



16-001

**Isomedix
Operations,
Inc**



Project #: 16-001

Project Name: Isomedix Operations, Inc

Inspections:

(* - with waiver)

- 8/23/16 – 100%*
- 9/27/16 – 100%*
- 10/26/16 – 100%*
- 11/10/16 – 100%*
- 12/20/16 – 100%*
- 1/12/17 – 100%*
- 2/10/17 – 3 out of area – 0%
 - 3/09/17 – 100%*
 - 4/13/17 – 100%*
- 5/25/17 – 2 out of area – 60%*

Weekly Subcontractor Combined Total: 2,273

Non Compliant Total: 114

Overall compliance: 95%

Waivers Issued: 12

- Amboy Floors, Inc
- Brook Contracting
 - Concepts Instile
- Express Construction #4, LLC
 - KMR Fire Protection, LLC
 - Lincoln Glass and Metal
- Major League Building Maintenance
 - Moyer Handling Systems
 - Sealtite Systems, Inc
- Tri-County Property Maintenance, LLC (2)
 - Unique Scaffolding Systems, LLC
 - Warrenville Electrical



Industrial Development Agency
ORANGE COUNTY | NEW YORK

Empowering Businesses. Inspiring Growth.

**APPLICATION FOR
FINANCIAL ASSISTANCE**

___ **Isomedix Operations, Inc.** ___
(Applicant Name)

Robert T. Armistead
Chairman
Orange County Business Accelerator
4 Crotty Lane, Suite 100
New Windsor, NY 12553
Phone: 845-234-4192 Fax: 845-220-2228
www.ocnyida.com
business@ocnyida.com

Updated July 2014

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR FINANCIAL ASSISTANCE

I. APPLICANT INFORMATION

Company Name: Isomedix Operations, Inc. (DBA – STERIS Isomedix Services)

Mailing Address: 5960 Heisley Road, Mentor, Ohio

Phone No.: 440-354-2600

Fax No.:

Fed Id. No.: 202091512

Contact Person: Stephen Norton

Principal Owners/Officers/Directors (list owners with 15% or more in equity holdings with percentage ownership):

See attached annual report, page 94.

Corporate Structure (*attach schematic if applicant is a subsidiary or otherwise affiliated with another entity*) See annual report.

Form of Entity

Corporation STERIS Corporation is a "C" corporation and Isomedix Operations, Inc. is a wholly owned subsidiary.

Date of Incorporation: August 9, 1985
State of Incorporation: Ohio

Partnership

General or Limited
Number of general partners
If applicable, number of limited partners

Date of formation
Jurisdiction of Formation

Limited Liability Company/Partnership (number of members)

Date of organization:
State of Organization:

Sole Proprietorship

If a foreign organization, is the applicant authorized to do business in the State of New York?

APPLICANT'S COUNSEL

Name: Ronald Snyder
Address: 5960 Heisley Road, Mentor, Ohio 44060
Phone No.: 440-392-7410
Fax No.:

II. PROJECT INFORMATION

A) Describe the proposed acquisitions, construction or reconstruction and a description of the costs and expenditures expected.

STERIS Isomedix Services is proposing a new industrial sterilization facility in the Chester Industrial Park on the site located at 32 Elizabeth Drive, known as Block 2, Section 117, Lots 4&5. The proposed development project includes the purchase of 10.77 acres of land, the construction of a 61,138 square foot facility including 4,082 square foot of office space, 53,376 square foot of warehouse space. The facility will provide industrial sterilization services to the medical device manufacturing industry. The total capital investment is anticipated to be \$10.5 million.

B) Furnish a copy of any environmental application presently in process of completion concerning this project, providing name and address of the agency, and copy all pending or completed documentation and determinations. **Attached.**

If any of the above persons, or a group of them, owns more than a 50% interest in the company, list all other organizations which are related to the company by virtue of such persons having more than a 50% interest in such organizations.

Is the company related to any other organization by reason of more than 50% common ownership? If so, indicate name of related organization and relationship.

