

RESOLUTION

The Auburn Industrial Development Authority met in special session at Memorial City Hall, 24 South Street, 3rd Floor - Training Room, in the City of Auburn, New York 13021, on Tuesday, November 2, 2004, at 12:00 p.m., local time.

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

PRESENT: David Dempsey, Patricia Watson, Jane Stebbins, Elizabeth Hoey, Rosemary Oaks-Lee and Anthony DeCaro

ABSENT: Robert E. Hunter and John M. Brennan

ALSO PRESENT: Cynthia S. Aikman and Mimi Hoffman and Joseph T. Mancuso of Hancock & Estabrook, LLP, Counsel

The foregoing Resolution was duly moved by Ms. Stebbins, seconded by Ms. Hoey, discussed and put to a vote on roll call, which resulted as follows:

AYE

NAY

All Present

Resolution No. _____

RESOLUTION TAKING OFFICIAL ACTION TOWARD THE
PROVISION OF FINANCIAL ASSISTANCE FOR THE RECEIPT
AND DISBURSEMENT OF CERTAIN GRANT MONIES FOR
THE BENEFIT OF NUCOR STEEL AUBURN, INC.

WHEREAS, the Auburn Industrial Development Authority (the "**Authority**") is authorized and empowered by the provisions of the Auburn Industrial Development Authority Act, Chapter 915 of the 1969 Laws of New York constituting Title 15 of Article 8 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of New York, as amended (the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities, and facilities for use by a federal agency or medical facility, among others, and thereby to advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Auburn and improve their medical care and standard of living;

WHEREAS, to accomplish its stated purposes, the Authority is authorized and empowered under the Act to accept gifts, grants, loans or contributions from, and enter into contracts or other transactions with, the United States and the state or any agency of either of them, any municipality, any public or private corporation or any other legal entity, and to use any such gifts, grants, loans or contributions for any of its corporate purposes;

WHEREAS, the Authority has undertaken a project for the benefit of Nucor Steel Auburn, Inc. (the "**Company**") consisting of (i) the acquisition and expansion of the existing manufacturing facility formerly operated by the Auburn, New York division of Auburn Steel Company, Inc. located at 25 Quarry Road in the City of Auburn, New York, and (ii) the acquisition of all land, buildings and equipment in connection therewith (the "**Facility**");

WHEREAS, the Company and the Authority entered into a Leaseback Agreement dated as of April 1, 2001 (the "**Leaseback Agreement**") whereby the Company has agreed to lease the Facility back from the Authority on the terms and conditions set forth therein;

WHEREAS, the Company has presented an application dated as of October 27, 2004 (the "**Application**") to the Authority, a copy of which was presented at this meeting and copies of which are on file at the office of the Authority, requesting that the Authority act as its sponsor for a certain grant from the New York State Department of Economic Development (the "**Grant**") for use in gaining the economic benefits associated with pollution prevention, reuse and recycling, including (1) increased productivity and competitiveness from reduced operating costs or avoided capital costs, (2) increased capacity and revenues from reuse and recycling, and (3) job retention;

WHEREAS, the Company will use the proceeds of the Grant for the acquisition and installation into the Facility of a new grapple machine for the recycling of steel scrap and tires (the "**Equipment**");

WHEREAS, title to the Equipment will be conveyed to the Authority pursuant to the terms of a bill of sale ("**Bill of Sale**") as required by the terms and conditions of the Grant;

WHEREAS, the Equipment will be leased back to the Company pursuant to the terms of the Leaseback Agreement;

WHEREAS, the Authority has given due consideration to the Application, and to representations by the Company that acting as a sponsor for the Grant will not result in the removal of a commercial, industrial or manufacturing plant of the Company or any other beneficiary of the Grant from one area of the State of New York to another area of the State of New York or in the abandonment of one or more plants or facilities of the Company or any other proposed beneficiary of the Grant located in the State of New York;

WHEREAS, the Authority desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Auburn, New York by acting as sponsor of the Grant for the Company; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended, and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "**SEQR Act**"), the Authority has made a determination that the project will not have a significant effect on the environment and has issued a Negative Declaration with respect to the project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUTHORITY AS FOLLOWS:

1. Based upon the representations made by the Company to the Authority, the Authority hereby makes the following findings and determinations with respect to the Grant:

A. The receipt and disbursement of the Grant will not result in the removal of a commercial, industrial or manufacturing plant of the Company or any other proposed beneficiary of the Grant from one area of the State of New York to another area of the State of New York or result in the abandonment of one or more plants or facilities of the Company or any other beneficiary of the Grant located in the State of New York; and

B. The receipt and disbursement of the Grant will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of the City of Auburn and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act.

2. Subject to the conditions set forth herein, the Authority will (A) receive the proceeds of the Grant, (B) enter into such agreements with the grantors of the Grant, (C) supervise the disbursement and administration of the Grant, (D) receive title to the Equipment from the Company pursuant to the Bill of Sale, (E) lease the Equipment back to the Company pursuant to the Leaseback Agreement, and (F) enter into such agreements with the Company as may be necessary to carry out the intent of this Resolution (the "**Grant Agreement**"), provided that the Company will be obligated, among other things, to pay all costs incurred by the Authority with respect to the Grant, including reasonable fees and expenses incurred by the Authority and its counsel with respect to or in connection with the Grant.

3. The Authority's agreement to sponsor the Grant, as contemplated by Paragraph 2 of this Resolution, shall be subject to agreement by the Authority and the Company to the terms of the Grant Agreement.

4. The Chairman or any other officer of the Authority is hereby authorized, empowered and directed to proceed with the undertakings provided for herein on the part of the Authority and are further authorized to do all such acts and things and to execute and deliver, in the name and on behalf of the Authority, the Grant Agreement, the Bill of Sale and all such other documents, instruments and agreements as may be necessary to carry out and comply with the terms and provisions of this Resolution.

5. The Firm of Hancock & Estabrook, LLP is hereby retained as counsel to the Authority with respect to all matters in connection with the Grant.

6. The Chairman, Vice Chairman and Secretary of the Authority are hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things and perform such further acts as may be necessary or convenient to implement the provisions of this Resolution.

7. This Resolution shall take effect immediately.

STATE OF NEW YORK)
COUNTY OF CAYUGA) SS.:

I, the undersigned (Assistant) Secretary of the Auburn Industrial Development Authority, do hereby certify:

That I have compared the foregoing extract of minutes of the meeting of the members of the Auburn Industrial Development Authority (the "**Authority**"), including the Resolution contained therein, held on November 2, 2004 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (i) all members of the Authority had due notice of said meeting, (ii) said meeting was in all respect duly held, (iii) pursuant to Section 104 of the Public Officers Law ("**Open Meetings Law**"), said meeting was open to the general public, and public notice of the time and place of said meeting was given in accordance with said Open Meetings Law and (iv) there was a quorum of the members of the Authority present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said Authority this 2nd day of November, 2004.

**AUBURN INDUSTRIAL
DEVELOPMENT AUTHORITY**



(Assistant) Secretary