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September 20, 2011

VIA CERTIFIED MAIL/
RETURN RECEIPT REQUESTED

To: Assessor and Affected Taxing Jurisdiction Officials
Listed on Schedule A

Re: Cayuga County Industrial Development Agency
A1 Pumping LLC/Repair Plus, LLC Project
Distribution of PILOT Agreement and Form RP-412-a

Ladies and Gentlemen:

On behalf of the Cayuga County Industrial Development Agency (the "Agency"), please find enclosed an Application for Real Property Tax Exemption (Form RP-412-a, the "Application"), along with a copy of the Payment In Lieu of Tax Agreement ("PILOT Agreement"), dated as of September 1, 2011. As outlined in greater detail within the Application, we ask that the Assessor please place the referenced property and tax parcel on tax roll section 8 (exempt) as of the March 1, 2012 taxable status date, with future in-lieu-of tax payments administered in accordance with Schedule A of the PILOT Agreement.

This letter is being transmitted to the Assessor and each Affected Taxing Jurisdiction associated with the Project described within the PILOT Agreement. Please do not hesitate to contact the undersigned with any questions or for additional information.

Very truly yours,



Justin S. Miller

JSM/aa

Enclosures

cc: Stephen F. Lynch (w/encs. – copies)
Frank Bersani, Esq. (w/encs. – copies)

Schedule A

Cayuga County Legislature
Attn: Chair
County Office Building, 6th Floor
160 Genesee Street
Auburn, New York 13021

Cayuga County Administrator
County Office Building, 6th Floor
160 Genesee Street
Auburn, New York 13021

Director of Real Property Tax Services
County Office Building
160 Genesee Street
Auburn, New York 13021

Town of Sennett
Attn: Town Supervisor
6931 Cherry Street Road
Auburn, New York 13021

Town of Sennett
Attn: Town Assessor
6931 Cherry Street Road
Auburn, New York 13021

Weedsport Central School District
Attn: Superintendent
2821 E. Brutus Street
Weedsport, New York 13166

Weedsport Central School District
Attn: President, Board of Education
2821 E. Brutus Street
Weedsport, New York 13166



INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name Cayuga County Industrial Development Agency
Street 60 Genesee Street, 5th Floor
City Auburn, New York 13021
Telephone no. Day (315) 253-1276
Evening ()
Contact Stephen F. Lynch
Title Executive Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name A1 Pumping LLC
Street 277 North Street
City Auburn, NY 13021
Telephone no. Day (315) 255-6983
Evening ()
Contact Ken and Diana Sroka
Title Members

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)
102.00-1-24.12 (portion thereof)
b. Street address
2682 Turnpike Road
c. City, Town or Village Town of Sennett

d. School District Weedsport
e. County Cayuga
f. Current assessment TBD
g. Deed to IDA (date recorded; liber and page)
Lease to IDA (on or about 9/16/11; pending)

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

a. Brief description (include property use) Acquisition of land and the construction of an approx. 14,500 square-foot vehicle maintenance facility for both concrete pump trucks and over-the-road commercial haulers
b. Type of construction Vehicle maintenance facility.
c. Square footage 14,500
d. Total cost \$1,255,250.00
e. Date construction commenced June 2011
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA) December 31, 2022

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment Please see attached PILOT Agreement dated as of September 1, 2011

b. Projected expiration date of agreement December 31, 2022

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Cayuga</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Town of Sennett</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village <u>N/A</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
School District <u>Weedsport</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name A1 Pumping LLC
 Title Ken Sroka, Member
 Address 277 North Street
Auburn, New York 13021

e. Is the IDA the owner of the property? Yes No (circle one)
If "No" identify owner and explain IDA rights or interest in an attached statement. **No - IDA has a leasehold interest in the property - See attached Statement**

Telephone (315) 255-6983

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted: exemption _____ assessment roll year _____

7. A copy of this application, including all attachments, has been mailed or delivered on 9/20/2011 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Stephen F. Lynch, Executive Director of _____
 Name Title
Cayuga County Industrial Development Agency hereby certify that the information
 Organization

on this application and accompanying papers constitutes a true statement of facts.

September 15, 2011
Date

Stephen F. Lynch
Signature

FOR USE BY ASSESSOR

1. Date application filed _____
2. Applicable taxable status date _____
- 3a. Agreement (or extract) date _____
- 3b. Projected exemption expiration (year) _____
4. Assessed valuation of parcel in first year of exemption \$ _____
5. Special assessments and special as valorem levies for which the parcel is liable:

Date Assessor's signature

CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

A1 PUMPING LLC

WITH ACKNOWLEDGMENT BY AND GUARANTY OF

REPAIR PLUS, LLC

PAYMENT IN LIEU OF TAX AGREEMENT

**2682 Turnpike Road
Town of Sennett
Cayuga County, New York**

Tax Map Number:

102.00-1-24.12 (or portions thereof, as may be reassigned)

Dated as of September 15, 2011

Affected Tax Jurisdictions:

