AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (Revised 2/01)

APPLICATION FOR INDUSTRIAL DEVELOPMENT REVENUE BOND FINANCING AND SALE/LEASEBACK TRANSACTIONS

IMPORTANT NOTICE: The answers to the questions contained in this Application are necessary to determine your firm's eligibility for financing, tax exemptions and other assistance from the Auburn Industrial Development Authority (the "**Authority**"). These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Authority.

TO: **AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY**
24 South Street
Memorial City Hall
Auburn, New York 13021

This application by Applicant respectfully states:

APPLICANT: Nucor Steel Auburn, Inc.

APPLICANT'S ADDRESS: 25 Quarry Road CITY: Auburn STATE: NY ZIP: 13021

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: Steve Green TELEPHONE NO: 315-258-4230 FAX NO: 253-8441

E-MAIL ADDRESS: sagreen@nucorauburn.com

APPLICANT'S ATTORNEY:

NAME OF FIRM: N/A

NAME OF ATTORNEY: _____

ATTORNEY'S ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

TELEPHONE NO: _____ FAX NO: _____ E-MAIL ADDRESS: _____

APPLICANT'S ACCOUNTANT:

NAME OF FIRM: N/A

NAME OF ACCOUNTANT: _____

ACCOUNTANT'S ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

TELEPHONE NO: _____ FAX NO: _____ E-MAIL ADDRESS: _____

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THE REST OF THIS APPLICATION.

INSTRUCTIONS

1. The Authority will not approve any application unless, in the judgment of the Authority, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve the project contemplated herein (the "**Project**").

2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the Project.

3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.

4. If more space is needed to answer any specific question, attach a separate sheet.

5. When completed, return two (2) copies of this application to the Authority at the address indicated on the first page of this application.

6. The Authority will not give final approval to this application until the Authority receives a completed Environmental Assessment Form (EAF) concerning the Project.

7. Please note that Article 6 of the New York Public Officers Law declares that all records in the possession of the Authority (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Applicant's competitive position, the Applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.

8. The Applicant will be required to pay to the Authority all actual costs incurred in connection with this application and the Project (to the extent such expenses are not paid out of the proceeds of the Authority's bonds issued to finance the Project, if applicable). The costs incurred by the Authority, including the Authority's general counsel, bond counsel and/or special counsel, if any, may be considered as a part of the Project and included as a part of the resultant bond issue.

9. The Authority has established an administrative fee to be paid by the Applicant upon successful conclusion of the sale of the bonds or the sale/leaseback transaction, as applicable, said fee being intended to cover the indirect expenses incurred by the Authority in administering the Project. The administrative fee will be the following amount: (a) for bond transactions, 3/4 of 1% of the aggregate principal amount of the bonds issued with respect to the Project, (b) for sale/leaseback transactions, 1/2 of 1% of the total cost of the Project, or (c) such other amount as is agreed to by the Authority on a case-by-case basis. UNLESS THE AUTHORITY AGREES IN WRITING TO THE CONTRARY, THE ADMINISTRATIVE FEE IS REQUIRED TO BE PAID AT OR PRIOR TO THE ISSUANCE OF THE BONDS OR THE GRANTING OF ANY FINANCIAL ASSISTANCE, AS APPLICABLE.

10. The Authority has established an application fee of Two Hundred Fifty and 00/100 Dollars ($250) to cover the anticipated costs of the Authority in processing this application. A check or money order made payable to the Authority must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AUTHORITY UNLESS ACCOMPANIED BY THE APPLICATION FEE.

I. **INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER REFERRED TO AS THE "COMPANY").**

A. Identity of Company.

1. Company Name: Nucor Steel Auburn, Inc.

Present Address: 25 Quarry Road

City: Auburn State: NY Zip: 13021

Employer's Federal ID No.: 562237546 NAICS Code No.: 331111

2. If the Company differs from the Applicant, give details of relationship:

3. Indicate the type of business organization of Company:

a. ☒ Corporation. If so, incorporated in what country? USA; What State? Delaware; Date Incorporated 2/16/01; Type of Corporation? ; Authorized to do business in New York? ☒ Yes ☐ No; Date so authorized 2/20/01.

b. ☐ Limited Liability Company. If so, State of organization? ; Date Organized ; Authorized to do business in New York? ; Date so authorized Number of members .

c. ☐ Partnership. If so, indicate type of partnership ; Number of general partners ; Number of limited partners .

d. ☐ Sole proprietorship.

e. ☐ Other. Please explain .

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship: Yes. It is a subsidiary of Nucor Corporation.

5. Is the Applicant a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code? ☒ Yes; ☐ No. If yes, please attach the Applicant's Determination Letter from the Internal Revenue Service with respect to such status. Has the Applicant received any notice indicating that its exempt status is under investigation or subject to revocation? ☐ Yes; ☐ No. If yes, please explain and attach relevant correspondence. .

B. Management of Company.

1. List all owners, officers, directors, managers and partners (complete all columns for each person):

NAME	*HOME ADDRESS*	*OFFICE HELD*	*OTHER PRINCIPAL BUSINESS AFFILIATIONS*
Dave Smith		VP & General Mgr.	

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? ☐ Yes; ☒ No.

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation?) ☐ Yes; ☒ No.

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? ☐ Yes; ☒ No.