Isomedix Operations, Inc. is a wholly owned subsidiary of STERIS Corporation.

Has the company (or any related corporation or person) made a public offering or private placement of its stock within the last year? If so, please provide offering statement used.

See attached Amended S-4

Project Data

1. Project site (land)

(a) Indicate approximate size (in acres or square feet) of project site.

10.77 acres

(b) Are there buildings now on the project site? Yes X No

(c) Indicate the present use of the project site.

The land is located within the Chester Industrial Park and is available for development

(d) Indicate relationship to present user of project.

2. Does the project involve acquisition of an existing building or buildings? If yes, indicate number, size and approximate age of buildings:

3. Does the project consist of the construction of a new building or buildings? If yes, indicate number and size of new buildings:

The Phase I construction of a 61,138 square foot facility including 4,082 square foot of office space, 53,376 square foot of warehouse space. The total capital investment is anticipated to be \$10.5 million.

4. Does the project consist of additions and/or renovations to existing buildings? If yes, indicate nature of expansion and/or renovation:

5. What will the building or buildings to be acquired, constructed or expanded be used for by the company? (Include description of products to be manufactured, assembled or processed, and services to be rendered. . .

The facility will provide industrial sterilization services to the medical device manufacturing industry.

. . . *including* the percentage of building(s) to be used for office space and an estimate of the percentage of the functions to be performed at such office not related to the day-to-day operations of the facilities being financed.)

The construction of a 61,138 square foot facility including 4,082 square foot of office space, 53,376 square foot of warehouse space.

6. If any space in the project is to be leased to third parties, indicate total square footage of the project amount to be leased to each tenant and proposed use by each tenant.

7. List principal items or categories of equipment to be acquired as part of the project.

Industrial Irradiator and related material handling equipment.

8. Has construction work on this project begun?

Complete the following

(a) site clearance	Yes	X	No	% complete
(b) foundation	Yes	X	No	% complete
(c) footings	Yes	X	No	% complete
(d) steel	Yes	X	No	% complete
(e) masonry work	Yes	X	No	% complete
(f) other (describe below)	Yes	X	No	% complete

9. Will any of the funds borrowed through the Agency be used for refinancing?
No.

10. Is a purchaser for the bonds in place? _____

COST BENEFIT ANALYSIS:

	Costs = Financial Assistance	Benefits = Economic Development
Estimated Sales Tax Exemption	\$ _____	New Jobs Created 25
Estimated Mortgage Tax Exemption	\$ _____	Existing Jobs Retained 110
Estimated Property Tax Abatement	\$ _____	Private Funds invested \$10.5 million
Estimated Interest Savings IRB Issue	\$ _____	Other Benefits
		Expected Yearly Payroll \$
		Expected Gross Receipts \$

B) Project Address: 32 Elizabeth Drive, known as Block 2, Section 117, Lots 4&5, Chester, NY

Tax Map Number _____
(Section/Block/Lot)
Located in City of _____
Located in Town of Chester
Located in Village of _____
School District of _____

C) Are utilities on site? (AVAILABLE FOR TIE IN)

Water No Electric No
Gas No Sanitary/Storm Sewer No

D) Present legal owner of the site Chester Industrial Park Associates LP
If other than from applicant, by what means will the site be acquired for this project? _____

E) Zoning of Project Site: Current: M-1 Proposed: M-1

F) Are any variances needed? None required

G) Principal use of project upon completion: The facility will provide industrial sterilization services to the medical device manufacturing industry.

H) Will the project result in the removal of a plant or facility of the applicant from one area of the State of New York to another? No.

Will the project result in the removal of a plant or facility of another proposed occupant of the project from one area of the State of New York to another area of the State of New York? No.

Will the project result in the abandonment of one or more plants or facilities located in the State of New York? No.

