CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Office of Economic Development

AGENDA DATE: November 14, 2006
CONTACT PERSON/PHONE: Lucille A. Ponticelli, Economic Development Manager 541 – 4679
Javier Gadney, Business Services Coordinator 541 4673

DISTRICT(S) AFFECTED: ALL

SUBJECT:

BACKGROUND/DISCUSSION:
Project OTH 0803 is a milk product processing plant interested in selecting El Paso as a location for their firm. This project was discussed in an LRC meeting of August 7, 2006. The LRC moved that the project be heard by the full Council. The Council discussed the project on Aug 15 06 in Executive Session and moved to accept staff recommendation to negotiate a 380 agreement.

PRIOR COUNCIL ACTION:
Has the Council previously considered this item or a closely related one?
Yes.

AMOUNT AND SOURCE OF FUNDING:
How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

General Funds

BOARD/COMMISSION ACTION:
Enter appropriate comments or N/A.

Council authorized staff to proceed on negotiations within the framework of a 380 agreement on Aug 15 06. Request council approve a resolution authorizing the City Manager to sign a chapter 380 economic development agreement with United Dairymen of Arizona.

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**********REQUIRED AUTHORIZATION**********

LEGAL: (if required) _____ **FINANCE:** (if required)_____

DEPARTMENT HEAD: _____
(Example: If RCA is initiated by Purchasing, client department should sign also). *Information copy to appropriate Deputy City Manager*

APPROVED FOR AGENDA:

CITY MANAGER:_____ **DATE:** _____

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a Chapter 380 Economic Development Agreement between the City of El Paso ("City") and United Dairymen of Arizona, Inc., an Arizona Corporation ("Applicant") to provide for a grant from the City to the Applicant in an amount at least equivalent to fifty percent (50%) of the taxes collected on the personal and real property tax accounts generated in connection with the development of a milk processing plant in El Paso.

ADOPTED this ____ day of November 2006.

CITY OF EL PASO

By: _____
John F. Cook
Mayor

ATTEST:

_____
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Sylvia Borunda Firth
Senior Assistant City Attorney

APPROVED AS TO CONTENT:

Lucille A. Ponticelli
Economic Development Manager

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Doc. No.: 26435
Doc. Name: Reso-06-United Dairymen of Arizona
Doc. Author: SFIR

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CITY OF EL PASO
AND
UNITED DAIRYMEN OF ARIZONA, INC.
"APPLICANT"

CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT

This **CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT** (this "Agreement") is made and entered into by and between the **CITY OF EL PASO, TEXAS** (the "***CITY***"), a Texas home rule municipal corporation, and United Dairymen of Arizona, Inc. (the "***APPLICANT***"), an Arizona Corporation, for the purposes and considerations stated below:

WHEREAS, the ***APPLICANT*** desires to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code (hereinafter referred to as "Chapter 380");

WHEREAS, the ***CITY*** desires to provide, pursuant to Chapter 380, an incentive to ***APPLICANT*** to develop the Milk Processing Plant described on Exhibit "A" attached hereto.;

WHEREAS, the ***CITY*** has the authority under Chapter 380 to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City of El Paso;

WHEREAS, the ***CITY*** determines that a grant of funds to ***APPLICANT*** will serve the public purpose of promoting local economic development and enhancing business and commercial activity within the ***CITY***;

WHEREAS, the ***CITY*** and ***APPLICANT*** desire the development of the Milk Processing Plant;

WHEREAS, the creation of the Milk Processing Plant will encourage increased economic development in the ***CITY***, provide significant increases in the ***CITY'S*** tax revenues, and improve the ***CITY'S*** ability to provide for the health, safety and welfare of the citizens of El Paso;

WHEREAS, the ***CITY*** has concluded and hereby finds that this Agreement clearly promotes economic development in the City of El Paso and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and further, is in the best interests of the ***CITY*** and ***APPLICANT***.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. TERM.

The term shall be for five (5) calendar years beginning on January 1st of the year following completion of construction.

