared to enter final design, bidding, and construction. The cost for those additional services is \$292,000. The term of the agreement is being extended through September 30, 2025. A motion was made by Mr. Converse to approve the First Amendment to Grant Agreement, seconded by Mr. Warneck. All in favor, except for Mr. Condino who recused himself. Carried.

**VII. New Business:**

- 1. Resolution No. 04.04.2024.02 to write off Kenneth Rogers account receivable** – Kenneth Rogers passed away on October 18, 2021. Staff recommended approval to write off the accounts receivable with an outstanding balance of \$17,519.31. A motion was made by Mr. Converse to approve the resolution, seconded by Mr. Johnson. All in favor. Carried.
- 2. Resolution No. 04.04.2024.03 for Authorized Signers** – The following individuals were recommended to be authorized signers for all Accounts at Watertown Savings Bank and Community Bank effective May 3, 2024: Robert E. Aliasso, Jr., David J. Converse, Frank (Marshall) Weir, and Jay M. Matteson. A motion was made by Mr. Condino to approve the resolution, seconded by Ms. L’Huillier. All in favor. Carried.

**VIII. Counsel:** None.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Condino, seconded by Mr. Johnson. All in favor. The meeting was adjourned at 10:20 a.m.

Respectfully submitted,  
*Peggy Sampson*

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

Prepared by Joy Nuffer, April 23, 2024

UNRECONCILED

**Income Statement for the Four Month Period Ending April 30, 2024**

	Current Year Budget	Year-to-Dat e Total	Current Month	Previous Month	Balance Remaining
<b>Revenues</b>					
Application & Process Fees	\$ 12,000.00	31,352.00	\$ 0.00	28,850.00	(19,352.00)
Bond Admin Fee	3,000.00	3,000.00	0.00	0.00	0.00
PILOT/Sale Leaseback Fees	1,079,306.00	0.00	0.00	0.00	1,079,306.00
Fee Income - RLF Program	43,422.00	14,474.00	3,618.50	3,618.50	28,948.00
Fee Income - Micro Program	24,087.00	8,029.00	2,007.25	2,007.25	16,058.00
Grant Income - Federal ARPA	0.00	292,000.00	292,000.00	0.00	(292,000.00)
Interest Income	500.00	65.41	0.00	22.28	434.59
Interest Income - RLF Program	40,000.00	16,543.04	1,845.86	4,861.60	23,456.96
Late Payment Penalty RLF	0.00	32.50	0.00	0.00	(32.50)
Interest Income - Micro Prog.	5,000.00	2,323.33	986.95	321.56	2,676.67
Late Payment Penalty - Micro	700.00	110.97	62.63	0.00	589.03
Miscellaneous Income	5,000.00	1,186.20	481.20	705.00	3,813.80
YMCA Income	0.00	15,976.30	0.00	0.00	(15,976.30)
<b>Total Revenues</b>	<b>1,213,015.00</b>	<b>385,092.75</b>	<b>301,002.39</b>	<b>40,386.19</b>	<b>827,922.25</b>
<b>Operations</b>					
Office Expense	2,000.00	438.75	0.00	22.00	1,561.25
Admin Services Exp	713,694.00	237,900.00	59,475.00	59,475.00	475,794.00
Depreciation Expense - Siding	16,296.00	5,431.84	1,357.96	1,357.96	10,864.16
D&O Insurance	16,500.00	5,337.00	1,334.25	1,334.25	11,163.00
Commercial Insurance	8,500.00	3,247.40	811.85	811.85	5,252.60
FTZ Expense	1,250.00	0.00	0.00	0.00	1,250.00
Legal- Retainer	18,000.00	4,500.00	0.00	0.00	13,500.00
Legal - Unrestricted	5,000.00	0.00	0.00	0.00	5,000.00
Legal YMCA	1,000.00	0.00	0.00	0.00	1,000.00
Accounting & Auditing	23,000.00	18,300.00	0.00	0.00	4,700.00
Coffeen Park Taxes	2,500.00	2,361.69	0.00	0.00	138.31
Airport Park Taxes	1,100.00	1,100.61	0.00	0.00	(0.61)
Deferit Expense	0.00	4,850.50	0.00	4,850.50	(4,850.50)
Fees Expense	500.00	115.20	0.00	0.00	384.80
Grant Expense - Federal ARPA	0.00	292,000.00	292,000.00	0.00	(292,000.00)
Bad Debt--RLF	190,000.00	0.00	0.00	0.00	190,000.00
Bad Debt--Micro	35,000.00	0.00	0.00	0.00	35,000.00
RLF Program Expense	43,422.00	14,474.00	3,618.50	3,618.50	28,948.00
Microenterprise Program Exp	24,087.00	8,029.00	2,007.25	2,007.25	16,058.00
RLF Audit Expense	800.00	0.00	0.00	0.00	800.00
Building Depreciation- 146 Ars	109,166.00	35,574.52	8,893.63	8,893.63	73,591.48
146 Arsenal Gas	0.00	796.93	0.00	0.00	(796.93)
Miscellaneous - Unrestricted	1,200.00	0.00	0.00	0.00	1,200.00
<b>Total Operations</b>	<b>1,213,015.00</b>	<b>634,457.44</b>	<b>369,498.44</b>	<b>82,370.94</b>	<b>578,557.56</b>
Total Revenue	1,213,015.00	385,092.75	301,002.39	40,386.19	827,922.25
Total Expenses	1,213,015.00	634,457.44	369,498.44	82,370.94	578,557.56
<b>Net Income Over Expenditures</b>	<b>\$ 0.00</b>	<b>(249,364.69)</b>	<b>\$ (68,496.05)</b>	<b>(41,984.75)</b>	<b>249,364.69</b>