I) Estimate how many construction/permanent jobs will be created or retained as a result of this project and the estimated annual salary range:

Number of jobs created	Estimated Annual Salary Range
Construction: <u>6-85</u>	\$ <u> </u> to \$ <u> </u>
Permanent: <u>25</u>	\$ <u>33,000</u> to \$ <u>74,000</u>
Retained: <u>110</u>	\$ <u>33,000</u> to \$ <u>74,000</u>

J) Financial Assistance being applied for:

	Estimated Value
Real Property Tax Abatement	\$
Please indicate the term of the PILOT: _____ Years	
Mortgage Tax Exemption	\$
Please provide the Mortgage Amount: \$ _____	
X Sales and Use Tax Exemption	\$
Amount of Goods & Services to be purchased: \$ <u>\$4 million</u>	

K) Issuance by the Agency of Tax Exempt Bonds \$
Project Costs (Estimates)

Land \$2.5 million
Building \$8 million
Equipment \$
Soft costs
Other

Total \$10.5 million

III. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A. Job Listings In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the proposed project must be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entitle") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JPTA") in which the project is located.
- B. First Consideration for Employment In accordance with Section 858-b(2) of the General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant must first consider persons eligible to participate in JTPA programs who shall be referred by the JPTA Entities for new employment opportunities created as a result of the proposed project.
- C. A liability and contract liability policy for a minimum of three million dollars will be furnished by the Applicant insuring the Agency.
- D. Annual Sales Tax Filings In accordance with Section 874(8) of the General Municipal Law, the Applicant understands and agrees that, if the proposed project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the Applicant.
- E. Annual Employment Reports The applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.
- F. Absence of Conflicts of Interest The applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

The Applicant and the individual executing this Application on behalf of applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

(Applicant Signature)

(Name of Officer)

(Title)

This Application should be submitted to the Orange County Industrial Development Agency, c/o Robert T. Armistead, Chairman, Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, NY 12553.

The Agency will collect an administrative fee at the time of closing.
SEE ATTACHED FEE SCHEDULE (page 10)

Bond Counsel
CHARLES SCHACHTER, ESQ./
RUSSELL GAENZLE, ESQ.
Harris Beach PLLC
99 Garnsey Road
Pittsford, New York 14534
Tel: (585) 419-8633
Fax: (585) 419-8817

Attach copies of preliminary plans or sketches of proposed construction or rehabilitation or both.

Attach the following Financial Information of the Company

1. Financial statements for last two fiscal years (unless included in company's Annual Reports).
2. Company's annual reports (or Form 10-K's) for the two most recent fiscal years.
3. Quarterly reports (Form 10Q's) and current reports (Form 8-K's) since the most recent Annual Report, if any.
4. In addition, please attach the financial information described above in items 1, 2 and 3 of any expected Guarantor of the proposed bond issue, if different from the company.

HOLD HARMLESS AGREEMENT

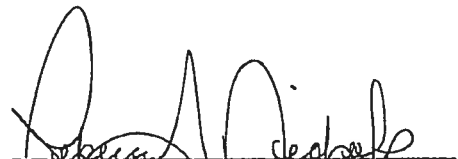
Applicant hereby releases the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in processing of the Application, including attorneys' fees, if any.


(Applicant Signature)

By: Gerard J. Reis

Name:

Title: Sr. Vice President
Government Affairs


(Notary Public)

Sworn to before me this 12th day
of February, 2015



REBECCA A. NICHOLS
NOTARY PUBLIC
STATE OF OHIO
Comm. Expires
May 15, 2017

**FEE SCHEDULE FOR THE
ORANGE COUNTY IDA IS AS FOLLOWS:**

Application Fee:

\$5,000 non-refundable, due at application, broken down as follows:

IDA Administrative Fee: \$2,500

IDA Transaction/Bond Counsel Fee: \$2,500

Closing Fee:

IDA Fee

One-percent of the first \$2,000,000 of the project cost (as identified on page 7 of this application), plus one-half percent of amount above that, due at closing.*

IDA Bond Counsel Fee

Balance due to be determined based on Project and overall structure (typically \$25,000 to \$35,000 plus out of pocket expenditures).

NOTE: IDA reserves the right to seek additional IDA and Bond Counsel fees for exceptionally complex/large transactions.

