

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
**PROJECT AUTHORIZING RESOLUTION**  
 CANEXSYS NETWORKS, INC. [Project Number, 4001-22-03]  
 Resolution No. IDA-22-09-17  
 September 23, 2022

A regular meeting of the St. Lawrence County Industrial Development Agency (the “SLCIDA”) was convened on September 23, 2022 at 11:00 AM, local time, in the Main Conference Room of the Ernest J. LaBaff Industrial Building, 19 Commerce Lane, Canton, New York.

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

MEMBER	PRESENT	ABSENT
Blevins, Lynn	X	
Hall, Mark C.	X	
LaBaff, Ernest		X
McMahon, Andrew	X	
Morrill, Steven		X
Reagen, James	X	
Staples, Brian W.	X	

The following persons were ALSO PRESENT: IDA Staff (Patrick Kelly, Richard Williams, Kimberly Gilbert, Bob Ahlfeld, and Lori Sibley); IDALDC Staff (John Pinkerton).

After the meeting had been duly called to order, the Chairman announced that, among the purposes of the meeting, was to consider and take action on certain matters pertaining to proposed project for the benefit of Canexsys Networks, Inc.

On motion duly made by Mr. Reagen and seconded by Mr. Blevins, the following resolution was placed before members of the St. Lawrence County Industrial Development Agency:

- (i) **ACCEPTING AN APPLICATION SUBMITTED BY THE COMPANY WITH RESPECT TO A CERTAIN PROJECT;**
- (ii) **ACCEPTING AND ADOPTING FINDINGS WITH RESPECT TO THE PROJECT PURSUANT TO SEQRA.**
- (iii) **DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE SLCIDA WITH RESPECT TO THE PROJECT;**
- (iv) **AUTHORIZING THE UNDERTAKING OF FINANCIAL ASSISTANCE TO CANEXSYS NETWORKS, INC. FOR A PROJECT DESCRIBED HEREIN IN THE FORM OF (a) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT;**

*Canexsys Networks, Inc. [Project Number, 4001-22-03]*  
Resolution No. IDA-22-09-17  
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**WHEREAS**, the St. Lawrence County Industrial Development Agency (the "SLCIDA") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State") as amended, and Chapter 358 of the Laws of 1971 of the State, as amended (collectively, the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration, and

**WHEREAS**, Canexsys Networks, Inc. (the "Company") has submitted an application (the "Application") to the SLCIDA requesting the SLCIDA's assistance with the project, the terms and conditions of which are described in **Exhibit A**, attached hereto and made a part thereof, and as may be more thoroughly described within the Application, and

**WHEREAS**, the St. Lawrence County Industrial Development Agency has negotiated a lease agreement with the Company for approximately 8,000 square feet of space in the 100 Paterson Street Building, Ogdensburg, NY with an option expand to approximately 37,870 square feet of space, and

**WHEREAS**, there has been enacted into law Article 8 of the New York Environmental Conservation Law, Chapter 612 of the 1975 Laws of the State of New York, as amended (the "Environmental Act"), which provides for the review of certain "actions" undertaken by State and local agencies for purposes of regulating such activities in order for proper consideration be given to the prevention of environmental damage,

**WHEREAS**, provision of economic assistance to industrial projects by the SLCIDA is an "action" as that term is defined in the Environmental Act, which must be evaluated by the SLCIDA to determine its environmental effect, and in accordance with the Environmental Act, the SLCIDA conducted an environmental review of the project, a draft of which is attached hereto as **Exhibit B**, and

**WHEREAS**, it is contemplated that prior to taking any action the SLCIDA will (i) accept the Company's application for financial assistance in the form of a Sales and Use Tax Exemption; (ii) accept and adopt findings pursuant to SEQRA;

**NOW, THEREFORE, BE IT RESOLVED** by the members of the St. Lawrence County Industrial Development Agency as follows:

Section 1. The Company has presented an Application in a form acceptable to the SLCIDA. Based upon the representations made by the Company to the SLCIDA in the Company's application, the SLCIDA hereby finds and determines that:

(A) By virtue of the Act, the SLCIDA 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; and

(B) The SLCIDA has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the SLCIDA will induce the Company to develop the Project in St. Lawrence County, New York, and otherwise furthering the purposes of the SLCIDA as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the SLCIDA hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

Section 2. The SLCIDA has reviewed the SEQR assessment and its findings for the Project and hereby confirms and determines that the Project will not result in any significant adverse environmental impacts.