SECTION 2. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

(a) **Agreement.** The word "Agreement" means this Chapter 380 Economic Development Program and Agreement, together with all exhibits and schedules attached to this Agreement and incorporated herein by reference.

(b) ***CITY.*** The word "***CITY***" means the City of El Paso, Texas. For purposes of this Agreement, City's address is City of El Paso, 2 Civic Center Plaza, El Paso, Texas 79901-1196, ATTN: City Manager.

(c) **Development.** The word "Development" means the Milk Processing Plant described in ***Exhibit "A"*** attached hereto and fully incorporated herein by reference. .

(d) **Full-Time Employment.** The words "Full-Time Employment" mean a job requiring a minimum of Two Thousand and Eighty (2,080) hours of work averaged over a twelve (12) month period, including allowance for vacation and sick leave, with full company benefits, including company paid health insurance (company must pay a minimum of 50% of the premium).,

(e) **Grant.** The word "Grant" means payment to ***APPLICANT*** under the terms of this Agreement computed with reference to Property Taxes generated and paid by the **DEVELOPMENT** and payable from the ***CITY'S*** general revenue fund.

(f) **Grant Submittal Package.** The words "Grant Submittal Package" mean the documentation required to be supplied to ***CITY*** on a yearly basis as a condition of receipt of any Grant, a copy of which is attached as ***Exhibit "C"*** to this Agreement.

(g) ***APPLICANT***. The word **"APPLICANT"** means United Dairymen of Arizona, Inc., an Arizona Corporation. For the purposes of this Agreement, Applicant's address is 2008 S. Hardy Dr. Tempe, AZ 85285-6877, ATTN: _____.

(h) **Qualified Expenditures.** The words "Qualified Expenditures" means those costs incurred by ***APPLICANT*** in the acquisition, construction or furnishing of the **DEVELOPMENT.**

SECTION 3. OBLIGATIONS OF *APPLICANT.*

During the term of this Agreement, ***APPLICANT*** shall comply with the following terms and conditions:

(a) ***APPLICANT*** agrees to develop and construct, at its sole cost and expense, the Development described on ***Exhibit "A"*** and to expend a minimum of Eighteen Million Dollars ($18,000,000.00) in Qualified Expenditures to construct the Development. ***APPLICANT*** shall commence construction and or improvements within twelve (12) months of the effective date of this Agreement. ***APPLICANT*** shall receive a certificate of occupancy, and be open for business within twelve (12) calendar months from the commencement of construction and/or improvements to the **DEVELOPMENT**. ***APPLICANT*** shall submit documentation to the City to verify the expenditure of a minimum amount of Eighteen Million Dollars ($18,000,000.00) in Qualified Expenditures within eighteen (18) months of the effective date of this Agreement.

(b) ***APPLICANT*** agrees that it shall create, staff, and maintain the Full-Time Employment positions described in ***Exhibit "B"*** for the operation of the **DEVELOPMENT** within twelve (12) months of the effective date of this Agreement, and shall maintain the Full-Time Employment positions for the **DEVELOPMENT** through the full term of this Agreement. ***APPLICANT*** shall maintain the full-time jobs for each quarter of each fiscal year with the total per day hours worked averaged over each fiscal quarter.

During the term of this Agreement, ***APPLICANT*** shall provide an annual report by April 30th certifying the status of compliance through the life of the Agreement of new jobs created and retained, new investments and any other relevant information. Documentation for jobs may be in the form of quarterly IRS 941 returns, Texas Workforce Commission Employer Quarterly Reports, or employee rosters that show the hours worked and the positions filled, and such other reports as may reasonably be required. The annual report must be received by the CITY prior to the submission of the Grant Submittal Package.

APPLICANT, during normal business hours, at its principal place of business, shall allow ***CITY*** reasonable access to its employment records and books, and other books and records that are related to the other described economic development consideration and incentives, to verify employment records and any other records related to other economic

development consideration and incentives, but the confidentiality of such records will be maintained.