5. If the answer to any of questions 2 through 4 is yes, please furnish details in a separate attachment.

C. Principal Owners of Company.

1. Is the Company publicly held? ☒ Yes; ☐ No. If yes, please list exchanges where stock of the Company is traded: NYSE

2. If "No", list all stockholders having a 5% or more interest in the Company:

NAME	*HOME ADDRESS*	*PERCENTAGE OF HOLDING*

D. Company's principal bank(s): Wachovia

E. Absence of Conflicts of Interest. The Applicant has received from the Authority a list of the members, officers and employees of the Authority. No member, officer or employee of the Authority has an interest, whether direct or indirect, in any transaction contemplated by this application, except as hereinafter described:

II. **INFORMATION CONCERNING PERSON(S) TO WHOM THE COMPANY INTENDS TO LEASE OR SUBLEASE THE PROJECT (HEREINAFTER REFERRED TO AS THE "SUBLESSEES")**. Please give the following information with respect to each Lessee or Sublessee to whom the Company intends to lease or sublease more than 10% (by area or fair market rental value) of the Project:

A. Sublessee Name: N/A

Present Address: _____

City: _____ State: _____ Zip: _____

Employer's Federal ID No.: _____ NAICS Code No.: _____

Sublessee is: ☐ Corporation; ☐ Limited Liability Company; ☐ Partnership; ☐ Sole Proprietorship

Relationship to Company: _____

Percentage of Project to be leased or subleased: _____

Use of Project intended by Sublessee: _____

Date of lease or sublease to Sublessee: _____

Term of lease or sublease to Sublessee: _____

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? ☐ Yes; ☐ No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

B. Sublessee Name: _____

Present Address: _____

City: _____ State: _____ Zip: _____

Employer's Federal ID No.: _____ NAICS Code No.: _____

Sublessee is: ☐ Corporation; ☐ Limited Liability Company; ☐ Partnership; ☐ Sole Proprietorship

Relationship to Company: _____

Percentage of Project to be leased or subleased: _____

Use of Project intended by Sublessee: _____

Date of lease or sublease to Sublessee: _____

Term of lease or sublease to Sublessee: _____

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? ☐ Yes; ☐ No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

C. Sublessee Name: _____

Present Address: _____

City: _____ State: _____ Zip: _____

Employer's Federal ID No.: _____ NAICS Code No.: _____

Sublessee is: ☐ Corporation; ☐ Limited Liability Company; ☐ Partnership; ☐ Sole Proprietorship

Relationship to Company: _____

Percentage of Project to be leased or subleased: _____

Use of Project intended by Sublessee: _____

Date of lease or sublease to Sublessee: _____

Term of lease or sublease to Sublessee: _____

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? ☐ Yes; ☐ No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

III. **DATA REGARDING PROPOSED PROJECT**

A. Description of the Project. (Please provide a brief narrative description of the Project.)

Purchase of a grapple as a backup to existing grapple.

B. Location of the Project.

1. Street Address: 25 Quarry Road
2. City: Auburn
3. Town:
4. Village:
5. School District: Auburn
6. Fire District: Auburn
7. County: Cayuga
8. Property Tax Identification No.: N/A

C. Description of the Project site.

1. Approximate size (in acres or square feet) of the Project site: 202 acres. Is a map, survey or sketch of the Project site attached? ☐ Yes; ☒ No.

2. Are there existing buildings on the Project site? ☒ Yes; ☐ No.

   a. If yes, indicate the number of buildings on the site: 8. Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building:

   b. Are the existing buildings in operation? ☒ Yes; ☐ No. If yes, describe present use of such buildings: All are associated with steel production

   c. Are the existing buildings abandoned? ☐ Yes; ☒ No. About to be abandoned? ☐ Yes; ☐ No. If yes, describe:

   d. Attach photograph of present buildings. N/A

3. Utilities serving the Project site:

Water-Municipal: Yes Auburn
Other (describe):
Sewer-Municipal: Yes Auburn
Other (describe):
Electric-Utility: Yes NYSEG
Other (describe):

Heat - Utility: yes - natural gas NUSG6
Other (describe): _____

4. Present legal owner of the Project site: _____

a. If the Company (or any Sublessee) owns the Project site, indicate date of purchase: April 2001; purchase price: $ ~110 MM.

b. If the Company does not own the Project site, does the Company (or any Sublessee) have an option signed with the owner(s) to purchase the Project site? ☐ Yes; ☐ No. If yes, indicate date option signed with the owner(s): _____; date the option expires: _____.

c. If the Company (or any Sublessee) does not own the Project site, is there a relationship legally or by common control between the Company (or any Sublessee) and the present owner(s) of the Project site? ☐ Yes; ☐ No. If yes, describe in detail on separate attachment.

5. a. Zoning District in which the Project is located: _____.

b. Are there any variances or special permits affecting the Project site? ☒ Yes; ☐ No. If yes, list below and attach copies of all such variances or special permits: air permit, wastewater permit, storm water permit

6. Will an portion of the Project be located outside the geographical boundaries of the City of Auburn? ☐ Yes; ☒ No. If yes, what other municipality is the Project partially located in? _____. Is the portion of the Project located outside the City of Auburn contiguous with the portion of the Project inside the City of Auburn? ☐ Yes; ☐ No.

D. Description of Proposed Construction.

1. Does part of the Project consist of the acquisition or construction of a new building or buildings? ☐ Yes; ☒ No. If yes, indicate number and size of new buildings:

2. Does part of the Project consist of additions and/or renovations to the existing buildings located on the Project site? ☐ Yes; ☒ No. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed, renovated or expanded: N/A

E. Description of the Equipment.

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "**Equipment**")? ☒ Yes; ☐ No. If yes, describe the Equipment: grapple

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? ☐ Yes; ☒ No. If yes, please provide detail:

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: recycling of steel scrap and tires

F. Project Use.

1. What are the principal products to be produced at the Project? Steel bar products: rebar, merchant bar and special bar quality steel.

2. What are the principal activities to be conducted at the Project? steel making

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? ☐ Yes; ☒ No. If yes, please provide detail:

4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? _____%.

