

ECONOMIC DEVELOPMENT JOB CREATION RIDER**NEW CUSTOMER SERVICE AGREEMENT**

THIS AGREEMENT (hereinafter "Agreement") is by and between the City of Columbia, Missouri (hereinafter "City"), a Missouri municipal corporation located at 701 E. Broadway, Columbia, Missouri 65201, and Plumrose USA, Inc. d/b/a Swift Prepared Foods (hereinafter "Customer"), a Delaware corporation authorized to transact business in Missouri and whose address is 1770 Promontory Circle, Greeley, CO 80634, and is entered into on the date of the last signatory below (hereinafter "Effective Date". City and Customer are each individually referred to herein as a "Party" and collectively as the "Parties."

WHEREAS, City is a public supplier of electric service and desires to provide a financial incentive for new and existing electric industrial customers to expand business and new jobs within the electric service area of the City of Columbia Utilities Department as defined in Chapter 27 of the Code of Ordinances for the City of Columbia, by offering its industrial service rate customers (Section 27-117) the ability to participate in its Economic Development Job Creation Program;

WHEREAS, Customer receives electric service from City under the Industrial Service Rate as a qualifying new customer; and

WHEREAS, Customer's Application, attached hereto as **Exhibit B**, was submitted and has been approved by City for the Economic Development Job Creation Rider Program in accordance with Section 27-117 of City Code, as applicable.

NOW, THEREFORE, in consideration of the mutual covenants set out in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Parties agree as follows:

- 1.) **Commitment by Customer.** Customer agrees to operate and maintain throughout the term of this Agreement the following commitments and obligations under this Agreement:
 - a. Customer commits to the creation of a minimum of two hundred (200) new permanent full-time equivalent jobs.
 - b. The employee additions by Customer may occur incrementally over the first three years of operation as follows:

- i. By the end of year one (1) of the Service Agreement, Customer will employ a minimum of sixty-six (66) new permanent full time positions; and
 - ii. By the end of year two (2) of the Service Agreement, Customer will employ a minimum of sixty-seven (67) additional new permanent full time positions for a combined total of one hundred thirty-three (133) new jobs; and
 - iii. By the end of year three (3) of the Service Agreement, Customer will employ a minimum of sixty-seven (67) additional new permanent full time positions for a combined total of at least two hundred (200) new jobs.
 - iv. After year three, Customer will maintain the minimum of two hundred (200) new permanent full-time equivalent jobs for the duration of the Term. As a result of the creation of these jobs, Customer commits to maintaining a net increase in Customer's overall and total workforce by a minimum of two hundred (200) positions created under this rider for the duration of the Term.
 - c. Jobs created by Customer shall have annual starting salaries, or aggregate annual wages, as applicable, averaging in excess of the Boone County average wage as established by data published by the Missouri Department of Economic Development, with favorable benefits as defines in the Economic Development Job Creation Rider Rules and Regulations, attached hereto as **Exhibit A.**
- 2.) **Commitment by City.** Within thirty (30) days of receipt of verification materials, City will issue the appropriate rebate to Customer provided Customer has complied with this Agreement and Economic Development Job Creation Rider Rules and Regulations, attached hereto as **Exhibit A.**
- 3.) **Economic Development Job Creation Rider Ordinance.** Both Parties agree to comply with the terms and provisions of the Economic Development Job Creation Rider as provided by the City Code of Ordinances, Section 27-117, as applicable and as amended. Both Parties agree to comply with the terms and provisions of the Economic Development Job Creation Rider Rules and Regulations, attached hereto as **Exhibit A.**

4.) **Term.** The term of this Agreement shall be five (5) years, beginning on the date of the Notice of Eligibility, unless the Agreement is terminated in writing as provided herein and so long as Customer complies with the requirements of the Economic Development Job Creation Rider Rules and Regulations, attached hereto as **Exhibit A**.

- a. Customer shall certify to the City in writing Customer's compliance with the Economic Development Job Creation Rider Rules and Regulations, attached hereto as **Exhibit A**, at least sixty (60) days prior to the end of each year of the Term. Customer shall provide documentation to support compliance at the request of City.
- b. Customer shall notify City within thirty (30) days of Customer's failure to comply with any part of Customer's Commitment at any time during the Term.

5.) **Termination.**

- a. *For Convenience.* During the five (5) year term, either Party may terminate this Agreement for convenience by providing no less than sixty (60) days' written notice of termination for convenience.
- b. *For Default.* If either Party fails to perform any of its duties or obligations herein, then that Party shall be in default. The non-defaulting Party may terminate this Agreement for failure to perform by providing at least (30) calendar days' written notice of termination. The written notice of termination will provide the reasoning for termination and date upon which the termination will become effective.

6.) **No Waiver Of Immunities:** In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either Party's rights or defenses with regard to each Party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitutions or laws.