(c) Unless otherwise agreed by the ***CITY*** and ***APPLICANT***, each Grant Submittal Package shall be in the form attached hereto as ***Exhibit "C"***. The Grant Submittal Package must be submitted no later than June 1st. If ***APPLICANT*** shall fail to timely submit a Grant Submittal Package for a particular year, then the ***CITY*** may give ***APPLICANT*** written notice of ***APPLICANT'S*** failure to timely submit such Grant Submittal Package, and ***APPLICANT*** shall have thirty (30) calendar days calculated from the date on which such written notice is given in which to submit such Grant Submittal Package. The ***CITY'S*** determination of the amount of the Grant payment due to ***APPLICANT*** is final; provided, however ***APPLICANT*** may appeal to the City Council within thirty (30) days of payment, the City Council shall hear the appeal within thirty (30) days and the City Council's determination of the amount of the Grant payment shall be final; provided, however, nothing herein shall limit (or be construed to limit) ***APPLICANT'S*** rights and remedies as described in Section 5 of this Agreement.

(d) ***APPLICANT*** shall pay by January 31 of each year all of the real and business personal ad valorem taxes assessed for the previous tax year on the **DEVELOPMENT** referenced in ***Exhibit "A"***. ***APPLICANT*** shall have the right to contest the appraised value of the **DEVELOPMENT** as provided by law, but in no event shall ***APPLICANT*** contest the value of the **DEVELOPMENT** on the tax rolls of the El Paso Central Appraisal District during the term of this Agreement at an amount of Fourteen Million Dollars ($14,000,000) or less.

(e) Property Value:

The parties to this Agreement agree that the taxable value of the **REAL PROPERTY AND PERSONALTY** after completion of the construction and improvements will have a base value of at least Fourteen Million Dollars ($14,000,000). ***APPLICANT*** covenants and agrees that during the term of this Agreement it shall not challenge or permit anyone else to take actions on its behalf to challenge any assessments by the Central Appraisal District at $14,000,000 or lower. It is the intent of the parties that the assessed value of the **REAL PROPERTY AND PERSONALTY** on the tax rolls have a base value of $14,000,000 during the term of this agreement and any affirmative act by ***APPLICANT*** to reduce the assessed value to amount lower than $14,000,000 will be an event of default that will result in termination of this agreement.

SECTION 4. OBLIGATIONS OF CITY.

During the term of this Agreement and so long as an event of default has not occurred and is continuing as set forth in Section 6 of this Agreement (provided, however, an event of default hereunder shall not be deemed to have occurred until after the expiration of the applicable notice and cure period), ***CITY*** shall comply with the following terms and conditions:

(a) The ***CITY*** agrees to process any Grant payments to ***APPLICANT*** within ninety (90) days after receipt of the ***APPLICANT'S*** Grant Submittal Package.

(b) The amount of the grant payment to the ***APPLICANT*** shall be calculated using a cost/benefit calculation (selected solely at the city's discretion) that shall be at least equivalent to fifty percent (50%) of the taxes collected on the **DEVELOPMENT'S** personal and real property tax accounts for the tax year prior to the year in which the grant package is submitted.

SECTION 5. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default under this Agreement:

(a) **Failure to Maintain Development.** Failure to construct and operate the **DEVELOPMENT** on the Property for the term of this Agreement, and ***APPLICANT*** fails to cure such failure within thirty (30) days after written notice from the ***CITY*** describing such failure, or if such failure cannot be cured within such thirty (30) day period in the exercise of all due diligence, then if ***APPLICANT*** fails to commence such cure within such thirty (30) day period or fails to continuously thereafter diligently prosecute the cure of such failure.