5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:

   a. Will the Project be operated by a not-for-profit corporation? ☐ Yes; ☐ No. If yes, please explain:

b. Is the Project likely to attract a significant number of visitors from outside the counties of Cayuga, Onondaga, Madison, Cortland and Oswego? ☐ Yes; ☒ No. If yes, please explain: _____

c. Would the Project occupant, but for the contemplated financial assistance from the Authority, locate the related jobs outside the State of New York? ☐ Yes; ☒ No. If yes, please explain: _____

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City of Auburn; because of a lack of reasonably accessible retail trade facilities offering such goods or services? ☐ Yes; ☒ No. If yes, please provide detail: _____

e. Will the Project be located in one of the following: (i) the City of New York; (ii) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (iii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? ☐ Yes; ☐ No. If yes, please explain: _____

6. If the answers to any of subparagraphs c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? ☐ Yes; ☐ No. If yes, please explain: _____

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "**Project Occupant**") from one area of the State of New York to another area of the State of New York? ☐ Yes; ☒ No. If yes, please explain: _____

8. Will the completion of the Project result in abandonment of one or more plants or facilities of the Company located in the State of New York? ☐ Yes; ☒ No. If yes, please provide detail: _____

9. If the answer to either question 7 or 8 is yes, indicate whether any of the following apply to the Project:

a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? ☐ Yes; ☐ No. If yes, please provide detail: _____ N/A

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? ☐ Yes; ☐ No. If yes, please provide detail: _____ N/A

G. Project Status.

1. If the Project includes the acquisition of any land or buildings, have any steps been taken toward acquiring same? ☐ Yes; ☒ No. If yes, please discuss in detail the approximate stage of such acquisition: _____ N/A

2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? ☐ Yes; ☒ No. If yes, please discuss in detail the approximate stage of such acquisition: _____

3. If the Project involves the construction or reconstruction of any building or other improvement, has construction work on any such building or improvement begun? ☐ Yes; ☐ No. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether specific steps have been completed, such as site clearance and preparation, completion of foundations, installation of footings, etc.: _____ N/A

4. Please indicate amount of funds expended on the Project by the Company in the past three (3) years and the purposes of such expenditures: _____ none

H. Method of Construction After Authority Approval. If the Authority approves the Project, there are two methods that may be used to construct the Project. The Applicant can construct the Project privately and sell the Project to the Authority upon completion. Alternatively, the Applicant can request to be appointed as "agent" of the Authority for purposes of constructing the Project, which request, if approved, will result in the Applicant constructing the Project as "agent" of the Authority, in which case certain laws applicable to public construction will apply to the Project. Does the Applicant anticipate that in the future the Company may wish to request being designated as "agent" of the Authority for purposes of construction of the Project? ☒ Yes; ☐ No.

IV. **EMPLOYMENT IMPACT**. Indicate below the number of people presently employed at the Project site and the number that will be employed at the Project site at the end of the first and second years after the Project has been completed. (Do not include construction workers). Also indicate below the number of workers employed at the Project site representing newly created positions as opposed to positions relocated from other project sites of the Applicant.

	TYPE OF EMPLOYMENT			
	PROFESSIONAL, MANAGERIAL OR TECHNICAL	***SKILLED***	***UNSKILLED OR SEMI-SKILLED***	***TOTALS***
Present Full Time				293
Present Part Time				
Present Seasonal				
First Year Full Time				293
First Year Part Time				
First Year Seasonal				
Second Year Full Time				293
Second Year Part Time				
Second Year Seasonal				

V. **PROJECT COST**.

A. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, including any utilities, access roads or appurtenant facilities, using the following categories:

Description of Cost	**Amount**
Land	$_____
Buildings	$_____
Machinery and Equipment costs	$62,082

Utilities, roads and appurtenant costs	$_____
Architects and engineering fees	$_____
Costs of financing (legal, financial and printing)	$_____
Construction loan fees and interest	$_____
Other (specify)	
_____	$_____
_____	$_____
_____	$_____
TOTAL PROJECT COSTS	$ 62,082

B. Have any of the above expenditures already been made by the Applicant? ☐ Yes; ☒ No. If yes, indicate particulars: _____

C. Amount of financial assistance requested: none Dollars;
Maturity requested: _____ Years.

D. Has the Applicant made any arrangements for the marketing or purchase of the proposed bond issue? ☐ Yes; ☐ No. If yes, please explain: N/A

E. Does the Applicant intend to designate the bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code? ☐ Yes; ☐ No. If yes, please provide name of financial institution and details of transaction: N/A

F. Will the proceeds of the bonds be used to finance or refund any prior industrial development bond or private activity bond issued by the Authority with respect to the Project? ☐ Yes; ☐ No. If yes, please provide details of prior bond issuance: N/A

G. Will the proceeds of the bonds be used to finance or refund any existing mortgage, loan or other indebtedness with respect to the Applicant or the Project? ☐ Yes; ☐ No. If yes, please provide details of prior obligations: N/A

H. Does the Applicant, any affiliate of the Applicant, or any user of the Project, currently have outstanding any bonds, notes or other obligations, the interest on which is, or is claimed to be, exempt from federal taxation under Section 103 of the Internal Revenue Code? ☐ Yes; ☐ No. If yes, please provide details: N/A

VI. **FINANCIAL ASSISTANCE EXPECTED FROM THE AUTHORITY.**

A. Is the Applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Authority? ☐ Yes; ☒ No. If yes, is the real property tax exemption being sought consistent with the Authority's Uniform Tax Exemption Policy? ☐ Yes; ☐ No.

B. Is the Applicant expecting the financing of the Project to be secured by one or more mortgages? ☐ Yes; ☒ No. If yes, what is the approximate amount of financing to be secured by the mortgage(s)? $_____.

C. Is the Applicant expecting to be appointed agent of the Authority for purposes of avoiding payment of New York State Sales Tax and Compensating Use Taxes? ☐ Yes; ☒ No. If yes, what is the approximate amount of purchases which the Applicant expects to be exempt from the New York State Sales and Compensating Use Taxes? $_____.

D. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of each exemption.