Cayuga County
Town of Sennett
Weedsport Central School District

PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT (the "Agreement"), dated as of the 15th day of September, 2011, is by and between the **CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York, with offices located at County Office Building, 160 Genesee Street, 5th Floor, Auburn, New York 13021 (the "Agency") and **A1 PUMPING LLC**, a New York limited liability company with offices at 277 North Street, Auburn, New York 13021, with acknowledgment of and performance guaranty by **REPAIR PLUS, LLC**, a New York limited liability company having offices at 2760 Trombley Road, P.O. Box 1122, Weedsport, New York 13166 (together with A1 Pumping LLC, the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 688 of the Laws of 1970 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has requested the Agency's assistance with a certain project (the "Project") consisting of: (A) the acquisition by the Agency of a leasehold interest in an approximately 13-acre parcel of land located at 2682 Turnpike Road in the Town of Sennett, Cayuga County, New York (the "Land"); (B) the construction of an approximately 14,500 square-foot building to be used for (i) construction vehicle storage and maintenance, and (ii) as a truck repair facility (the "Improvements"); (C) the acquisition and installation in and around the Improvements of certain machinery, equipment and other items of tangible personal property (the "Equipment" and collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, in order to induce the Company to acquire, renovate, construct and equip the Facility, the Agency is willing to take a leasehold interest in the Land, the Improvements, and the Equipment constituting the Facility and lease said Land, Improvements, and Equipment constituting the Facility back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement to be dated on or about the date hereof (the "Leaseback Agreement"); and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the Agency for the benefit of Cayuga County (the "County"), the Town of Sennett (the "Town") and the Weedsport Central School District (the "School District" and, collectively with the County, and the Town, the "Affected Tax Jurisdictions").

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section 1 - Payment in Lieu of Ad Valorem Taxes:

Section 1.1 A. Subject to the completion and filing by the taxable status date (**March 1, 2012**) (the "Taxable Status Date") of New York State Form RP-412-a "Application For Real Property Tax Exemption" (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes commencing with the **2013 Town and County** tax years and the **2012-2013 School** tax year. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the Town, County and School. The Company shall provide to the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date.

B. Payee. As long as the Facility is owned by or leased to the Agency or under its jurisdiction, control or supervision, the Company agrees to pay annually to the Affected Tax Jurisdictions as a payment in lieu of taxes, on or before **January 1** of each calendar year for Town and County taxes and on or before **September 1** of each calendar year for School taxes (collectively, the "Payment Date"), commencing on **January 1, 2013** and **September 1, 2012**, respectively, an amount equal to the Total PILOT payment, as described on Schedule A attached hereto.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. The Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder (if any) within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes

would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County and Town and special district purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For School District purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the Town budget and school year which includes the PILOT payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement, the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total PILOT Payment. The Agency shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased PILOT payment until a different Total PILOT Payment shall be established. If a lesser Total Annual Payment is determined in any proceeding or by subsequent agreement of the parties, the Total PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding PILOT payment(s).

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to include (i) the 2012-2013 School tax year through the 2021-2022 School tax year, and (ii) the 2013 County and Town tax years through the 2022 County and Town tax years. This PILOT Agreement shall expire on December 31, 2022; *provided, however*, the Company shall pay the 2022-2023 School tax bill and the 2023 County and Town tax bills on the dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section 2 - Special District Charges, Special Assessments and other Charges. Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

Section 3 - Transfer of Facility. In the event that the Facility is transferred from the Agency to the Company (the lease/leaseback agreements are terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section I herein, or this Agreement terminates and the property is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section 4 - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section 5 - Changes in Law. To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

Section 6 – Job Creation. As specific inducement for Agency entering into this PILOT Agreement with the Company, the Company shall retain and create the full-time or equivalent jobs set forth in the Application for Financial Assistance dated June 7, 2011 (the “Application”), during the term of this PILOT Agreement at the Facility. Further, the Company

pledges its best effort to hire persons from the Cayuga County, New York work force. Company shall promptly provide employment figures to the Agency as requested.

Section 7 - Events of Default.

7.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section I within thirty (30) days of the Payment Date (the "Delinquency Date"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

7.2 If payments pursuant to Section I herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 7.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

Section 8 - Assignment. No portion of any interest in this Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld or delayed.

Section 9 - Miscellaneous.

9.1 This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

9.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: Cayuga County Industrial Development Agency
County Office Building
160 Genesee Street, 5th Floor
Auburn, New York 13021
Attn: Stephen F. Lynch, Executive Director

With a copy to: Harris Beach PLLC
677 Broadway, Suite 101
Albany, New York 12207
Attn: Justin S. Miller, Esq.

To the Company: A1 Pumping LLC
277 North Street
Auburn, New York 13021
Attn: Diana Sroka

With copies to: Bersani Law Firm
224 Harrison Street
Syracuse, New York 13202-3067
Attn: Frank A. Bersani, Jr

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

9.3 This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Cayuga County, New York.

9.4 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

[Signature page to PILOT Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and year first above written.

CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: Stephen F. Lynch
Stephen F. Lynch, Executive Director

A1 PUMPING LLC

By: Kenneth R. Sroka
Kenneth R. Sroka, Member
A

WITH ACKNOWLEDGMENT BY AND GUARANTY OF:

REPAIR PLUS, LLC

By: Kenneth R. Sroka
Kenneth R. Sroka, Member:
A.

PERFORMANCE GUARANTY

For good and valuable consideration, **REPAIR PLUS, LLC**, a limited liability company duly organized and validly existing under the laws of the State of New York having office an at 2760 Trombley Road, P.O. Box 1122, Weedsport, New York 13166 (the "Guarantor"), hereby irrevocably, absolutely and unconditionally guarantees to the Agency and its assigns the full and prompt payment of all indebtedness, liabilities and obligations of the Company hereunder including, without limitation, the payment of the principal amount of the respective obligations and all interest, fees, costs and expenses. The within guarantees are independent of and in addition to any other guaranty, endorsement, collateral, remedy, statutory right or other agreement held by the County of Cayuga or its assigns and are a guaranty of payment and performance, not of collection.

Dated: As of September 15, 2011

REPAIR PLUS, LLC

By: _____


Kenneth R. Sroka, Member:
A.

SCHEDULE A

To the PILOT Agreement dated as of September 15, 2011, between the **Cayuga County Industrial Development Agency** and **A1 Pumping LLC**

“Total PILOT Payment” shall be calculated as follows:

PILOT Year	County and Town Tax Years	School Tax Year	Total Taxable Valuation
Year 1	2013	2012-13	Base Valuation, plus (Added Value x .00)
Year 2	2014	2013-14	Base Valuation, plus (Added Value x .10)
Year 3	2015	2014-15	Base Valuation, plus (Added Value x .20)
Year 4	2016	2015-16	Base Valuation, plus (Added Value x .30)
Year 5	2017	2016-17	Base Valuation, plus (Added Value x .40)
Year 6	2018	2017-18	Base Valuation, plus (Added Value x .50)
Year 7	2019	2018-19	Base Valuation, plus (Added Value x .60)
Year 8	2020	2019-20	Base Valuation, plus (Added Value x .70)
Year 9	2021	2020-21	Base Valuation, plus (Added Value x .80)
Year 10	2022	2021-22	Base Valuation, plus (Added Value x .90)

For the term of this PILOT Agreement, the Company shall continue to pay full taxes based on the assessed value of the Land before the completion of any Project improvements (the “Base Valuation”). **During the term of this PILOT Agreement, the Base Valuation shall be frozen at One Hundred Thousand Dollars (\$100,000).** The Total Taxable Valuation for each Total PILOT Payment shall be calculated such that a graduated abatement factor (“Abatement Factor”) shall be applied to the increased assessed valuation attributable to the Improvements made to the Project Facility by the Company, as an Agent of the Agency, for the Project (the “Added Value”). The abatement schedule shall allow for a 100% exemption from taxation for the Added Value in the first PILOT Year, with such exemption being eliminated in Ten Percent (10.0%) increments on an annual basis.

Once the Total Taxable Valuation is established using the Abatement Factor, the Total PILOT Payment shall be determined by multiplying the Total Taxable Valuation by the respective tax rate for each affected tax jurisdiction (after application of any applicable equalization rate). After the tenth PILOT Year, the Project Facility shall be subject to full taxation by the affected taxing jurisdictions.

Total Taxable Valuation = Base Valuation + (Added Value x Abatement Factor)

Total PILOT Payment = Total Taxable Valuation (after equalization) x Tax Rate

Exhibit A

Property Description

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Sennett, County of Cayuga, State of New York, being part of Lot 18 in said Town known as the "Sroka Subdivision" as shown on a map prepared by CNY Land Surveying filed in the Cayuga County Clerk's Office on September 2, 2011 as Map No. 11-123 and being more particularly described as follows:

BEGINNING at the intersection of the southerly line of Turnpike Road with the westerly line of New York State Route 34;

thence S.04°05'00"E., along the westerly line of said New York State Route 34 a distance of 595.95 feet to a point for corner;

thence S.73°44'03"W., a distance of 625.63 feet to a point for corner;

thence S86°29'24"W., a distance of 233.62 feet to a point for corner in the easterly line of lands now or formerly owned by James P. and Tricia L. Cady as recorded in the Cayuga County Clerk's Office in Liber of Deeds #1143, Page #308;

thence N.03°30'36"W., along the common line between said Cady property and lands now or formerly owned by Peter A. and Delores A. Montross as recorded in the Cayuga County Clerk's Office in Liber of Deeds #539, Page #227, a distance of 586.81 feet to a point in the southerly line of said Turnpike Road;

thence along the southerly line of said Turnpike Road the following bearings and distances:

N.76°48'16"E., a distance of 31.52 feet to a point for corner;

N.56°51'11"E., a distance of 364.70 feet to a point for corner;

S.88°21'58"E., a distance of 187.04 feet to a point for corner;

N.86°45'24"E., a distance of 279.84 feet to a point for corner;

S.52°49'48"E., a distance of 31.19 feet to the **POINT OF BEGINNING**.