Please make all Checks payable to:

Orange County Industrial Development Agency

Mail to:

4 Crotty Lane

New Windsor, NY 12553

*In the event that an applicant does not seek or does not qualify for the IDA's enhanced PILOT or the equivalent of the State's 485-b program, the fee will be a straight one-half percent (0.5%) of the project cost (as identified on page 7 of this application).

LABOR POLICY
ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Adopted 04-24-2014

The Orange County Industrial Development Agency (IDA) was created for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Orange County. The IDA offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Orange County. When the IDA approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities in Orange County. The IDA believes that companies benefiting from its incentive programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter "construction workers"), including those who have returned from military service, during the construction phase of projects. In this way, the IDA can generate significant benefits to advance the County's general prosperity. It is, therefore, the policy of the IDA that firms benefiting from its programs shall employ workers in Orange County during all project phases, including the construction phase.

For the purposes of this Policy, the local labor market for construction workers shall be defined as those individuals living in Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester Counties. Applicants receiving IDA benefits shall utilize at least 85% local labor for their approved projects. However, the IDA recognizes that the use of local labor may not be possible for the following reasons:

- 1) Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers;
- 2) Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;
- 3) Significant cost differentials in bid prices whereby the use of local labor significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations;
- 4) No local labor is available for the project; and
- 5) The contractor requires the use of key or core persons such as supervisors, foremen, or construction workers having special skills.

The request to secure an exemption for use of non-local labor must be received in writing from the applicant. The request will be reviewed by the Executive Director who shall have the authority to approve or disapprove the request. The Executive Director shall report each authorized exemption to the Board of Directors at its monthly meeting.

In addition, applicants receiving IDA benefits and Contractors on the project shall make every effort to utilize vendors, material suppliers, subcontractors and professional services from Orange County and the surrounding counties. Applicants and contractors shall be required to keep records of those local vendors, material suppliers, contractors and professional services who they have solicited and with whom they have contracted with or awarded.

It is the goal of the County of Orange and the IDA to promote the use of local veterans on projects receiving IDA benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on IDA projects there is opportunity for veterans to gain both short term and long term careers in the construction industry.

Once approved for IDA benefits, all applicants will be required to provide to the IDA's Executive Director the following information:

- 1) Contact information for the applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the application and project;
- 2) Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
- 3) The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification for all contractors and their employees performing work on the site; and
- 4) A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Orange County IDA projects are subject to local monitoring by the IDA. The Construction Manager, acting as agent for the applicant, on the project shall keep a log book on site detailing the number of workers on the job for each trade and the counties in which they reside which shall be subject to periodic inspection by the monitoring entity. The monitor shall issue a report to the Executive Director relative to compliance with this labor policy who shall share such information with the IDA Board of Directors. If a violation of the policy has occurred, the Executive Director shall notify the applicant in writing and give such applicant a warning of such violation. In the event there is a subsequent violation of the policy, the Executive Director shall bring such information to the Board of Directors which may, in its discretion, take action to revoke IDA benefits.

The applicant of an IDA approved project shall be required to maintain a 4' x 8' bulletin board on the project site containing the following information:

- 1) Contact information of the applicant;
- 2) Summary of the IDA benefits received; and
- 3) Contractors' names and contact information.

The bulletin board shall be located in an area that is accessible to onsite workers and visitors.



STERIS

February 17, 2015

Laurie Villasuso
Associate Executive Director
Orange County Industrial Development Agency
4 Crotty Lane, Suite 100
New Windsor, NY 12553

Dear Director Villasuso:

This letter is in response to your review of the Industrial Development Agency application submitted Feb. 10, 2015 on behalf of Isomedix Operations, Inc., a wholly owned subsidiary of STERIS Corporation.

As you are aware, Isomedix has proposed an expansion of its operations located in Chester, New York. The capital investment is approximately \$10.5 million and will include the addition of 25 new jobs with annual salaries ranging between \$33,000 and \$74,000, as well as the retention of 110 existing jobs.