1.	N.Y.S. Sales and Compensating Use Taxes:	$_____
2.	Mortgage Recording Taxes:	$_____
3.	Real Property Tax Exemptions:	$_____
4.	Other (please specify):	
	_____	$_____
	_____	$_____

E. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Authority's Uniform Tax-Exemption Policy? ☐ Yes; ☐ No. If yes, please explain how the request of the Applicant differs from the Authority's Uniform Tax-Exemption Policy: N/A

VII. **OTHER GOVERNMENTAL INVOLVEMENT.**

A. Has the Applicant contacted any other governmental agency with regard to the Project? ☒ Yes; ☐ No. If yes, indicate the agency and the nature or the inquiry: NYS Department of Economic Development

B. Does the Applicant have any agreement to subsequently contract with a municipality for the lease or purchase of all or part of the Project? ☐ Yes; ☒ No. If yes, please explain:_____

VIII. **FINANCIAL INFORMATION**: (Please attach the following to the Application):

A. Certified or reviewed Financial Statements of the Applicant (and of any expected guarantor of the bond issue) for the last three fiscal years.

B. Pro forma balance sheet as of the start of operations at the Project site.

C. Projected profit and loss statements for the first two years of operation at the Project site.

D. Projected quarterly cash flow statement for the Project for the first year of operation at the Project site.

IX. **HOLD HARMLESS AGREEMENT**. Applicant hereby releases the Authority and the members, officers, servants, agents (other than the Company) and employees thereof from, agrees that the Authority shall not be liable for and agrees to indemnify, defend and hold the Authority harmless from and against any and all liability arising from or expense incurred by the Authority with respect to (i) the Authority's examination and processing of, and action pursuant to or upon, the attached application, regardless of whether or not the application or the Project, the issue of bonds requested therein, or the tax exemptions and other assistance requested therein are favorably acted upon by the Authority, (ii) the Authority's acquisition, construction and/or installation of the Project described therein, (iii) the issue of bonds requested therein or the Project described therein, and (iv) any further action taken by the Authority with respect to the Project; including, without limiting the generality of the foregoing, all causes of action and attorney's 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 Authority or the Applicant are unable to reach final agreement with respect to the Project or to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, Applicant shall pay to the Authority, its agents or assigns, all actual costs incurred by the Authority in the processing of the application, including attorney's fees, if any.

X. **VERIFICATION**. The undersigned deposes and says that he/she is the Environmental Manager (Title) of the Applicant; that he/she has read the foregoing application and knows the contents thereof and that the same is true and complete and accurate to the best of his/her knowledge. The undersigned further says that the reason this verification is made by the undersigned and not by the Applicant is because the Applicant is an entity. The grounds of the undersigned's belief relative to all matters in this application which are not stated upon his/her own personal knowledge are investigations which the undersigned has caused to be made concerning the subject matter of this application as well as information acquired by the undersigned in the course of his/her duties as an officer of and from the books and papers of the Applicant.

IN WITNESS WHEREOF, the Applicant has duly executed this application this ____ day of _____, ____.

_____
(Applicant)

By:_____
Name:_____
Its:_____

Sworn to before me this
____ day of _____, ____.

_____
Notary Public

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PROJECT ID NUMBER

617.20
APPENDIX C
STATE ENVIRONMENTAL QUALITY REVIEW

SEQR

SHORT ENVIRONMENTAL ASSESSMENT FORM

for UNLISTED ACTIONS Only

PART 1 - PROJECT INFORMATION (To be completed by Applicant or Project Sponsor)

1. APPLICANT / SPONSOR: Nucor Steel Auburn, Inc.

2. PROJECT NAME: Grapple Project

3. PROJECT LOCATION:

Municipality: Auburn

County: Cayuga

4. PRECISE LOCATION: Street Addess and Road Intersections, Prominent landmarks etc - or provide map

25 Quarry Road

5. IS PROPOSED ACTION: [X] New [ ] Expansion [ ] Modification / alteration

6. DESCRIBE PROJECT BRIEFLY:

Acquisition and installation of a new grapple for recycling steel scrap and tires.

7. AMOUNT OF LAND AFFECTED:

Initially: none acres

Ultimately: acres

8. WILL PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER RESTRICTIONS?

[X] Yes [ ] No If no, describe briefly:

9. WHAT IS PRESENT LAND USE IN VICINITY OF PROJECT? (Choose as many as apply.)

[ ] Residential [X] Industrial [X] Commercial [X] Agriculture [ ] Park / Forest / Open Space [ ] Other (describe)

10. DOES ACTION INVOLVE A PERMIT APPROVAL, OR FUNDING, NOW OR ULTIMATELY FROM ANY OTHER GOVERNMENTAL AGENCY (Federal, State or Local)

[ ] Yes [X] No If yes, list agency name and permit / approval:

11. DOES ANY ASPECT OF THE ACTION HAVE A CURRENTLY VALID PERMIT OR APPROVAL?

[ ] Yes [ ] No If yes, list agency name and permit / approval:

none required

12. AS A RESULT OF PROPOSED ACTION WILL EXISTING PERMIT / APPROVAL REQUIRE MODIFICATION?

[ ] Yes [X] No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE

Applicant / Sponsor Name

Signature

Date: 10/27/04

If the action is a Costal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment

NUCOR
BAR MILL-AUBURN
Nucor Steel Auburn, Inc.

October 28, 2004

Mr. James Gilbert
Environmental Manager
Environmental Services Unit
New York State Department of Economic Development
400 Andrews Street, Suite 710
Rochester, New York 14604

Dear Mr. Gilbert:

Enclosed is our completed application to the Environmental Investment Program for our grapple project.

Thanks again for your help on this project. If you have any questions on this information, please let me know.

Sincerely,

S. A. Green
Environmental Manager

Enclosures

Cc: Ms. Cynthia Aikman

General Information

FY 04 G -3

General Information

All applicants - Fill in information in spaces provided (pages G1-G3) and submit with other required materials.