Section 3. Subject to the execution of an Agency Compliance Agreement and the delivery to the SLCIDA of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the SLCIDA, the SLCIDA hereby authorizes the Company to proceed with the undertaking of the Project and hereby appoints the Company, and their respective agents and other designees, as the true and lawful agent of the SLCIDA: (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the SLCIDA with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the SLCIDA could do if acting in its own behalf.

Section 4. The form and substance of a proposed Agency Compliance Agreement by and between SLCIDA and the Company with respect to the Sales and Use Tax Exemption is hereby approved, and the Chairman, Vice Chairman and/or Chief Executive Officer is authorized to execute and deliver said Agency Compliance Agreement and related documents.

Section 5. The Agency Compliance Agreement shall expire on **August 31, 2023** unless extended pursuant to the terms of the Agency Compliance Agreement.

Section 6. The public hearing, concerning the nature and location of the Facility and the contemplation of the provision of financial assistance is not required;

Section 7. The SLCIDA hereby authorizes the creation, execution and delivery of any and all Lease Agreements along with the issuance of a Payment in Lieu of Taxes agreement to the Company.

Section 8. The officers, employees and agents of the SLCIDA are hereby authorized and directed for and in the name and on behalf of the SLCIDA 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 SLCIDA with all of the terms, covenants and provisions of the documents executed for and on behalf of the SLCIDA.

Section 9. These Resolutions shall take effect immediately.

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

Member	Aye	Nay	Abstain	Absent
Blevins, Lynn	X			
Hall, Mark C.	X			
LaBaff, Ernest				X
McMahon, Andrew	X			
Morrill, Steven				X
Reagen, James	X			
Staples, Brian W.	X			

The resolution was thereupon declared duly adopted.

**EXHIBIT A**

<b>1.</b>	<b>Applicant Name/Project Number:</b> Canexsys Networks, Inc. (100 Paterson Street, Ogdensburg) - Project [#4001-22-03]	
<b>2.</b>	<b>Project Description (the “Project”):</b> Assistance in the form of exemption from sales and use tax on purchases and rentals of goods and services related to the undertaking of a certain project, as the Company expands its operations into a new location at <u>100 Paterson Street</u> , Ogdensburg, St. Lawrence County, New York, such real property being more particularly described as <b>TMID No 48.071-5-47.1</b> (herein, the “Facility”) together with the existing building thereon (the “Existing Improvements”) to construct manufacturing support systems and improvements to the existing structure, (collectively, the “Improvements”), the acquisition in and around the Land and 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 the lease of the Facility from the SLCIDA to the Company in the form of an initial lease agreement with for approximately 8,000 square feet of space in the 100 Paterson Street Building through 08/31/2023 with an option to renew and expand to approximately 37,870 square feet of space.	
<b>3.</b>	<b>Type of Financial Assistance Requested:</b>	Exemption from sales and use taxes on purchases and rentals of goods and services relating to the undertaking of the “Project” as described, above.
<b>4.</b>	<b>Total Amount of Project:</b>	\$1,720,000
<b>5.</b>	<b>Benefited Project Amount:</b>	\$150,000
<b>6.</b>	<b>Estimated value of NYS Sales &amp; local sales and use tax exemption to be provided to the Company for this Project:</b>	\$12,000
<b>7.</b>	<b>PILOT Structure</b>	PILOT payments equaling full taxes for the occupied space will be paid to the affected taxing jurisdictions.
<b>8.</b>	<b>Mortgage Recording Tax Exemption</b>	N/A
<b>9.</b>	<b>Full-time Equivalent Jobs to be Retained as a Result of the Project:</b>	14
<b>10.</b>	<b>Full-Time Equivalent Jobs to be Created as a Result of the Project:</b>	10
<b>11.</b>	<b>Expiration of the Financial Assistance:</b>	8/31/2023

**SECRETARY’S CERTIFICATION**

STATE OF NEW YORK                    )  
COUNTY OF ST. LAWRENCE        )        SS.:

The undersigned, being the Secretary of the St. Lawrence County Industrial Development Agency, DOES HEREBY CERTIFY THAT:

I have compared the foregoing extract of the minutes of the meeting of the St. Lawrence County Industrial Development Agency (the “Agency”) including the resolution contained therein, held on September 23, 2022 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 in 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 such 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 23<sup>rd</sup> day of September 2022.

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Mr. Lynn Blevins