We also estimate that the project will employ between 60 and 85 skilled tradespeople during the approximately 12-month construction period, with the project to be completed in April 2016.

Isomedix Operations, Inc. is proposing a new facility in the Chester Industrial Park on the site located at 32 Elizabeth Drive, known as Block 2, Section 117, Lots 4&5. The proposed development project includes the purchase of 10.77 acres of land, the construction of a 61,138 square foot facility that will provide industrial sterilization services to the medical device manufacturing industry.

This project is located in Chester (CSD) school district. We anticipate that approximately \$4 million of the proposed \$10.5 million investment will be used to purchase materials used in the construction of the building. If Orange County were to approve an 8.125 percent sales tax abatement, we anticipate the savings to Isomedix would be approximately \$325,000.

We look forward to working with you to secure this incentive that will assist us with our ability to invest in our local operations, grow our business and create jobs.

Sincerely,

Gerry Reis
Senior Vice President, Government Affairs
STERIS Corporation



May 5, 2015

Laurie Villasuso
Associate Executive Director
Orange County Industrial Development Agency
4 Crotty Lane, Suite 100
New Windsor, NY 12553

Dear Director Villasuso,

Isomedix Operations, Inc., a wholly owned subsidiary of STERIS Corporation, is requesting to modify its project application to include the Enhanced 10 year PILOT.

As you are aware, Isomedix Services is proposing a new industrial sterilization facility in the Chester Industrial Park on the site located at 32 Elizabeth Drive, known as Block 2, Section 117, Lots 4&5. The proposed development project includes the purchase of 10.77 acres of land, the construction of a 61,138 square foot facility including 4,082 square foot of office space, and 53,376 square foot of warehouse space.

The facility will provide industrial sterilization services to the medical device manufacturing industry. The total capital investment is anticipated to be \$12.2 million.

We appreciate the assistance provided to date by IDA, as we have evaluated how to invest in our existing operations in Chester, New York to expand and create jobs.

We look forward to discussing next steps and assisting you and IDA staff with the application and approval process.

Sincerely,



Gerry Reis
Senior Vice President
Government Affairs

GR/r

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Orange County Industrial Development Agency (the "Agency") on Friday, June 12, 2015, at 11:00 a.m. local time, in the 2nd Floor Conference Room at the Village Offices, 47 Main Street, Chester, New York 10918, in connection with the following matter:

ISOMEDIX OPERATIONS INC., a Delaware corporation, for itself or on behalf of an entity formed or to be formed (collectively, the "Company"), has submitted an application (the "Application") to the Agency requesting the Agency's assistance with respect to a certain project (the "Project") consisting of (i) the acquisition of a leasehold interest in an approximately 5.80-acre parcel of land located at 10 Nucifora Boulevard (TMID No. 117-2-4) and an approximately 5.00-acre parcel of land located at 32 Elizabeth Drive (TMID No. 117-2-5), each in the Village of Chester, Orange County, New York (collectively, the "Land"); (ii) the construction on the Land of an aggregate approximately 61,138 square-foot building consisting of approximately 4,082 square feet of office space and approximately 53,376 square feet of warehouse space (collectively, the "Improvements"), to provide industrial sterilization services to the medical device manufacturing industry; and (iii) the acquisition and installation in and around the Improvements of certain items of equipment and other tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility").

The Agency will appoint the Company as its agent to undertake the Project and, if necessary, acquire a leasehold interest in the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the agency appointment and/or lease agreement. At the end of the Project, the Company's agency status will be terminated together with any leasehold interest of the Agency. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of sales and use tax exemptions, a real property tax abatement and, if necessary, a mortgage recording tax exemption for financing related to the Project; all consistent with the policies of the Agency unless procedures for deviation are complied with.

A representative of the Agency will be at the above-stated time and place to present a copy of the Company's Application (including a cost-benefit analysis) and hear and accept written and oral comments from all persons with views in favor of or opposed to or otherwise relevant to the proposed Financial Assistance.