(b) **False Statements.** Any written warranty, representation or statement made or furnished to the ***CITY*** by ***APPLICANT*** under this Agreement or any document(s) related hereto furnished to the ***CITY*** by ***APPLICANT*** that is/are false or misleading in any material respect, either now or at the time made or furnished, and ***APPLICANT*** fails to cure same within thirty (30) days after written notice from the ***CITY*** describing the violation, or if such violation cannot be cured within such thirty (30) day period in the exercise of all due diligence, then if ***APPLICANT*** fails to commence such cure within such thirty (30) day period or fails to continuously thereafter diligently prosecute the cure of such violation, or if ***APPLICANT*** obtains actual knowledge that any such warranty, representation or statement has become false or misleading after the time that it was made, and ***APPLICANT*** fails to provide written notice to the ***CITY*** of the false or misleading nature of such

warranty, representation or statement within ten (10) days after ***APPLICANT*** learns of its false or misleading nature.

(c) **Insolvency.** The dissolution or termination of ***APPLICANT'S*** existence as a going business or concern, ***APPLICANT'S*** insolvency, appointment of receiver for any part of ***APPLICANT'S*** portion of the Property, any assignment of all or substantially all of the assets of ***APPLICANT*** for the benefit of creditors of ***APPLICANT***, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against ***APPLICANT*** unless, in the case of involuntary proceedings, such proceedings are discharged within sixty (60) days after filing.

(d) **Construction of DEVELOPMENT.** ***APPLICANT'S*** failure to comply with its construction obligations set forth in this Agreement and ***APPLICANT*** fails to cure same within thirty (30) days after written notice from the ***CITY*** unless such failure cannot be cured within such thirty (30) day period in the exercise of all due diligence, then if ***APPLICANT*** fails to commence such cure within such thirty (30) day period or fails to continuously thereafter diligently prosecute the cure of such failure, except to the extent such failure is caused by any act or failure to act on the part of the ***CITY***.

(e) **Property Taxes.** ***APPLICANT*** allows its property taxes owed to the ***CITY*** to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure or post a satisfactory bond within thirty (30) days after written notice thereof from the ***CITY*** and/or El Paso Central Appraisal District.

(f) **Failure to Create and Maintain Required Jobs**. In the event that the ***APPLICANT*** should fail to create and maintain the specified jobs listed in Exhibit "B", and fails to create and maintain the level of jobs required by Exhibit "B" for twelve (12) consecutive months, then this Agreement is automatically terminated. The ***CITY*** will allow a ten percent (10%) variance on the end of year job totals specified in Exhibit "B".

(g) **Other Defaults.** Failure of ***APPLICANT*** or ***CITY*** to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any related documents, or failure of ***APPLICANT*** or ***CITY*** to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement between the ***CITY*** and ***APPLICANT***, and ***APPLICANT*** or ***CITY*** fails to cure such failure within thirty (30) days after written notice from the ***CITY*** or ***APPLICANT***, as the case may be, describing such failure, or if such failure cannot be cured within such thirty (30) day period in the exercise of all due diligence, then if ***APPLICANT*** or ***CITY*** fails to commence such cure within such thirty (30) day period or fails to continuously thereafter diligently prosecute the cure of such failure.

(h) **Failure to Cure.** If any Event of Default by ***APPLICANT*** shall occur, and after ***APPLICANT*** fails to cure same in accordance herewith, then this Agreement is terminated and the ***CITY'S*** obligations end at that time. If a default has not been cured within the time frame stated herein, the non-defaulting party shall have all rights and remedies under the law or in equity.

SECTION 6. RECAPTURE

Should the ***APPLICANT*** default under Section 5(b) of this Agreement and provided that the cure period for such default has expired, the ***CITY*** reserves the right to recapture any and all previously awarded grants.

SECTION 7. TERMINATION OF AGREEMENT BY *CITY* WITHOUT DEFAULT.

CITY may terminate this Agreement without an event of default by ***APPLICANT*** and effective immediately if any state or federal statute, regulation, case law, or other law renders this Agreement ineffectual, impractical or illegal, including case law holding that a Chapter 380 Economic Development Agreement such as this Agreement is an unconstitutional debt.

SECTION 7. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

(a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

(b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in El Paso County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of El Paso County, Texas.