7.) **Amendment:** No amendment, addition to, or modification of any provision hereof shall be binding upon the Parties, and neither Party shall be deemed to have waived any provision or any remedy available to it unless such amendment, addition, modification or waiver is in writing and signed by a duly authorized officer or representative of the applicable Party or Parties.

8.) **Governing Law and Venue:** This Agreement shall be governed, interpreted, and enforced in accordance with the laws of the State of Missouri and/or the laws of the

United States, as applicable. The venue for all litigation arising out of, or relating to this Agreement, shall be in Boone County, Missouri, or the United States Western District of Missouri. The Parties hereto irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of Missouri. The Parties agree to waive any defense of forum non conveniens.

- 9.) **General Laws:** Customer shall comply with all federal, state, and local laws, codes, rules, regulations, and ordinances.
- 10.) **Entire Agreement:** This Agreement represents the entire and integrated Agreement between the Parties relative to the Services herein. All previous or contemporaneous agreements, representations, promises and conditions relating to Contractor's Services described herein are superseded.
- 11.) **Counterparts and Signatures:** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Faxed signatures, or scanned and electronically transmitted signatures, on this Agreement or any notice delivered pursuant to this Agreement, shall be deemed to have the same legal effect as original signatures on this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed the Agreement by their duly authorized representatives as of the date of the last signatory to this Agreement.

CITY OF COLUMBIA, MISSOURI

BY: _____
City Manager



DATE: _____

ATTEST:

Sheela K. Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Counselor/ek

Plumrose USA, Inc. d/b/a Swift Prepared Foods

BY: _____



NAME: Vicente Zuffo

TITLE: Head of Italian Meats

DATE: 3/13/2023

ECONOMIC DEVELOPMENT JOB CREATION RIDER (EDJCR)
RULES AND REGULATIONS

The Economic Development Job Creation Rider is designed to provide a financial incentive for new industrial customers or existing industrial customers who expand their business and add new jobs within the electric service area of Columbia Utilities Department located within the city limits of the City of Columbia. The aim of the program is to help the City of Columbia promote economic growth and job creation.

I. Definitions

Demand Charge- Billed amount for customer's measured demand.

Favorable Benefits- Should include, but is not limited to: health insurance, access to retirement savings plan, and paid leave.

Incremental Load- Portion of the customer's measured demand which has increased above the previously calculated average baseline.

Minimum Demand Charge- The minimum demand charge for industrial rate electric customers, as outlined in section 27-117 of Columbia city ordinance.

Missouri Department of Economic Development Published Data- Found in the "County Average Wage" document available at <https://ded.mo.gov/programs/business/missouri-works>.

II. Availability

A) New customers:

The rider is available at the City's option to new customers who meet the following:

- 1) Receive electric service under the industrial service rate established in section 27-117 of Columbia city ordinance.
- 2) Will have demand charges in excess of the minimum demand charge.
- 3) The new customer must make a commitment to create a minimum of two hundred (200) new permanent full-time equivalent jobs. The employee additions by the customer may occur incrementally over the first three years of operation with the customer employing at least sixty-six (66) new permanent full-time positions in year one of the Service Agreement and at least a cumulative of one hundred thirty-three (133) new permanent full-time positions in year two of the Service Agreement.
- 4) The jobs created by the customer shall have annual starting salaries, or aggregate annual wages, as applicable, averaging in excess of the Boone County average wage as established by data published by the Missouri Department of Economic Development, with favorable benefits.

Customers who change their name or make another superficial change at an existing location are not eligible to utilize the program. If a change of ownership occurs after the customer has initiated an Economic Development Job Creation Rider Service Agreement, the successor customer may be

allowed to continue the balance of the Agreement provided there are no reductions in employees based in the customer's Columbia operations or in metered demand.

B) Existing customers:

This rider is available for new Incremental Load associated with existing establishments where customers make application under this rider and where the City approves the application. Existing customers may submit application if:

- 1) Receiving electric service under the industrial service rate established in section 27-117 of Columbia city ordinance.
- 2) The Incremental Load must be a minimum of new 500 kW at one point of delivery.
- 3) The customer must employ an additional workforce of a minimum of twenty-five (25) new permanent full-time equivalent employees. Employee additions must occur following the City's approval for service under this rider, be maintained for the period of time the rider is in effect, and be certified to the City by the customer in writing. The new job creation will be calculated based on annual average number of full time equivalent employees employed by the customer during the twenty-four (24) month prior to application.
- 4) The new jobs created by the customer shall have annual starting salaries, or aggregate annual wages, as applicable, averaging in excess of the Boone County average wage as established by the Missouri Department of Economic Development Published Data, with favorable benefits.

III. Program Provisions

A) New customers:

- 1) The rebate for new customers is applied to the demand charges in excess of the minimum demand charge.
- 2) The demand charge rebate for demand charges in excess of the minimum demand charge for new customers shall be limited to a maximum of two hundred thousand dollars (\$200,000) per year for a maximum of five (5) years.