Dated: June 1, 2015

By: ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

AGREEMENT

THIS AGREEMENT is entered into as of the ^{4th} day of August, 2016, by and between the Orange County Industrial Development Agency, a Public Benefit Corporation organized under the Laws of the State of New York, with offices at 4 Crotty Lane, New Windsor, New York 12553, hereinafter "the OCIDA" and Loewke Brill Consulting Group, Inc., a New York corporation, with offices at 491 Elmgrove Road, Suite #2, Rochester, New York 14606, hereinafter "LOEWKE."

WITNESSETH:

WHEREAS, the OCIDA provides tax incentives designed to attract, expand or retain qualified businesses in Orange County thereby increasing economic development and creating employment opportunities for its residents; and

WHEREAS, the OCIDA has instituted a Local Labor Policy that requires recipients of OCIDA benefits to employ local labor during the construction phase of a project; and

WHEREAS, the OCIDA determined that it needed expert technical assistance in monitoring construction projects relative to compliance with its Local Labor Policy; and

WHEREAS, LOEWKE has the knowledge, capability and experience to provide such services to the OCIDA and has submitted a written proposal for providing such services which proposal was approved by the OCIDA Board of Directors; and

WHEREAS, the parties hereto wish to memorialize their understanding as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

SECTION 1: TERMS

- A. The OCIDA agrees to retain the services of LOEWKE to assist the OCIDA in monitoring adherence to the OCIDA's Local Labor Policy (Exhibit "A") for construction projects that have received OCIDA benefits.
- B. The OCIDA will assign specific projects on a case by case basis (Exhibit "B") to LOEWKE and will provide LOEWKE with the necessary project information sufficient for LOEWKE to carry out its responsibilities hereunder.

- C. LOEWKE represents that it has the knowledge and experience to perform the services to be rendered and further represents that it shall use its best efforts to perform said services to the satisfaction of the OCIDA.
- D. LOEWKE will provide appropriate personnel to monitor each assigned project and will be compensated according to the Schedule of Fees submitted by LOEWKE as part of its proposal to OCIDA (Exhibit "C").
- E. OCIDA expects LOEWKE to monitor assigned projects on a monthly basis or more frequently if it is determined that the project is not in compliance with the Local Labor Policy.
- F. LOEWKE agrees to file reports with OCIDA within ten to fourteen (10-14) calendar days of each monthly inspection.
- G. The OCIDA and LOEWKE have the mutual option to terminate this Agreement upon ten (10) days written notice. LOEWKE shall be compensated for all work performed up to and including the specified termination date.
- H. LOEWKE agrees to procure and maintain NYS worker's compensation and NYS disability insurance and comprehensive liability insurance (including contractual and contractor's protective liability coverage) with combined single limits of \$1,000,000 per occurrence for bodily injury and property damage, automobile liability coverage including owned and hired vehicles with a combined single limit of \$1,000,000 per occurrence for bodily injury and property damage and professional liability insurance in the amount of \$1,000,000 per claim. LOEWKE shall name the OCIDA as an additional insured on its liability insurance policy and shall provide evidence of coverage to the OCIDA on all policies prior to performance of any services hereunder.
- I. LOEWKE shall defend, indemnify and hold harmless the OCIDA, its directors, officers, employees and agents from and against all claims, damages, losses, costs and expenses, including reasonable attorney's fees, arising out of or in any manner connected with, the performance of the services to the extent caused by LOEWKE's negligence.
- J. OCIDA shall defend, indemnify and hold harmless LOEWKE, its officers, directors, employees, agents and subcontractors (for the purposes of this agreement "subcontractors" shall mean those persons or entities retained by LOEWKE to perform services related to this agreement) from and against all claims, losses, damages, costs and expenses, including reasonable attorney's fees, arising out of or in any manner connected with, the performance of the services to the extent caused by OCIDA's negligence.
- K. LOEWKE understands and agrees that it is acting as an independent contractor of the OCIDA. This agreement and the relationship of the parties shall not be deemed to create or be one of employment, agency, partnership, joint venture or any other association.

SECTION 2. NOTICES.