APPLICANT INFORMATION

Legal Name of Organization
(Entity with which the Department would contract): Auburn Industrial Development Authority
(Do not abbreviate name unless it is part of the legal designation)

Address: (not P.O. Box) 24 South Street

City: Auburn State: NY Zip: 13021 County: Cayuga

Authorized Representative of the Organization:

Name: Cynthia Aikman Title: Executive Director

Telephone #: 315-255-4115 Fax #: 315-253-0282 e-mail: caikman@ci.auburn.ny.us

Applicant is a (Check one):

NYS Business Corporation (reg. in NYS)	π	✓ Municipality	π
Foreign Corporation (reg. outside NYS)	π	Industrial Development Agency	π
Sole Proprietorship	π	Not-for-Profit Corporation or	
Partnership	π	Local Development Corporation	π
Subchapter S Corporation	π	Nonprofit Organization	π

Nonprofits, Not-for-Profits and Local Development Corporations only:
NYS Charity Reg. #: _____ *

PROJECT CONTACT PERSON: To whom should ESU direct all correspondence, facsimiles and telephone calls regarding this project?

Name: Steve Green Title: Environmental Manager

Organization Nucor Steel Auburn, Inc.

Address: 25 Quarry Road
(Street address appropriate for overnight delivery only - No PO boxes!)

City: Auburn State: NY ZIP: 13021

Telephone # 315-258-4230 Fax # 315-253-8441 e-mail: sagreen@nucorauburn.com

* NYS Charity Registration numbers are required prior to contracting for all nonprofits, not-for-profits and LDCs requesting $25,000 or more. To find out if your organization is already registered, contact the NYS Office of the Attorney General at

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General Information

CAPITAL PROJECTS ONLY

1. **If there is a project co-implementor, please complete the following:**

Organization/Company Name: Nucor Steel Auburn, Inc.

Address: 25 Quarry Road
(Street address appropriate for overnight delivery only - No PO boxes!)

City: Auburn State: NY Zip: 13021 County: Cayuga

Lead Person: S.A. Coreen Title: Environmental Manager

Telephone #: 315-258-4230 Fax #: 315-253-8441 e-mail: sagreen@nucorauburn.com

✓ NYS Business Corporation (reg. in NYS)	π	Municipality	π
Foreign Corporation (reg. outside NYS)	π	Industrial Development Agency	π
Sole Proprietorship	π	Not-for-Profit Corporation or	
Partnership	π	Local Development Corporation	π
Subchapter S Corporation	π	Nonprofit Organization	π

Nonprofits, Not-for-Profits and Local Development Corporations only:
NYS Charity Reg. #: _____ (Required for applicants requesting $25,000 or more only.)

2. **If the location of the project is different from the applicant's or co-implementor's address, please provide the address of the proposed project below:**

Facility Name (if applicable): _____

Address: _____

City: _____ County: _____

CAPITAL AND RD&D PROJECTS : Complete this section for the applicant or ,in the case of capital projects, the co-implementor, if there is one.

A. Industry: Steel Manufacturer: π (Yes) π No

B. Primary Products: rebar, merchant bar, special bar quality steel

C. List all North American Industrial Classification System (NAICS) numbers (4 digits) used to classify each type of the company's business activities. 1. 331111 2. _____ 3. _____ 4. _____ 5. _____

D. Is the company currently seeking any other New York State Assistance? π Yes π (No)
Has the company ever applied for or received prior New York State Funding? π (Yes) π No

E. Employment at:
Project Site 292 Total Other NYS Sites* 236* Total Out-of-State Sites 9233

* Provide a list of all sites with the number of employees at each.

* Ulcraft New York in Chemung, NY

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RD&D APPLICANTS ONLY:

Check the box below to confirm that you are either a New York State small or medium-sized business or nonprofit organization which either employs fewer than 500 workers or earns less than $10 million in gross annual sales..... π

ESU INVESTMENT AREA / PROJECT CATEGORY

1. Indicate the Investment Area for which you are seeking ESU's investment. Please check the one that best applies:

   π Pollution Prevention π Reuse or Recycling

   Refer to Section II of the Program Guide for guidelines pertaining to ESU Investment Areas.

2. Name the ESU specialist assigned to you for assistance in preparing this application:

   Jim Gilbert

   Refer to page 1 of the Program Guide for ESU contact information.

3. Project Categories in which you are seeking ESU's investment. Check all that apply:

   Technical Assistance π RD&D π Capital π

   Refer to Section V of the Program Guide for guidelines and restrictions pertaining to Project Categories.

DEPARTMENT OF ECONOMIC DEVELOPMENT GENERAL CONTRACTUAL PROVISIONS

Carefully read Appendices A and B of the Program Guide. If your application is funded, a contract will be executed which will, in part, contain these provisions.

Applicants must attach a copy of their organization's EEO policy statement. Attached

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General Information

DECLARATIONS

All applicants must complete this section and sign the bottom. **In the case of a Capital Project with a co-implementor, the co-implementor only must respond and sign.**

1.	Is the applicant/co-implementor presently the subject of any litigation, or is any litigation threatened, which would have a material adverse effect on the applicant/co-implementor's financial condition?	π Yes π(No)
2.	Has the applicant/co-implementor or any of its affiliates ever been involved in bankruptcy, a creditor's rights or receivership proceeding, or sought protection from creditors?	πYes π(No)
3.	Has the applicant/co-implementor ever settled a debt with a lending institution for less than the full amount outstanding?	π Yes π(No)
4.	Has any senior manager or principal of the applicant/co-implementor ever been convicted of any felony or misdemeanor, other than a minor traffic violation, or are any such charges pending?	π Yes π(No)
5.	Has the applicant/co-implementor or any of its affiliates, been cited for a violation of federal, State or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices?	π(Yes) π No
6.	Are there any outstanding judgments or liens pending against the applicant/co-implementor other than liens in the normal course of business?	πYes π(No)
7.	Is the applicant/co-implementor delinquent on any New York State, federal or local tax obligations?	πYes π(No)

NOTE: If your answer is "Yes" for any of the above, please attach an explanation on a separate sheet.

