

Nassau Provisions Kosher Foods Inc
Projects submitted to IDA for Sales Tax Extension review.

Warehouse Floor Remediation – 855 Waverly Warehouse

Estimated Project Cost: \$250,000

Nassau Provisions plans to undertake a significant floor remediation project within the approximately 50,000-square-foot Waverly Warehouse.

The existing concrete floor is approximately only four inches thick and was installed without metal or rebar reinforcement. Due to the demands of daily warehouse operations and the continuous use of heavy material-handling equipment, the floor has experienced substantial cracking and deterioration. One of the Drexel machines utilized in the warehouse, for example, weighs approximately 14,000 pounds before product is added.

The proposed project will address both the overall condition of the warehouse floor and individual areas that have already sustained more significant damage.

For budgeting purposes, Nassau Provisions is utilizing comparable flooring work recently quoted for another warehouse area. Stonhard provided a proposal of \$97,900 for 21,200 square feet, or approximately \$4.62 per square foot. The proposed work includes mechanical preparation of the existing concrete surface using diamond grinders followed by application of the specified industrial flooring system.

Applying that comparable cost to the approximately 50,000 square feet at Waverly results in an estimated flooring cost of approximately \$231,000.

In addition to the overall floor treatment, individual cracks and significantly damaged sections of the existing concrete will require repair. Based on current repair costs, these areas are estimated at approximately \$5,500 per repair on average, based on the several repairs already made.

Based on the approximately \$231,000 estimated cost for the overall floor treatment, together with the repair of existing cracks and damaged areas, Nassau Provisions has budgeted approximately \$250,000 for the Waverly Warehouse floor remediation project.

Additional Warehouse Racking and Decking

Estimated Project Cost: \$25,000

Nassau Provisions plans to purchase and install additional pallet racking components to expand storage capacity within the warehouse and to provide additional decking and replacement/backup components for the existing racking system.

The anticipated purchases include:

- Approximately 100 additional wire decking sections for existing pallet rack locations.

- Additional upright frames and cross beams to construct several new pallet rack sections and increase available pallet storage capacity.
- Additional upright frames, beams and related components to maintain a limited inventory of replacement/backup racking components for damaged or worn sections.
- Row spacers, anchors, hardware and other components required for proper installation of the additional racking.
- Freight and delivery of the racking materials.
- Professional installation and anchoring of the new rack sections.

The estimated project cost is based upon Nassau Provisions' prior purchases of the same or similar warehouse racking components. A previous Handy Equipment purchase included wire decks, upright frames, cross beams, row spacers, anchors, freight and professional installation, providing the company with established costs for the materials and installation required for this expansion.

Based upon the quantity of additional decking required, construction of several additional rack sections, backup/replacement components, freight, hardware and installation, Nassau Provisions has budgeted approximately \$25,000 for this project.

Loading Dock Improvements – Waverly Warehouse

Estimated Project Cost: \$50,000

The Waverly Warehouse currently has four loading dock doors; however, only two of the four are presently configured with the equipment and improvements necessary to fully support Nassau Provisions' loading and unloading operations. Nassau Provisions plans to upgrade the remaining two dock positions to make them more functional and allow the company to better utilize all four loading doors.

The proposed project will include improvements to the two currently underutilized dock positions, including the addition and/or modification of dock leveler equipment and the related components necessary to accommodate Nassau Provisions' trucks and normal shipping and receiving operations.

Nassau Provisions has previously utilized EnerTech Associates, Inc. for specialized loading dock work at the Waverly facility. EnerTech's prior work has included removal and reinstallation of dock levelers, fabrication of curb-angle assemblies for leveler pits, boom-truck service, installation of dock bumpers, weather seals and related dock equipment.

Nassau Provisions has also utilized PND Masonry Contracting Corp. for the concrete work associated with improvements to the Waverly loading dock area. Depending upon the final configuration of the two dock positions, concrete work may be required to properly accommodate the dock equipment and provide a durable transition between the warehouse, loading dock and truck areas.

The anticipated work for the two dock positions includes:

- Dock leveler equipment and associated components for the two dock positions.
- Preparation and modification of the existing dock areas as required for installation.