(c) **Assignment.** ***APPLICANT*** understands and agrees that the ***CITY*** expressly prohibits ***APPLICANT*** from selling, transferring, assigning or conveying in any way any rights to receive the Grant proceeds without the ***CITY'S*** *prior written* consent;provided however, APPLICANT has advised CITY that it intends to create a new entity in the State of Texas which will be a wholly owned subsidiary of APPLICANT for the purpose of operating the DEVELOPMENT. The CITY consents to the assignment of this Agreement to that entity when it is formed. In order to effectuate the transfer APPLICANT must provide CITY with written notice and a copy of the formation documents of the new entity together with certification that

the new entity is a wholly owned subsidiary of the APPLICANT and a statement that the new entity agrees to be bound by the terms of this Agreement. The City's consent to this assignment is a one-time event and shall not be considered a waiver of future requirements for prior written consent. Any other attempt to transfer without the prior written consent of CITY shall be void and may, at the discretion of the CITY result in termination of the Agreement.

(d) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. ***CITY*** warrants and represents that the individual executing this Agreement on behalf of ***CITY*** has full authority to execute this Agreement and bind ***CITY*** to the same. ***APPLICANT*** warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.

(e) **Completion of DEVELOPMENT.** As consideration for the agreements of the ***CITY*** as contained herein, ***APPLICANT*** agrees that it will diligently and faithfully in a good and workmanlike manner pursue the completion of the **DEVELOPMENT** and that the construction of same will be in accordance with all applicable federal, state and local laws and regulations.

(f) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

(g) **Effective Date.** The effective date (the "Effective Date") of this Agreement shall be the date of the later to execute this Agreement by ***APPLICANT*** and ***CITY***.

(h) **Execution of Agreement.** City Council shall authorize the Mayor to execute this Agreement on behalf of ***CITY***.

(i) **Filing.** This Agreement shall be filed in the deed records of El Paso County, Texas. The provisions of this Agreement shall be deemed to run with the land and shall be binding on heirs, successors and assigns of ***APPLICANT***. Upon any sale or other transfer of ownership rights in the Property, ***APPLICANT*** shall notify the ***CITY*** in writing of such sale or transfer within thirty (30) business days of such sale or transfer. Such provision is a material term of this Agreement and the failure to notify the ***CITY*** of such sale or transfer within the applicable period shall constitute a default.

(j) **Force Majeure.** It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is

delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.

(k) **Notices.** All notices required to be given under this Agreement shall be given in writing and shall be effective when actually delivered or when deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the addresses shown above. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, each party agrees to keep the other informed at all times of its current address.

(l) **Ordinance Applicability.** The signatories hereto shall be subject to all ordinances of the ***CITY***, whether now existing or in the future arising; provided however no ordinance shall reduce or diminish the contractual obligations contained herein. This Agreement shall confer no vested rights on the **DEVELOPMENT** unless specifically enumerated herein.

(m) **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

(n) **Sovereign Immunity**. No party hereto waives any statutory or common law right to sovereign immunity by virtue of its execution hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

APPLICANT:

By: James Hrusovsky
Name: James Hrusovsky
Title: V.P. of Engineering
Date: 10/24/06

ACKNOWLEDGMENT

STATE OF ~~TEXAS~~ Arizona §
§
COUNTY OF ~~EL PASO~~ Maricopa §

Mark Hocking
Notary Public - Arizona
Maricopa County
My Commission Expires
September 16, 2009

This instrument was acknowledged before me on the 24th day of October, 2006, by James Hrosovszky, on behalf of ***APPLICANT***, a corporation, organized and existing under the laws of the State of Arizona.

Mark Hocking
Notary Public, State of ~~Texas~~ Arizona

My Commission Expires:
9/16/09

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

CITY:

CITY OF EL PASO, TEXAS

By: _____
Joyce A. Wilson
City Manager

APPROVED AS TO FORM:

Sylvia Borunda Firth
Assistant City Attorney

APPROVED AS TO CONTENT:

Lucille A. Ponticelli
Economic Development Manager

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on the ____ day of _____, 2006, by Joyce A. Wilson, City Manager of the City of El Paso, Texas, on behalf of the City of El Paso, Texas.