For Internal Use Only

Jefferson County IDA  
Balance Sheet  
April 30, 2024

ASSETS

Current Assets		
General Checking	\$	1,333,569.73
Savings Account		258,799.30
Microenterprise Account		103,170.32
City Loan Account		287,877.30
Revolving Loan Fund Account		2,020,667.07
RLF Checking Account		546.84
PILOT Monies Receivable		27,795.38
Miscellaneous Receivable		74,809.37
RLF Loans Receivable		2,280,573.49
Microenterprise Loans Rec.		116,896.48
Allowance for Bad Debt-RLF		(190,000.00)
Allow. for Bad Debts-MICRO		(35,000.00)
Prepaid Expense		11,180.74
		6,290,886.02
Total Current Assets		
Property and Equipment		
Accum Depr - Building	(1,229,550.64)	
Accum Depr. Equipment	(52,269.66)	
Accumulated Depreciation Sidin	(48,886.56)	
		(1,330,706.86)
Total Property and Equipment		
Other Assets		
IT Server	6,050.00	
Equipment	13,366.00	
Corp. Park Improvements	209,995.14	
Airport Property	884,326.02	
Intangible Asset	53,195.00	
WIP Airport	403,763.58	
WIP Intersection	244,973.52	
Woolworth Building	505,000.00	
Rail Siding CCIP	244,434.00	
Land 146 Arsenal	126,577.50	
146 Ars Building Improvements	3,264,556.08	
		5,956,236.84
Total Other Assets		
Total Assets	\$	10,916,416.00

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable - Unrestrict	\$	59,475.00
PILOT Monies Payable		27,313.95
RLF Loan Payable		700,000.00
ARPA Airport Sewer		916,000.00
Car Freshner Signage		11,000.00
		1,713,788.95
Total Current Liabilities		
Long-Term Liabilities		
Due NYS/IAP L.T.		180,159.78
		180,159.78
Total Long-Term Liabilities		

Unaudited - For Management Purposes Only

Jefferson County IDA  
Balance Sheet  
April 30, 2024

Total Liabilities		1,893,948.73
Capital		
General Fund Bal - Unrestrict.	3,704,602.38	
Fund Bal - RLF Restricted	4,109,139.27	
Fund Bal - Micro Restricted	190,659.76	
Fund Bal - City Restricted	287,870.22	
Cap. Impr. Convergys	979,560.33	
Net Income	<u>(249,364.69)</u>	
Total Capital		<u>9,022,467.27</u>
Total Liabilities & Capital	\$	<u><u>10,916,416.00</u></u>



**Jefferson County IDA  
Micro Loans Receivable  
As of Apr 30, 2024**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

Customer	Amount Due	Date
COLLEEN'S CHERRY TREE INN	20,503.86	5/23/19
COLLEEN'S CHERRY TREE INN	<b>20,503.86</b>	
CLAYTON ISLAND TOURS, LLC	32,927.89	3/31/23
CLAYTON ISLAND TOURS, LLC	<b>32,927.89</b>	
PAINFULL ACRES	9,757.31	3/21/18
PAINFULL ACRES	<b>9,757.31</b>	
PINK KETTLE, LLC	15,212.33	2/23/22
PINK KETTLE, LLC	<b>15,212.33</b>	
TASTE OF DESIGN	10,453.64	4/4/07
TASTE OF DESIGN	<b>10,453.64</b>	
THERARTPY	4,858.56	6/2/21
THERARTPY	<b>4,858.56</b>	
WILLOWBROOK ENTERPRISE, INC.	23,182.89	7/27/21
WILLOWBROOK ENTERPRISE, INC.	<b>23,182.89</b>	
	<b>116,896.48</b>	