- Fabrication and installation of curb angles and associated steel components where required.
- Concrete cutting, removal, repair and reconstruction where necessary to accommodate the upgraded dock positions.
- Dock bumpers and protective components.
- Dock seals/weather seals as required.
- Freight, delivery and boom-truck/equipment-handling costs.
- Professional installation, adjustment and final setup of the dock equipment.

The objective of the project is to make the two currently underutilized loading doors fully functional for Nassau Provisions' operations, increasing the usable loading capacity of the Waverly Warehouse from two dock positions to four.

Based upon Nassau Provisions' prior loading dock work with EnerTech Associates, Inc. and PND Masonry Contracting Corp., and the anticipated equipment, concrete work, materials, freight and professional installation required for the two additional dock positions, Nassau Provisions has budgeted approximately \$50,000 for the project.

Warehouse Lighting Improvements – Waverly Warehouse

Estimated Project Cost: \$25,000

Nassau Provisions plans to reconfigure and improve the lighting throughout the Waverly Warehouse to better accommodate the warehouse's current pallet-racking layout and improve illumination throughout the facility.

The existing lighting configuration predates Nassau Provisions' current racking layout and was not designed around the way the warehouse is now utilized. The primary lighting rows currently run perpendicular to the pallet-racking aisles rather than parallel with the aisles. As a result, portions of the lighting system cross directly over and through the footprint of the current pallet racks rather than illuminating the travel and picking aisles.

In addition, when Nassau Provisions acquired and configured the facility, many of the existing light fixtures were suspended approximately 10 feet below the warehouse ceiling. Nassau subsequently installed pallet racking utilizing the available vertical height of the building. Because the existing lighting hangs substantially below the ceiling and crosses the racking layout, portions of individual rack sections cannot presently be utilized without interfering with the lighting fixtures.

The current configuration also results in areas of inadequate illumination within the warehouse. Nassau Provisions therefore intends to reconfigure the existing lighting and supplement it with additional fixtures where necessary.

The anticipated project includes:

- Relocating existing light fixtures that currently interfere with pallet-racking locations.
- Raising fixtures where practical to better utilize the available warehouse ceiling height.
- Reorienting portions of the lighting system so that lighting more appropriately follows the warehouse aisles.
- Relocating associated electrical wiring, conduit and mounting hardware as required.

- Purchasing and installing additional high-efficiency warehouse lighting fixtures in areas where existing illumination is insufficient.
- Improving lighting within picking, travel and material-handling aisles.
- Eliminating lighting-related obstructions that currently prevent full utilization of certain pallet-rack positions.
- Labor, lifts, electrical materials and other equipment necessary to complete the reconfiguration and installation.

The project is intended to accomplish two primary objectives: improve visibility and lighting throughout the Waverly Warehouse and allow Nassau Provisions to more fully utilize the storage capacity of its existing pallet-racking system.

Based upon the anticipated relocation of existing fixtures, electrical modifications, additional lighting equipment, lift/equipment requirements and professional installation, and a previous conversation with a contractor, Nassau Provisions has budgeted approximately **\$25,000** for the warehouse lighting improvement project.

Office HVAC / Air-Conditioning Improvements – Waverly Warehouse

IDA Project Allocation: \$5,000 (Incorrectly posed – read below – estimated at = \$30,000)

The existing air-conditioning system serving the office areas of the Waverly facility is currently nonfunctional, leaving the offices without operational air conditioning. Nassau Provisions therefore intends to replace the failed system with a new ductless heating and air-conditioning system serving the office and common areas.

The proposed installation includes:

- Two new outdoor heat-pump/air-conditioning condensing units.
- Individual ductless air handlers serving the office areas.
- Air-conditioning units serving both bathrooms.
- A dedicated unit for the front office.
- A dedicated unit for the conference room.
- A dedicated unit for the rear office.
- Two larger ceiling-mounted cassette units serving the common office area.
- Refrigerant piping between the indoor units and exterior condensers.
- Exterior protective covering for exposed refrigerant piping.
- Wireless wall-mounted controls.
- System evacuation, startup, testing and commissioning.

The need for 6,000-BTU units in each bathroom, 12,000-BTU units in the front office and conference room, a 9,000-BTU unit in the rear office, and two 18,000-BTU ceiling cassettes in the common area.