_____
Notary Public, State of Texas

My Commission Expires:

_____

CITY CLERK DEPT.
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EXHIBIT "A"

The United Dairymen of Arizona desire to build a fluid milk processing facility in El Paso Texas. This plant would provide the community of Texas with alternative choices and selections to those currently available in their market area of fresh fluid milk drinks. The packaging of high quality white and flavored milks would be the core of the proposed new plant. Additionally packaging of juices, both apple and orange, along with seasonal milk products such as eggnogs would be manufactured and packaged.

It is our intention to offer the highest quality of milk products at a competitive price to those currently in the El Paso market place. School lunch milk, grocery stores, commissaries, convenience stores, essentially the entire community of the El Paso metropolitan area have but only to gain with the additional product mix we would offer in your market area.

If the fluid milk plant we are working on comes to fruit, it is our intention that once the facility is operating fully that we will add an ESL (extended shelf life) plant onto the fluid plant. This added plant would be designed to produce long shelf life milk and milk product items for consumer, institutional and further food manufacturing facilities. These products would include items such as flavored milk drinks, specialty milk drinks, coffee creamers, ice cream mixes, sweet cream, etc.

It is estimated at this time that the ESL plant would employee and additional 25 to 30 people initially and could very conceivably grow to the employment of nearly 100 people.

I realize that this is all future and will depend on the successful rollout of the fluid plant although we felt that this message should be conveyed to those involved at the City to realize the potential impact United Dairymen of Arizona and their implementing a successful fluid milk plant might have on the City's economics.

Respectfully yours,

James (Jimco) Hrusovszky
Vice President of Engineering, Capitol & Special Projects
United Dairymen of Arizona

EXHIBIT "B"
Employment Standards

Jobs to Be Created and/or retained are as follows:

Job Classification	Wage Range	No. of New Jobs				
	Year:	1	2	3	4	5
Plant Manager	$45,000 - $60,000	1	0	0	0	0
Production Supervisor	$40,000 - $35,000	0	1	0	0	0
Maintenance Mechanic	$31,200 - $41,600	5	2	0	0	0
Warehouseman	$21,000 - $27,040	5	5	0	0	0
Milk Receiving / CIP	$21,000 - $27,040	2	0	1	0	0
Pasteurizer Operator	$27,040 - $31,200	2	1	1	0	0
Filler Operator	$27,040 - $31,200	2	1	1	0	0
Mix / Blend	$21,000 - $27,040	1	1	1	0	0
Clean up / Sanitation	$21,000 - $27,040	1	0	1	0	0
Receptionist	$16,640 - $21,000	1	0	0	0	0
Route Delivery Driver	$25,000 - $31,000	5	5	0	0	0
Security Guard	$16,640 - $21,000	3	0	0	0	0
Lab	$27,040 - $31,200	2	1	1	0	0
TOTAL:		**30**	**17**	**6**	**0**	**0**
End of Year Totals:		**30**	**47**	**53**	**53**	**53**

NOTE: All jobs listed above must have company paid health benefits paying at least 50% of the premium cost.

EXHIBIT "C"

Grant Submittal Package Form

United Dairymen of Arizona, Inc. believes that it has substantially met its obligations under the Chapter 380 Agreement dated _____ and signed by _____. Pursuant to the agreement, United Dairymen of Arizona, Inc. submits this Grant Submittal Package Form in compliance with said Agreement and in anticipation of receiving the grant in consideration for its obligations met under the Agreement.

As required by the Agreement, the following information is submitted.

1. Job Certification Annual Report plus attachments (attachments as referenced in Section 3(b) of this Agreement).

2. Property Tax Payment Receipt(s) of payment for Tax year _____.

It is understood by United Dairymen of Arizona, Inc. that the City of El Paso has up to 90 days to process this request and reserves the right to deny the Grant claim if the terms of the Agreement have not been complied with.

Signature