**Jefferson County IDA  
Revolving Loan Fund Receivables  
As of Apr 30, 2024**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

Customer	Amount Due	
CONVALT ENERGY, LLC	850,000.00	7/12/22
CONVALT ENERGY, LLC	<u>850,000.00</u>	
JEFFERSON COUNTY INDUSTRIAL	700,000.00	8/23/21
JEFFERSON COUNTY INDUSTRIAL	<u>700,000.00</u>	
LCO DESTINY, LLC	211,727.58	2/9/23
LCO DESTINY, LLC	<u>211,727.58</u>	
MARZANO EXCAVATING, LLC	118,755.91	12/8/23
MARZANO EXCAVATING, LLC	<u>118,755.91</u>	
SACKETS HARBOR BREW PUB, LLC	150,000.00	4/9/24
SACKETS HARBOR BREW PUB, LLC	<u>150,000.00</u>	
THREE MILE BAY VENTURES, LLC	250,000.00	12/1/23
THREE MILE BAY VENTURES, LLC	<u>250,000.00</u>	
	<u><u>2,280,483.49</u></u>	

**Jefferson County IDA  
PILOT Receivables  
As of Apr 30, 2024**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

Customer ID Customer Bill To Contact Telephone 1	Invoice/CM	0 - 30	31 - 60	61 - 90	Over 90 days	Amount Due
31606 FELT MILLS	3924				356.49	356.49
31606 FELT MILLS LLC	3925				148.89	148.89
<hr/>						
31606 FELT MILLS					505.38	505.38
31606 FELT MILLS LLC						
<hr/>						
COR	3946	27,290.00				27,290.00
COR WATERTOWN COMPANY,LLC						
<hr/>						
COR		27,290.00				27,290.00
COR WATERTOWN COMPANY,LLC						
<hr/>						
<b>Report Total</b>		<b>27,290.00</b>			<b>505.38</b>	<b>27,795.38</b>
<hr/> <hr/>						

**Jefferson County IDA  
Check Register  
For the Period From Apr 1, 2024 to Apr 30, 2024**

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
8073	4/2/24	BERNIER, CARR & ASSOCIATES, P.C.	100001	2,584.00
2220	4/2/24	JEFFERSON COUNTY INDUSTRIAL	120202	3,618.50
1270	4/2/24	JEFFERSON COUNTY INDUSTRIAL	103003	2,007.25
8074	4/5/24	TOWN OF HOUNSFIELD	100001	292,000.0
8075	4/17/24	CITY COMPROLLER	100001	7.16
8076	4/17/24	HARRIS BEACH	100001	4,850.50
8077	4/17/24	JEFF COUNTY LDC	100001	59,475.00
8078	4/17/24	JEFFERSON COUNTY TREASURER	100001	549.24
8079	4/17/24	SACKETS HARBOR BREW PUB	100001	2,500.00
8080	4/17/24	XACTUS	100001	22.00
8081	4/19/24	JEFFERSON COUNTY INDUSTRIAL	100001	565.35
8082	4/19/24	SACKETS HARBOR LDC	100001	424.02
<b>Total</b>				<b><u>368,603.0</u></b>

### Jefferson County IDA Cash Receipts Journal For the Period From Apr 1, 2024 to Apr 30, 2024

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Date	Account ID	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
4/1/24	126002 415002 120102	12311	Invoice: 3914 4-24 INTEREST MARZANO EXCAVATING, LLC	1,012.63	416.77 595.86
4/1/24	127003 416003 103003	104	Invoice: 3621 4/24 INTEREST THERARTPY	190.64	169.69 20.95
4/4/24	200001 100001	2220	Invoice: RLF ADMIN24-4 JEFFERSON COUNTY INDUSTRIAL	3,618.50	3,618.50
4/4/24	200001 100001	1270	Invoice: MICRO ADMIN24-4 JEFFERSON COUNTY INDUSTRIAL	2,007.25	2,007.25
4/11/24	127003 416003 416103 103003	1690	Invoice: 3411 INTEREST LATE CHARGES COLLEEN'S CHERRY TREE INN	1,677.77	1,106.52 541.92 29.33
4/11/24	127003 416003 103003	10308	Invoice: 3624 4/24 INTEREST WILLOWBROOK ENTERPRISE, INC.	754.85	655.34 99.51
4/11/24	127003 416003 103003	0037265785	Invoice: 3850 INTEREST CLAYTON ISLAND TOURS, LLC	773.31	605.64 167.67
4/11/24	127003 416003 416103 103003	2009	Invoice: 1354 1/24, 2/24 INTEREST 2/24 LATE CHARGES TASTE OF DESIGN	606.99	481.85 91.84 33.30
4/18/24	127003 416003 103003	1058	Invoice: 3698 4/2024 INREREST PINK KETTLE, LLC	468.01	402.95 65.06
4/18/24	415002 120102	1612	4/2024 LOAN INTEREST THREE MILE BAY VENTURES, LLC	1,250.00	1,250.00
4/18/24	207005 205602 100001	19879	DUE TO MICRO 2/2024 DUE TO SHLDC PAINFULL ACRES	989.37	565.35 424.02
4/18/24	125001 100001	401596	Invoice: 3947 SACKETS HARBOR BREW PUB, LLC	2,500.00	2,500.00
				<b>15,849.32</b>	<b>15,849.32</b>

