

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY

**AUTHORIZING RESOLUTION**

MILLENNIUM PIPELINE COMPANY, L.L.C.

WHEREAS, the County of Rockland Industrial Development Agency (the "Agency") is authorized under the laws of the State of New York, and in particular under the provisions of the New York State Industrial Development Agency Act and the Agency's enabling legislation, respectively constituting Article 18A and Section 925-1 of the General Municipal Law (Chapter 24 of the Consolidated Laws of New York), as amended (the "Act"), to assist in providing civic facilities for the use or benefit of the general public; and

WHEREAS, the Agency proposes to enter into a "straight lease" transaction which will consist of: (a) a leasehold interest in a right-of-way approximately 50 feet wide and 23,047 feet long, together with the improvements presently located thereon collectively constituting an approximately 23,047 foot long, 30-inch diameter natural gas transportation pipeline, and related equipment and facilities located in the Town of Ramapo, County of Rockland, State of New York, more particularly described in Exhibit "A" attached hereto (the "Land" or "Project Facility"); (b) the sublease of the Project Facility to the Company to maintain the operation of the Project Facility in Rockland County, to preserve the competitive position of the Company in the merchant energy industry as that industry faces the financial challenges created by deregulation, to induce continued capital investment by the Company in the Project Facility, and to preserve the permanent private sector jobs currently existing at the Project Facility in Rockland County and to preserve and create budgeting certainty for tax-related revenues of the involved taxing jurisdictions; and (c) the grant of "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of an abatement from real property taxes and a payment in lieu of taxes ("PILOT Agreement"); and

WHEREAS, to facilitate the Project and pursuant to a Stipulation and Order of Partial Settlement between and among the New York State Department of Taxation and Finance, The County of Rockland, the Town of Ramapo and the Ramapo Central School District (together, the "Tax Jurisdictions") and the Company (the "Stipulation and Order"), the Agency and the Company have entered into negotiations to enter into a "straight lease transaction" within the meaning of the Act in which the Agency will acquire a leasehold interest in the Project Facility and the Agency will lease its interest in the Project Facility to the Company pursuant to this Agreement, and, in furtherance of such purposes, on February 26, 2013, the Agency adopted a resolution (the "Agency Authorizing Resolution") approving the Project, the acquisition of a leasehold interest in the Project Facility by the Agency and the lease of the Project Facility by the Agency to the Company; and

WHEREAS, to facilitate the implementation of the Stipulation of Settlement and Order, the Tax Jurisdictions and the Company have proposed to enter into a certain PILOT Agreement (the "PILOT Agreement") and have requested the Agency to provide financial assistance (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in

the form of exemption from real property taxes and a payment in lieu of tax ("PILOT") agreement to be dated as of March 1, 2013 and to be approved by the Tax Jurisdictions; and

WHEREAS, the Agency has made certain findings and determinations in its inducement resolution regarding the Project adopted on February 14, 2013, which by this reference are adopted and confirmed as though made on the date hereof.

NOW, THEREFORE, be it resolved by the County of Rockland Industrial Development Agency as follows:

Section 1. To accomplish the purposes of the Act, the Agency determined that the Project will be located in the Town of Ramapo New York and will consist of the acquisition of a leasehold interest in the Premises by the Agency pursuant to a lease (the "Head Lease") and the lease of the Premises by the Agency to the Company pursuant to another lease (the "Lease").

Section 2. Any Authorized Representative of the Agency is authorized to execute, acknowledge and deliver the Head Lease and Lease Agreement with such changes, insertions and omissions as may be approved by the Authorized Representative. The execution of the Head Lease and Lease Agreement by an Authorized Representative will be conclusive evidence of any approval required by this Section.

Section 3. Any Authorized Representative of the Agency is authorized to execute, acknowledge and deliver the Indemnity Agreement Regarding Hazardous Materials (the "Indemnity Agreement") with such changes, insertions and omissions as may be approved by the Authorized Representative. The execution thereof by an Authorized Representative will be conclusive evidence of any approval by this Section.

Section 4. Any Authorized Representative of the Agency is authorized to execute, acknowledge and deliver the Payment In Lieu of Taxes Agreement (the "PILOT Agreement") with such changes, insertions and omissions as may be approved by the Authorized Representative. The execution thereof by an Authorized Representative will be conclusive evidence of any approval by this Section.

Section 5. Where required, the Secretary or any Assistant Secretary is authorized to affix the seal of the Agency to any document executed by an Authorized Representative and to attest to the same.

Section 6. All covenants, stipulations, obligations and agreements of the Agency contained in this resolution, the Head Lease, the Lease Agreement, the Indemnity Agreements and the PILOT Agreement are deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law. Except as otherwise provided in this resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this resolution, the Head Lease, the Lease Agreement, the Indemnity Agreements or the PILOT Agreement shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

Section 7. No covenant, stipulation, obligation or agreement contained in this resolution, the Head Lease, the Lease Agreement, the Indemnity Agreements, the PILOT Agreement or other documents executed in connection with this transaction will be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, Authorized Representative, agent or employee of the Agency or the County of Rockland in his or her individual capacity and neither the members of the Agency nor any officer executing such documents shall be liable personally on such documents or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 8. The members of the Agency (as used in this resolution, each an "Authorized Representative") are each designated the Authorized Representative of the Agency and each of them is hereby authorized and directed to cause the execution and delivery of the documents set forth herein and to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents, and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution, the Head Lease, Lease, the Indemnity Agreement and the PILOT Agreement, including such changes or revisions in the forms of such documents as may be requested.

Section 9. The members of the Agency are also each designated as an Assistant Secretary of the Agency, authorized to perform all of the duties of the Secretary of the Agency under the Act and the By-Laws of the Agency with respect to the transactions authorized by this resolution.

Section 10. The law firm of Montalbano, Condon & Frank, P.C. is appointed Counsel to the Agency for this Project.

Section 11. The Secretary of the Agency or his designee is hereby authorized and directed to deliver a certified copy of this resolution to the County Executive of the County of Rockland for review in accordance with the Act.

Section 12. After consideration of all the circumstances, the fee of the Agency is set at \$100,000.00 which is to be paid in full at the closing, along with the fees and expenses of the Counsel to the Agency. The fee of the Agency and its Counsel's fee and expenses shall be paid solely by the Company without contribution by the Town of Ramapo or any other Tax Jurisdictions.

Section 13. This resolution shall take effect immediately upon approval by the County Executive of the County of Rockland as provided by the Act. If all Tax Jurisdictions have not approved and executed the PILOT Agreement and related documents, this resolution may be deemed by the Agency to have expired at any time after twelve (12) months from the date hereof.

Adopted: February 26, 2013