B) Existing customers:

- 1) Existing customers may be eligible to receive a rebate on the demand charge Incremental Load only.
 - a) To determine Incremental Load, the City will establish an average twelve month baseline usage for each qualifying customer. Such average baseline will reflect the billed peak kW for the 12 month period immediately preceding the customer's Economic Development Job Creation Rider application.
 - b) The portion of the customer's demand charge which has increased above the average baseline as a result of expansion shall be called the Incremental Load, and shall be calculated in the same manner as the average baseline.
- 2) The demand charge rebate for existing customers with new Incremental Load shall be limited to a maximum of fifty thousand dollars (\$50,000) per year for a maximum of five (5) years.

IV. Program Approval

- A) Each customer seeking to utilize the rider must complete an application for program approval and

enter into a service agreement which establishes the customer's program eligibility.

- B) Following approval of the service agreement by the City, the customer shall provide a notice of eligibility to Columbia Utilities at least thirty (30) days in advance of the month in which the customer the rebate program calculations will begin.
- C) The five (5) year eligibility will begin to run once customer provides the notice of eligibility.

V. Processing of Rebate

- A) The customer must submit each year on the anniversary of their notice of eligibility updated employment verification documentation and any other documents necessary to determine continued program eligibility.
- B) Within thirty (30) days of submission of verification materials, a rebate of the demand charges paid by customer in excess of the minimum demand charge will be paid by the City of Columbia to the customer.

City of Columbia Water & Light Exhibit B
Economic Development Job Creation Rider Application



- Application must be accompanied by an engineering analysis of incremental (added) load.
- Customer must receive electric service on the Industrial rate from Columbia Water & Light.
- Address of expansion/construction must be located within Columbia city limits.

Applicant Info		
Business name Plumrose USA Inc. dba Swift Prepared Foods		Contact person name & title Omar deJesus, Director of Operations
Address of expansion/new construction 5008 Paris Road		Contact email(s) Omar.dejesus@swiftfoods.com
Rebate check(s) payable to Plumrose USA		Contact phone number 970-506-8000
Business tax ID 223200821	Columbia W&L account ID No account id yet	Rebate mailing address, if different

New Customer	Expansion
Provide a brief description of your facility and its largest electric loads: The facility produces processed meat products. The largest electric load is anticipated to be 16059 kVA.	Provide a brief description of the equipment, system, or process being added that will account for increased electric load:
	Project start state: 4/1/21 Estimated completion date: 1/31/23
Total estimated capital investment: \$184,350,000	Total estimated capital investment:
Estimated FTE employees to be added (min. 200): Total new employees in year 1 (Min. 66): 102 (note year 1 expected 2023) Total new employees in year 2 (Min. 133): 204 Total new employees in year 3: 235 Expected average yearly salary of new employees: \$54,185	Initial number of employees (prev. 24 month average): Estimated FTE employees to be added (min. 25): Expected average yearly salary of new employees: Calculated incremental load increase (Min. 500 kW/25 new employees):

The undersigned states that the foregoing information is true and acknowledges that 1) the information will be relied upon by the City of Columbia in making a decision on this application, and 2) Section 570.095 of the Revised Statutes of Missouri applies to the submission of this application.

Applicant signature <i>Todd Anderson</i>	Applicant printed name TODD ANDERSON
Applicant position title HEAD OF TAX	Date 12.15.2022

CWL Internal Use – Original Application Information				
Date received	Baseline Demand	Baseline Demand Charge	Eligibility Notice Date Received	Initial Eligibility Date

Ongoing CWL Use				
Date Verification Rec.				
Approve _____				
Deny _____				
Staff Initials _____				
1 st Year Demand	2 nd Year Demand	3 rd Year Demand	4 th Year Demand	5 th Year Demand
1 st Year Rebate	2 nd Year Rebate	3 rd Year Rebate	4 th Year Rebate	5 th Year Rebate
Check Date				

Notes _____

Formula for calculation of rebate, new customer:

- 1) Total demand charge in month – minimum monthly demand charge (see City Ordinance) = demand charge in excess of minimum.
- 2) Repeat for each month in the designated 12 month period (chosen by customer)
- 3) Sum demand charges in excess of minimum over 12 month period.
- 4) This sum or \$200,000, whichever is less, is the customer’s rebate.
- 5) Repeat for each year the customer renews their employment verification (max. 5 years)

Formula for calculation of rebate, existing customer:

- 1) Upon receiving application, calculate customer’s average peak kW charge by averaging billed demand charges over the preceding 12 months. This will serve as the average baseline demand charge.
- 2) Total demand charge in month – average baseline demand charge = demand charge in excess of baseline (also referred to as incremental load charge)
- 3) Repeat for each month in the designated 12 month period (chosen by customer)
- 4) Sum demand charges in excess of baseline over 12 month period.
- 5) This sum or \$50,000, whichever is less, is the customer’s rebate.
- 6) Repeat for each year the customer renews their employment verification (max. 5 years)