**AUTHORIZING RESOLUTION**

*(Convalt Energy, Inc. and Convalt Manufacturing, LLC – Phase 1 Project)*

A regular meeting of the Jefferson County Industrial Development Agency was convened on Wednesday May 1, 2024 at 8:30 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 05.01.2024.01

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING (i) THE EXTENSION OF DEVELOPMENT RIGHTS PURSUANT TO A CERTAIN LAND DEVELOPMENT AGREEMENT WITH LICENSE AND EXCLUSIVE OPTION AND TRANSACTIONS CONTEMPLATED THEREBY, (ii) THE EXTENSION OF THE MATURITY OF A CERTAIN WORKING CAPITAL LOAN, AND (iii) THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AGREEMENT RELATING THERETO

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 369 of the Laws of 1971 of the State of New York, (the “Act”), the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the “Agency”) was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, and/or enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, **CONVALT ENERGY, INC.**, for itself and/or on behalf of an entity or entities to be formed (collectively, the “Company”), has submitted an application (the “Application”) to the Agency requesting the Agency’s assistance with a certain project or projects (collectively, the “Convalt Project”) consisting of: (i) the disposition by the Agency of all or portions of approximately 88.51 acres of real property owned by the Agency and located in the vicinity of State Route 12F in Town of Hounsfield, Jefferson County, New York, (ii) the planning, design, construction, equipping and operation of (a) the phased development of up to 500,000 square foot manufacturing facility to accommodate solar panel manufacturing and solar power plant generation, including building improvements for manufacturing, warehousing, office space, and related internal spaces, external parking improvements, storm water management and related site improvements, and related on and offsite utility improvements, and (b) one or more photovoltaic solar energy arrays installed for testing and energy production and sale for on and offsite usage, including panel foundations, inverters, transformers, interconnect wiring, utility connections, sitework, landscaping, fencing, security and related improvements (collectively, the “Convalt Improvements”), and (iii) the acquisition in and around the Improvements and of certain items of equipment and other tangible personal property and equipment (the “Convalt Equipment” and, collectively with the Land and the Improvements, the “Convalt Facility”), and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act),

pursuant to which the Agency will retain one or more leasehold interests in the Convalt Facility for a period of time and sublease such interest in the Facility back to the Company; and

WHEREAS, as and for the first phase of the Convalt Project, the Company, by and through affiliate **Convalt Manufacturing, LLC**, is requesting that the Agency consider undertaking the first phase of a Project (the "Project") consisting of: (i) the disposition by the Agency of all or portions of approximately 88.51 acres of real property owned by the Agency and located in the vicinity of State Route 12F in Town of Hounsfield, Jefferson County, New York (the "Land", being more particularly described as one or more tax parcels as may be subdivided and/or merged, including TMID Nos 81.00-1-14.1 (29.93 acres), 81.00-1-13.1 (33.49 acres), 82.00-3-2.2 (8.45 acres), 81.00-3-2.3 (7.27 acres), and 82.00-3-5 (10.78 acres)), (ii) the planning, design, construction, equipping and operation of an approximately 300,000 square foot manufacturing facility to accommodate solar panel manufacturing and solar power plant generation, including building improvements for manufacturing, warehousing, office space, and related internal spaces, external parking improvements, storm water management and related site improvements, and related on and offsite utility improvements (collectively, the "Improvements"), and (iii) the acquisition in and around the Improvements and of certain items of equipment and other tangible personal property and equipment (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"), and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, in furtherance of the Project, the Agency and Company entered into a certain Land Development Agreement with License and Exclusive Option, dated as of September 15, 2021, as amended pursuant to a LDA Amendment Number 1, dated as of November 4, 2022 (collectively, the "LDA"), pursuant to which the Agency granted the Company with preliminary Project development access rights to the Land and an exclusive option to acquire the Land from the Agency in furtherance of the Project; and

