

## APPROVING RESOLUTION

*(US Salt, LLC Project - Acquisition of US Salt, LLC by US Salt Investors, LLC)*

A special meeting of the Schuyler County Industrial Development Agency was convened on Monday November 27, 2017 at 8:00 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 2017 - 2

RESOLUTION OF THE SCHUYLER COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING (i) AN ASSIGNMENT OF OWNERSHIP INTERESTS IN US SALT, LLC IN CONNECTION WITH A CERTAIN PROJECT (AS MORE PARTICULARLY DEFINED HEREIN); AND (ii) THE EXECUTION AND DELIVERY OF ANY DOCUMENTS NECESSARY AND INCIDENTAL THERETO, ALL AS MORE FULL DESCRIBED HEREIN.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 21 of the Laws of 1971 of the State of New York, as amended (hereinafter collectively called the "Act"), **SCHUYLER COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **US SALT, LLC** (the "Company") previously submitted an application (the "Application") to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of fee title to or a leasehold or other interest to certain properties located on Salt Point Road, Watkins Glen, New York, along with the existing salt production and packaging facility and other improvements located thereon (collectively the "Land"), (ii) the construction and equipping on the Land of a fluidized bed boiler facility (hereinafter referred to collectively as the "Improvements"), and (iii) the acquisition in and around the Improvements of certain items of equipment and other tangible personal property including fuel handling equipment (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, in furtherance of the Project and the delivery of financial assistance to the Company in connection therewith, and the Agency and the Company entered into certain agreements, including a certain Lease Agreement (the "Lease Agreement"), a certain Leaseback Agreement (the "Leaseback Agreement") and a certain Payment-in-lieu-of-Tax Agreement (the "PILOT Agreement"), along with related documents, all dated as of January 1, 2008 (collectively, the "Agency Documents"); and

WHEREAS, pursuant to a certain notice letter, dated November 6, 2017 (Attached hereto as **Exhibit A**), the Company has notified the Agency it is contemplated that Crestwood

Midstream Operations, LLC (“Assignor”), the parent company and 100% owner of the Company, will transfer all equity ownership of the Company to US Salt Investors, LLC (“Assignee”), such transaction being collectively referred to herein as the “Acquisition”; and

WHEREAS, pursuant to Section 6.3 of the Leaseback Agreement, the Acquisition constitutes an “assignment” subject to the prior written consent of the Agency (the “Assignment”); and

WHEREAS, the Agency desires to approve the Company’s request for consent to the Acquisition and authorize the execution and delivery of documents in furtherance of same.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF SCHUYLER COUNTY INDUSTRIAL AGENCY AS FOLLOWS:

Section 1. Subject to the terms and conditions contained within the Agency Documents and this resolution, the Agency hereby approves the Assignment, along with the execution and delivery by the Agency of any and all documents necessary and incidental thereto (including, but not limited to, any assignment and assumption agreements as reviewed and approved by Harris Beach PLLC as transaction counsel to the Agency); provided, however, that in all events, however, that the Facility and the operation thereof shall continue to constitute a “project” under the Act and in no way shall be materially changed or modified without the prior written consent of the Agency. The Agency’s grant of consent to the Assignment pursuant to section 6.3 of the Leaseback Agreement is specifically conditioned upon the following:

- a) Agency receipt of fully executed Member Interest Purchase Agreement by and between Assignor and Assignee and relating to the Acquisition;
- b) Agency receipt of most recent Audited Financial Statements of Company;
- c) Agency receipt of satisfactory performance guaranty (and/or letter of credit, each subject to Agency’s sole discretion) of Assignee with respect to all obligations of Company contained within the Agency Documents; and
- d) Company to utilize commercially reasonable efforts to maintain at least 130 full time equivalent (“FTE”) positions at the Facility during the term of the Agency Documents, along with certification of current job figures; and

Section 2. The Agency’s consent to the Assignment shall be further conditioned upon the Agency’s receipt of an opinion of counsel, to be provided at the Company’s expense and in conformance with Section 6.3(iv) of the Leaseback Agreement.

Section 3. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to negotiate, approve the form and substance of, execute and deliver any certificates, documents and agreements, based on the advice and counsel of counsel, necessary or desirable to allow for such Assignment. The

Chairman's, Vice Chairman's and/or Chief Executive Officer's execution and delivery of such documents shall constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 5. These Resolutions shall take effect immediately.

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

	Yea	Nay	Absent	Abstain
Carl L. Taber	[ ✓ ]	[ ]	[ ]	[ ]
John Terry	[ ✓ ]	[ ]	[ ]	[ ]
Margaret Lawrence	[ ✓ ]	[ ]	[ ]	[ ]
Carl Blowers	[ ]	[ ]	[ ]	[ ]
Thomas Gifford	[ ]	[ ]	[ ]	[ ]
Keith Caslin	[ ✓ ]	[ ]	[ ]	[ ]
Mark Taylor	[ ✓ ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

**EXHIBIT A**

[Company Request for Assignment Consent]

Attached Hereto