CERTIFICATION: I certify, under penalty of perjury, that the information given herein is true and correct in all respects. (Must be signed by an authorized representative of applicant/co-implementor.)

SIGNED: _____ **DATE:** _____

NAME (Printed): Dave R. Smith **TITLE** VP & General Manager

NUCOR CORPORATION

EQUAL EMPLOYMENT OPPORTUNITY

It is and shall be the continuing policy of Nucor Corporation that all qualified persons are entitled to equal employment opportunity. There shall be no discrimination against any person or group based on race, color, religion, national origin, sex, age, disability or veteran's status.

Specifically:

1. Employment opportunities are and shall be open to all qualified applicants solely on the basis of their experience, aptitudes and abilities.

2. Advancement is and shall be based entirely on the individual's achievement, performance, ability, attitude and potential for promotion. If at any time two people have identical qualifications as described above, length of employment would then be the determining factor.

3. Every member of management will carry forward Nucor Corporation's policy of nondiscrimination and equal employment opportunity. All employees are expected to conduct themselves in a manner that is not offensive as to the sex, race, color, age, religion, national origin or disability of any employee.

Declaration Number 5, explanation

In 2001 Nucor Corporation entered into a consent decree with US EPA resolving environmental matters at a number of Nucor facilities. Nucor Steel Auburn, Inc. is not a subject of the consent decree.

Financial Information

Nucor Auburn - Cash Flow Analysis

CAPITAL COSTS		
Equipment	$	62,000
Infrastructure		
Construction/Installation		
Engineering		
Training		
Working Capital		
Other		
Subtotal	$	62,000

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	TOTAL
Operation Revenues:	(Constant Dollars Used)	56,000	56,000	56,000	56,000	56,000	56,000	56,000	392,000
Sales of Product									
Sales of By-products									
Total Revenue		56,000	56,000	56,000	56,000	56,000	56,000	56,000	392,000
Operating Costs:									
	(Favorable)								
Materials	Reduction in coal usage	(93,000)	(93,000)	(93,000)	(93,000)	(93,000)	(93,000)	(93,000)	(651,000)
Labor									-
Utilities									-
Waste Management									-
Compliance									-
Liability									-
Other	Reduction in down time	(61,000)	(61,000)	(61,000)	(61,000)	(61,000)	(61,000)	(61,000)	(427,000)
Total Costs (Savings)		(154,000)	(154,000)	(154,000)	(154,000)	(154,000)	(154,000)	(154,000)	(1,078,000)
OPERATING CASH FLOWS		210,000	210,000	210,000	210,000	210,000	210,000	210,000	1,470,000
LESS DEPRECIATION	(MACRS 7 YRS)	8,857	8,857	8,857	8,857	8,857	8,857	8,857	61,999
Before-Tax cash flows		201,143	201,143	201,143	201,143	201,143	201,143	201,143	1,408,001
Taxes	34%	68,389	68,389	68,389	68,389	68,389	68,389	68,389	478,723
After Tax Cash Flows		132,754	132,754	132,754	132,754	132,754	132,754	132,754	929,278
Add back Depreciation		8,857	8,857	8,857	8,857	8,857	8,857	8,857	61,999
NET CASH FLOWS		141,611	141,611	141,611	141,611	141,611	141,611	141,611	991,277

Payback is approximately six (6) months

Incremental Cash Flows for Project:	With Project	Without Project
Revenues ®	392,000	N/A
Cash operating Costs ©	(1,078,000)	
Operating Cash Flows (revenue plus savings)	1,470,000	
Less Depreciation (D)	61,999	
Before-Tax Cash Flows	1,408,001	
Taxes (@34%)	478,723	
After-Tax Cash Flows	929,278	
Add back depreciation	61,999	
Net Cash Flows	**991,277**	

Project is stand alone and not dependant on normal Division operational performance

10-28-04; 9:24AM; Nucor Auburn ;3152538441 # 10/ 19

Capital Project Description

Capital Project Description

A. Describe the company that will benefit from this project

1. Nucor Steel Auburn, Inc. was formed in April 2001 as a fully owned subsidiary of Nucor Corporation when Nucor Corporation acquired the Auburn facility from Sumitomo Corporation. The Auburn facility was constructed in 1974 and was operated as the Auburn Steel Company (Austeel) until it was acquired by Nucor in 2001. At the time of the acquisition, Austeel was owned by Sumitomo.

2. Nucor Steel Auburn, Inc. is the largest recycler in the state. Its' facilities are comprised of an electric arc furnace (EAF), a three strand continuous caster, a reheat furnace, an 18-stand rolling mill, and a shipping department. The facility manufactures carbon steel bar products including rebar, merchant bar and special bar quality steel. All of the products are made from recycled steel scrap. Market shares are presently estimated at 30% for rebar and 45% for merchant bar.

3. Major customers are steel service centers, the construction trade, mining, railroads and the automotive industry. Major competitors are bar mills in the US and Canada that are positioned to serve these markets. Their market share is estimated at 70% for rebar and 65% for merchant bar.

4. The facility is located in an area that is primarily industrial and commercial with agricultural areas to the north. The address is 25 Quarry Road, Auburn, New York 13021. Available utilities are electricity and natural gas.

B. Define the business or market need the project will address

1. Nucor uses scrap tires as an alternative carbon source in the steel making process, largely replacing coal. In doing so, everything of value in a scrap tire is recycled, the carbon, the energy and the steel. Tires can contain 10 to 30 percent high quality steel. In 2003, almost 7,000 tons of tires, or about 700,000 tires, were recycled.