Notices pursuant to this Agreement shall be given by deposit into the custody of the United States Postal Service, postage paid, addressed as follows:

- (1) OCIDA The Orange County Industrial Development Agency, 4 Crotty Lane, Suite 100, New Windsor, NY 12553

- (2) LOEWKE Loewke Brill Consulting Group, Inc, 491 Elmgrove Road, Suite #2, Rochester, NY 14606

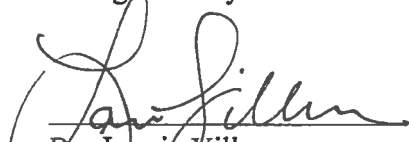
Alternatively, notices may be personally served in the same manner as is applicable to civil judicial process. Notice shall be deemed given as of the date of personal service or five (5) days after the date of deposit of such written notice in the course or transmission in the United States Postal Service.

SECTION 3. GENERAL PROVISIONS.

- A. The text herein shall constitute the entire agreement between the parties.
- B. This Agreement may not be assigned by LOEWKE without prior written consent of OCIDA.
- C. This Agreement shall be governed by the laws of the State of New York. Any disputes arising hereunder shall be resolved by the Courts of Orange County, New York.
- D. If any provision, or any portion thereof, contained in this Agreement is held invalid, illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be deemed severable, shall not be affected and shall remain in full force and effect.

IN WITNESS WHEREOF, the OCIDA has caused this agreement to be signed and executed on its behalf by its Chief Operating Officer and LOEWKE has caused this agreement to be signed and executed on its behalf by its President, both in duplicate, on the day and year first above written.

Orange County IDA


By: Laurie Villasuso
Chief Operating Officer

Loewke Brill Consulting Group, Inc.



By: James Loewke
President

Exhibit "A"

Orange County Industrial Development Agency Local Labor Policy

The Orange County Industrial Development Agency (IDA) was created for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Orange County. The IDA offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Orange County. When the IDA approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities in Orange County. The IDA believes that companies benefiting from its incentive programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter "construction workers"), including those who have returned from military service, during the construction phase of projects. In this way, the IDA can generate significant benefits to advance the County's general prosperity. It is, therefore, the policy of the IDA that firms benefiting from its programs shall employ workers in Orange County during all project phases, including the construction phase.

For the purposes of this Policy, the local labor market for construction workers shall be defined as those individuals living in Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester Counties. Applicants receiving IDA benefits shall utilize at least 85% local labor for their approved projects. However, the IDA recognizes that the use of local labor may not be possible for the following reasons:

- 1) Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers;
- 2) Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;
- 3) Significant cost differentials in bid prices whereby the use of local labor significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations;
- 4) No local labor is available for the project; and
- 5) The contractor requires the use of key or core persons such as supervisors, foremen, or construction workers having special skills.

The request to secure an exemption for use of non-local labor must be received in writing from the applicant. The request will be reviewed by the Executive Director who shall have the authority to approve or disapprove the request. The Executive Director shall report each authorized exemption to the Board of Directors at its monthly meeting.

In addition, applicants receiving IDA benefits and Contractors on the project shall make every effort to utilize vendors, material suppliers, subcontractors and professional services from Orange County and the surrounding counties. Applicants and contractors shall be required to keep records of those local vendors, material suppliers, contractors and professional services who they have solicited and with whom they have contracted with or awarded.

It is the goal of the County of Orange and the IDA to promote the use of local veterans on projects receiving IDA benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on IDA projects there is opportunity for veterans to gain both short term and long term careers in the construction industry.

Once approved for IDA benefits, all applicants will be required to provide to the IDA's Executive Director the following information:

- 1) Contact information for the applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the application and project;
- 2) Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
- 3) The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification for all contractors and their employees performing work on the site; and
- 4) A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Orange County IDA projects are subject to local monitoring by the IDA. The Construction Manager, acting as agent for the applicant, on the project shall keep a log book on site detailing the number of workers on the job for each trade and the counties in which they reside which shall be subject to periodic inspection by the monitoring entity. The monitor shall issue a report to the Executive Director relative to compliance with this labor policy who shall share such information with the IDA Board of Directors. If a violation of the policy has occurred, the Executive Director shall notify the applicant in writing and give such applicant a warning of such violation. In the event there is a subsequent violation of the policy, the Executive Director shall bring such information to the Board of Directors which may, in its discretion, take action to revoke IDA benefits.