WHEREAS, pursuant to request from the Company pursuant to Section 2.1 of the LDA, the Agency previously approved and granted the first available six (6) month extension of the Development Term (as defined in the LDA) by resolution adopted October 6, 2022 and as memorialized within that certain First Extension to Land Development Agreement with License and Exclusive Option, dated as of October 11, 2022, whereby the LDA Development Term currently expires as of March 15, 2023; and

WHEREAS, pursuant to request from the Company pursuant to Section 2.1 of the LDA, the Agency previously approved and granted the second available six (6) month extension of the Development Term (as defined in the LDA) by resolution adopted March 9, 2023 and as memorialized within that certain Second Extension to Land Development Agreement with License and Exclusive Option, dated as of March 15, 2023, whereby the LDA Development Term expired as of September 15, 2023; and

WHEREAS, pursuant to a request from the Company, and pursuant to a resolution adopted by the Agency on November 3, 2023 (the "Extension Resolution"), the Agency previously approved a renewal of the LDA to provide an extension of the Development Term through June 1, 2024 (the "2023 LDA Renewal"), such 2023 LDA Renewal having been documented pursuant to a certain Renewal to Land Development Agreement with License and Exclusive Option, dated as of November 3, 2023; and

WHEREAS, in furtherance of the Project, the Company also previously applied to the Agency for a working capital loan in the amount of \$1,050,000.00 (the "Loan"), such loan having been memorialized pursuant to a certain Loan Agreement, dated as of July 12, 2022, and was secured in part by a first security interest in all assets of the Company and Convalt Manufacturing, LLC as set forth within the Security Agreement executed by the Company and Convalt Manufacturing, LLC in favor of the Agency (the "Security Agreement"); and

WHEREAS, the Loan was also evidenced by a Promissory Note in the amount of \$1,050,000.00 (the "Note"), the Security Agreement, the unconditional guaranty of certain Guarantors (the "Guaranty"), financing statements, and other instruments of collateral security (collectively, the "Loan Documents"); and

WHEREAS, the Loan originally matured as of May 12, 2023 (the "Maturity Date"), however pursuant to a certain Note Modification Agreement, dated as of May 31, 2023, the Agency agreed to extend the Maturity Date to December 1, 2023; and

WHEREAS, pursuant to a request from the Company, and pursuant to the Extension Resolution, the Agency previously approved a renewal of the LDA to provide an extension of the Maturity Date through June 1, 2024 (the "2023 Loan Extension"), such 2023 Loan Extension having been documented pursuant to a certain Note Modification Agreement, dated as of November 3, 2023; and

WHEREAS, the Company has submitted a request to the Agency for approval for an extension of the LDA and Loan Maturity through December 1, 2024 (the "Extension Request"); and

WHEREAS, pursuant to the requests of the Company, the Agency desires to adopt a resolution authorizing the Extension Request, all subject to the terms and conditions as set forth herein.

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

Section 1. The Agency, upon review of a request from the Company relating to the Extension Request, and to allow sufficient time to perfect certain equity placement and debt financing relating to the Project, hereby approves the renewal and extension of the Development Term, as defined within and governed by Article II of the LDA, to December 1, 2024. Such LDA Renewal and extension shall be subject to the payment by the Company of certain outstanding



expenses of the Agency, along with the execution and delivery of an Extension to Land Development Agreement with License and Exclusive Option (the “Extension Agreement”).

Section 2. The Agency, upon review of a request from the Company relating to the Loan Extension, and to allow sufficient time to perfect certain equity placement and debt financing relating to the Project, hereby approves the Loan Extension to December 1, 2024. Such Loan Extension shall be subject to the payment by the Company of certain outstanding expenses of the Agency, along with the execution and delivery of a Note Modification Agreement (the “Loan Extension Agreement”).

Section 3. 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 and to execute and deliver all such 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 4. These Resolutions shall take effect immediately upon adoption.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Robert E. Aliasso, Jr.				
David J. Converse				
John Condino				
William W. Johnson				
Lisa L'Huillier				
W. Edward Walldroff				
Paul J. Warneck				

The resolutions were thereupon duly adopted.

STATE OF NEW YORK     )  
COUNTY OF JEFFERSON ) ss:

I, the undersigned (Acting) Secretary of the Jefferson County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Jefferson County Industrial Development Agency (the “Agency”) including the resolution contained therein, held on May 1, 2024, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this \_\_\_ day of \_\_\_\_\_, 2024.

---

W. Edward Walldroff, (Acting) Secretary

[SEAL]