The project is the purchase of a new grapple to serve primarily as a backup to the existing grapple. The grapple is needed to handle and introduce scrap tires to our process for recycling. When the existing grapple is down for maintenance or repair, no tires can be recycled without a backup grapple. Recycling tires alleviates a significant solid waste issue and provides a substantial environmental benefit to the community by minimizing waste tire stock piles.

2. A host of commercial customers and more than 30 towns, villages and counties and the State use our tire recycling services. Commercial customers comprise 80-90% of the supply. Most communities hold one or more tire collection days each year, then bring the tires here. We have also recycled many tires for the State

from the Mohawk Tire Pile near Albany, including a significant number of burned tires. A second grapple will help us maintain the highest recycle rate possible. This, in turn, will enable our customers to maximize the number of tires they recycle and it will minimize delays.

C. Scope of work: How will your project address the need?

1. The approach is to purchase and use a second grapple during periods when the existing grapple is down for maintenance or repair. This will enable constant loading of steel scrap and tires with a grapple. Without a second grapple, a magnet must be used to load steel scrap which cannot be used for tires.

2. The use of scrap tires as an alternative carbon source saves coal, a valuable resource. In 2003, approximately 5,500 tons of coal was saved by using almost 7,000 tons of tires. The dollar savings on coal was on the order of $500,000. This approach also utilizes everything of value in a scrap tire, the carbon, the energy and the steel.

D. Project strengths: Why will this project succeed?

1. The project has operated successfully since March 2002 when the first grapple was purchased. This experience has proven that the grapple is an effective means to introduce scrap tires to our process. Two grapples were evaluated. Evaluations of the grapple were carried out by experienced Melt Shop maintenance and operating personnel. The grapple chosen was selected because of its lower cost, superior design and so that spare parts could also be used with the existing grapple.

2. There are no other practical alternatives for introducing tires to our process. The only other possible means would be a conveyor system. That would require substantial capital costs in modifying our existing facilities, and a shredder to shred the tires for handling. Shredders also have high capital, operating and maintenance costs. Collectively, these costs would far exceed the cost of charging the tires whole using a grapple.

3. The project has already operated successfully for more than two years. We have established a scrap tire customer base that rivals our steel customer base. There is an ample supply of scrap tires that is in need of recycling.

E. Timing

1. There are no events that must take place or barriers to overcome in order to purchase and install the grapple.

2. The estimated time to complete the acquisition and installation once funding is approved is 16 weeks. The manufacturers lead time is about eight weeks.

F. Performance targets

1. It is estimated that 112,000 additional scrap tires could be recycled each year as a result of having a second grapple to cover the down time for the existing grapple. This would include an estimated savings in coal of an additional 900 tons per year. A large portion of the increase will be achieved immediately upon installation of the grapple. The annual increase will be achieved within one year from the date the grapple is brought on line.

This would save an estimated $61,800 per year in operating and maintenance costs. Further, an additional $56,000 in revenues and $93,392 in savings on coal would be realized. Total potential savings are estimated at $211,192 per year.

2. Calculations are as follows:

Down time of existing grapple: 3 hours/week and 2 days every two months
At 3 hours per week: 180 minutes = 3.6 heats

3.6 heats x 2000 lbs tires/heat = 7200 lbs tires/week or 374,400 lbs tires per year

At 2 days per 2 months: 56 heats @ 2000 lbs tires/heat = 112,000 lbs tires per 2 months = 672,000 lbs tires/year

Possible extended down time of one month: 600 tons tires/month = 60,000 tires per year = 1,200,000 lbs tires/year

Additional tires that would be recycled with second grapple:

672,000 lbs + 374,400 lbs + 1,200,000 lbs = 2,246,400 lbs tires = 1123 tons = 112,320 tires per year

O & M cost savings: 412 hours down time x $150/hour = $61,800

Additional revenues: 1123 tons x $50/ton = $56,150

Savings on coal: Potential coal savings 898 tons coal x $104/ton = $93,392

3. Acquisition and installation will take about 16 weeks. The initial performance target will be reached the first month when the existing grapple goes down and the new grapple is used during this period. Following are the project milestones:

Milestone 1: Order and install equipment: week 1 through 16. By the end of this time, the second grapple will be installed and operational.

Verification: Submitted invoice, operating record.

Milestone 2: Operation and closeout: At the end of one year, the grapple will have been in use at all times when the other grapple is down. The commensurate savings will have been realized and the tire recycling rate will have been maximized.

Verification: Operating record, documentation of savings.

G. Project management: Who will do the work?

1. through 5. John Schillawski, Melt Shop Supervisor, will be the project manager. John will specify and purchase the grapple and oversee its installation. He will have continuing responsibilities overseeing its operation. John has the purchasing, production, operating and mechanical maintenance experience necessary for the job. Also working on the project will be Jim Comstock, Melt Shop Mechanical Maintenance Supervisor. Jim will oversee maintenance of the grapple. Finally, several experienced scrap crane operators will also work on the project. They will operate the grapple. Each has been trained in its operation and has significant experience operating the existing grapple.

H. Project summary

Nucor Steel Auburn, Inc. is proposing a capital project to purchase, install and operate a second grapple that will maximize its tire recycling capability. This could enable an additional 1,123 tons of tires to be recycled each year. Nucor recycles tires to recover their carbon, energy and steel, thus saving a commensurate amount of coal that would otherwise be used. The grapple is necessary to introduce tires to the steel making process. Presently, the only backup to the grapple is a magnet which can not be used to load tires. A second grapple will enable the continuous use of tires when the existing grapple is down for maintenance or repair.