While Nassau Provisions' original IDA extension estimate allocated approximately \$5,000 to office and HVAC improvements, the replacement is substantially greater more like \$30,000. Nassau

Provisions intends to proceed with improvements necessary to restore air conditioning to the currently unconditioned office areas.

Additional Material-Handling Equipment

Estimated Project Cost: \$200,000

As part of the continued buildout and improved utilization of the Waverly Warehouse, Nassau Provisions anticipates purchasing approximately \$200,000 of additional material-handling equipment. The equipment will support the expanded pallet-racking system, improve product movement throughout the facility, increase picking and replenishment efficiency, and provide additional equipment capacity as warehouse volume increases.

The anticipated equipment purchases include the following:

1. Bendi B3/30AC Very-Narrow-Aisle Articulated Forklift

Nassau Provisions currently utilizes a Drexel SwingMast forklift for narrow-aisle pallet handling. As the Waverly facility is more fully racked and utilized, Nassau intends to add a Bendi B3/30AC articulated forklift to complement the existing Drexel.

The Bendi offers a different operating configuration that is particularly useful within the Waverly racking layout. Its articulating front end provides 220 degrees of rotation, allowing the operator to access pallet positions on either side of a narrow aisle without the same positioning requirements as a conventional reach truck. The Bendi B3/30AC is designed to operate in aisles as narrow as approximately 72 inches and is available with lift heights of up to 30 feet.

This capability will allow Nassau Provisions to more efficiently service pallet positions on both sides of the warehouse aisles, reduce repositioning and travel time, and better utilize the vertical and horizontal storage capacity created by the expanded racking system.

2. Raymond 7300 Reach-Fork Truck

Nassau Provisions also anticipates purchasing an additional Raymond 7300 reach-fork truck for use with the expanded pallet-racking system.

The Raymond 7300 is designed specifically for pallet movement within storage aisles and incorporates side shift, power tilt and high-elevation pallet-handling capabilities. Nassau's existing equipment proposals describe the 7300 as providing quicker acceleration, faster lift and lower speeds, and smoother directional changes for more efficient movement of loads within storage aisles.

The additional reach truck will provide increased capacity for pallet put-away and replenishment and allow multiple operators to service different portions of the expanded racking system simultaneously.

3. Two Raymond 8410 End-Rider Pallet Trucks

Nassau Provisions anticipates purchasing two additional Raymond 8410 electric rider pallet trucks to support movement of product between receiving, storage, picking and shipping areas.

Nassau already utilizes this equipment extensively in its warehouse operation. The Raymond 8410 has a 6,000-pound maximum capacity, and the manufacturer specifically identifies its maneuverability and acceleration as features intended to increase the number of pallets moved per hour.

Nassau's prior Abel Womack pricing provides a strong basis for the anticipated cost. A previous purchase of a Raymond 8410 with battery was priced at approximately **\$15,155**, while another configuration with longer forks was approximately **\$18,288 per unit**.

The additional pallet trucks will provide needed capacity for increased product movement within Waverly and reduce delays caused by operators waiting for available equipment during heavier receiving, replenishment and shipping periods.

Overall Equipment Budget

The anticipated equipment package therefore consists primarily of:

- One Bendi B3/30AC articulated very-narrow-aisle forklift
- One Raymond 7300 reach-fork truck
- Two Raymond 8410 electric rider pallet trucks
- Batteries, chargers and associated equipment as required
- Freight, delivery, setup and related acquisition costs

Nassau Provisions has previously purchased substantial material-handling equipment from Abel Womack, including Raymond reach trucks and rider pallet trucks, and the attached proposals provide established pricing for comparable equipment used in Nassau's operations.

Based upon the anticipated acquisition of the Bendi articulated forklift, additional Raymond reach truck, two rider pallet trucks, batteries/chargers and related acquisition costs, Nassau Provisions has budgeted approximately **\$200,000 for additional material-handling equipment at the Waverly Warehouse**.

These projects does not require permits

Projects summary

Warehouse Floor Remediation	250,000
Equipment purchased	200,000
Loading Dock Improvements	50,000
Warehouse Racking	25,000
Air-Conditioning Improvements	30,000 (increased from the original estimate of 5,000)
Warehouse Lighting Improvements	25,000
TOTAL COST	580,000



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Submitted by Scott Horowitz CEO
Nassau Provisions Kosher Foods Inc