The applicant of an IDA approved project shall be required to maintain a 4' x 8' bulletin board on the project site containing the following information:

- 1) Contact information of the applicant;
- 2) Summary of the IDA benefits received; and
- 3) Contractors' names and contact information.

The bulletin board shall be located in an area that is accessible to onsite workers and visitors.

Exhibit "B"

Project Name: Isomedix Operations, Inc., a wholly owned subsidiary of Steris Corporation

1. **Project Location and Description.**

Chester Industrial Park, 32 Elizabeth Drive and 10 Nucifora Boulevard, Chester, NY
Construction of a 61,138 square foot building for office and warehouse uses

2. **Project Contact Information.**

Stephen Norton, Corporate Communications & Government Affairs, 5960 Heisley Road, Mentor, Ohio 44060
440-392-7482; Stephen_Norton@steris.com

John O'Connor, Project Manager, Paulius International, P.C., 54 West Allendale Avenue, Allendale, NJ 07401
201-825-1050

3. **Construction Cost Estimate**

Total Capital Investment of \$12.2 million.

4. **Construction Worker Estimate**

Temporary Construction Jobs: 6-85

Exhibit "C"

Schedule of Fees

LOEWKE BRILL

CONSULTING GROUP, INC

SUMMARY:

Further fee break down of original proposal dated May 6, 2016, as requested by OCIDA Director, Ms. Villasuso.

Loewke Brill has assessed a fee base structure for each approved project based on potential project size per inspection to include one time fees.

Fee based structure based on size of each approved project per inspection.

Per Project/per Inspection fee:

o <5 Million	\$ 315.00
o >5 Million <15 Million	\$ 540.00
o >15 Million <25 Million	\$ 900.00

Additional fees:

o Project Set Up/per project	\$ 1,050.00
o Monthly Reporting	\$ 1,400.00
o Waiver fee: per waiver	\$ 230.00
o Annual Reporting	\$ 270.00
o Project Close out/per project	\$ 575.00
o Signage:	
Initial Art work Set Up fee	\$ 250.00
o Signage per unit	\$ 40.00

Note: You could have the potential to exceed the proposal by the number of additional inspections requested on a project.

**VILLAGE OF CHESTER
BUILDING DEPARTMENT**

47 Main Street
Chester, New York 10918

845-469-2388
Fax: 845-469-5999

E-Mail: vcbldg@frontiernet.net

Building Permit No. ...2946, 3001...

Date ...JULY 14, 2017...

County of ORANGE

Location2 NUCIFORA BOULEVARD.....

Section117.....

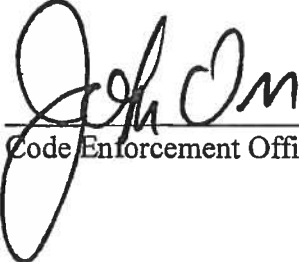
Block2.....

Lot4.2.....

Certificate of Occupancy

OwnerSTERIS ISOMEDIX SERVICES.....

THIS CERTIFIES that the ...CONSTRUCTION OF A NEW 63,068 SQUARE FOOT WAREHOUSE WITH 4,500 SQUARE FOOT OF OFFICE SPACE AND A THREE STORY, 15,294 SQUARE FOOT ADDITION TO FACILITATE STERILIZATION EQUIPMENT... to premises indicated above conforms substantially to the approved plans and specifications heretofore files in this office with application for ...BUILDING... Permit dated ...OCTOBER 19, 2015 & MAY 13, 2016... pursuant to which permits # ...2946 & 3001... were issued, and conforms to all of the requirements of the applicable provisions of the law. The Compliance for which this Certificate is issued is ...COMMERCIAL BUILDING...


Code Enforcement Officer