I. Project budget

Schedule #1: Capital project budget

Category of Expense	EIP funds	Cash match	Total
Machinery/equipment Total	$31,041.00	$31,041.00	$62,082.00
Mack Model OPSISCH grapple			
Site preparation Total	-	-	-
Land/buildings Total	-	-	-
Construction/renovation Total	-	-	-
Infrastructure Total	-	-	-
Professional services Total	-	-	-

Total project costs	**$31,041.00**	**$31,041.00**	**$62,082.00**

Schedule #2: Derivations and uses

The Mack grapple is a self-contained, hydraulic, orange-peel unit with independent tine action. It will be used to pick up scrap tires and steel scrap for loading into the scrap bucket used to charge the electric arc furnace. The quotation is enclosed.

The expected useful life is 7 years based on the industry standard under MACRS.

Schedule #3: Financing sources

Financing Source	Status	Amount	% of Total
Env. Investment Program	approached	$31,041.00	50
Nucor Steel	committed	$31,041.00	50

Commitment letters are not applicable to this project. Nucor will pay for the grapple at the time of purchase and will then seek partial reimbursement from the State.

J. For projects that include real estate

This section is not applicable to this project.

K. Environmental Review

A. This project meets the requirements of the State Environmental Quality Review Act. The completed DED Environmental Form is enclosed.

B & C. This is not an infrastructure project and it does not involve any relocation.

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DED ENVIRONMENTAL FORM

1. HAZARDOUS WASTES

A. Will the Project, or facilities to be utilized in conjunction with the Project, require any permits for the treatment or storage of hazardous wastes under applicable federal, state and/or local law?

☐ Yes ☒ No

B. If the answer to "A" is "Yes", is the Project Owner/Occupant/Operator in violation with respect to obtaining and/or complying with valid permit(s) for the treatment or storage of hazardous wastes?

☐ Yes ☐ No

2. DISCHARGE/EFFLUENT/EMISSIONS

A. Will a discharge/effluent/emissions permit be required for the Project and/or any facilities to be utilized in conjunction with the Project?

☐ Yes ☒ No

B. Provide a list of all other federal, state, and local reviews, approvals, or permits needed with copies or with dates by which they are expected.

☒ None needed ☐ See attached

3. VIOLATION OF APPLICABLE ENVIRONMENTAL LAW

A. Are any facilities which are under the ownership/lease/supervision of the project implementor is sited as being in violation of any federal/state/local environmental statute/regulation?

☐ Yes ☒ No

B. Is the Project Owner/Occupant/Operator in receipt of any communication indicating that the proposed Project or any facility to be utilized in conjunction with the Project is in violation (or is under consideration for being in violation) pursuant to applicable federal, state or local statute/regulation?

☐ Yes ☒ No

Preparer's Signature

Environmental Manager
Title

Nucor Steel Auburn, Inc.
Representing

10/14/04
Date

MACK MANUFACTURING, INC.

7205 BELLINGRATH ROAD ★ P.O. BOX 1559 ★ THEODORE, ALABAMA 36590 U.S.A.
PHONE 251-653-9999 ★ FAX 251-653-1365 ★ E-MAIL sales@mackmfg.com

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MACK GRABS AND BUCKETS FOR WIRE ROPE, AIR OR HYDRAULIC OPERATION

July 26, 2004

Mr. Jim Comstock
Nucor
P.O. Box 2008
Auburn, NY 13021

Dear Mr. Comstock:

Thank you for your time this past week. Per your request we respectfully offer the following quotation.

1 Only Mack Model OPSISCH-350-5, 3.5 cubic yard capacity, 5-tine, Self-Contained, Hydraulic, Orange Peel, Scrap Grapple, with Independent tine action. Approximate weight of this grapple with oil is 12,747 lbs. Price is $56,727.00 plus a steel premium of $5,355.00 for a net price of $62,082.00.

Your grapple that you presently have weighs approximately 11,497 lbs. with oil. The grapple quoted above is identical to your grapple with the following upgrades:

1) The directional control valve will not have the thin plate that holds the "O" rings in it. I believe this plate is the reason behind the "O" ring problem.

2) Cylinder butt & tubes will have a wall thickness of ½".

3) We will have thicker and improved cylinder guards on this grapple.

4) We will also have a caged guard around the cylinders and access holes.

5) This grapple will include an oil cooler between the pump case drain and reservoir.

6) Cylinder shafts will be gun-drilled for grease fittings.

7) The hydraulic manifold will be larger for easier accessibility to the hydraulic hoses.

MACK MANUFACTURING, INC.
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P.O. BOX 1559 * 7205 BELLINGRATH ROAD * THEODORE, ALABAMA 36590
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8) Sight level gauge will be guarded better.

9) The bottom 1/3 of the tines will be enclosed.

10) We will attempt to improve the clevis and ring attachment that we presently use.

Please notice that this grapple quoted above is approximately 1,250 lbs. heavier than your present grapple. Please check this additional weight against your maximum crane capacity.

If it's possible Jim, can you send us a drawing or physical details of your hook that the grapple is attached to? We'll need this in order to come up with a better attachment arrangement.

Terms are 20% down payment with the order, and the remainder due 30 days. F.O.B. is Theodore, AL. Production time is currently running 6-8 weeks after receipt of order based on present commitments. This quotation is good for 30 days.

If you have any questions or if I can be of further service, please contact me at any time.

Sincerely,

Matthew A. Davidson

Matthew Alan Davidson, Sales & Service
MACK MANUFACTURING, INC.

MAD/klr

AIDA
Auburn Industrial Development Authority

FAX MEMO

Date: 10/28/04

To: Joe Mancuso
FAX - 233-4345

From: Cynthia Aikman

Number of pages (including this cover sheet): 20

Message:

May have info you need, - copy of Nucor's app to State.

CSA

David J. Dempsey
Chairman

Cynthia S. Aikman
Executive Director
caikman@ci.auburn.ny.us

24 South Street
Auburn, NY 13021

PHONE
(315) 255-4115

FAX
(315) 253-0282