



# ST. JOSEPH

Economic Development Partnership

October 19, 2022

3003 Frederick Ave. | St. Joseph, MO 64506  
816.232.4461 | choosestjoseph.com

Sarah Handley  
Corporate Controller  
Schutz Container Systems, Inc.  
200 Aspen Hill Road, PO Box 5950  
North Branch, NJ 08876

Subject: Chapter 100 Incentive Proposal for Equipment and Jobs Expansion at St. Joseph, MO Facility

Dear Sarah:

Relative to the submission of the Missouri Department of Economic Development Project Information Request form (PIR), the St. Joseph community and the St. Joseph Economic Development Partnership was a proud partner in locating of Schutz Container Systems, Inc. in Eastowne Business Park in St. Joseph, MO, in 2014. We have also been a proud partner in the growth of the facility, and we look forward to continuing that relationship in the future. We are dedicated to working with the company to create a mutually beneficial agreement that will result in successfully achieving the goal not only associated with the proposed expansion outlined in the PIR to increase IBC and PE Drum production, but with future growth of the Schutz footprint on its campus in St. Joseph as well.

The St. Joseph Economic Development Partnership has had the pleasure of working with Plant Manager Nate Hunt on the initial aspects of this proposed expansion. The St. Joseph Economic Development Partnership - Economic Development Policy Committee met on July 21, 2022, to discuss a tax abatement incentive package should the expansion move forward. The terms of the package are itemized below.

**Minimum total employees from project:** At least 44 new jobs within five years of installation of the equipment noted in the “year 1” of the attached PIR. The PIR notes an average prior 12-month average of existing full-time company base employment of 64 full time Schutz employees and approximately 54 temporary employees, for total existing employment of 118. The number of 118 existing employees plus 44 new employees related to this expansion, gives a total employment base of 162 that will be used for incentive purposes. This number shall be reached at the end of five years from the start of operations of new equipment associated with the project expansion and maintained during the period of Chapter 100 tax abatement.

Wage Caveats

Average Annual Wage of new employees related to the new expansion is \$36,722.73, not including benefits.

***Minimum Estimated Capital Equipment Investment (Initial, Year 1 and 2) --***

*Total Capital Equipment Investment:***\$14,625,000.00**

The St. Joseph Economic Development Partnership proposes the following components of an incentive plan:

***Personal Property Tax Abatement --***

***Personal Property Tax Abatement*** – A tax abatement structure for 10 years on new machinery and equipment classified as personal property:

75 percent in years 1 and 2  
50 percent in years 3 to 10

In closing, we look forward to the opportunity to work with you, Nate, and the Schutz team on this expansion and to bring future new investment and new jobs to St. Joseph. Please let me know if you have any questions.

Sincerely,



Brad Lau  
Vice President, Economic Development

Attachment: As stated

- cc.   Nate Hunt, Schutz Container Systems, Inc.  
      Clint Thompson, City of St. Joseph  
      Hayden Crumpton, Gilmore and Bell  
      Natalie Redmond, Chamber

**Disclaimer**

*The Company is responsible for the related costs associated with the Chapter 100 Program, and for notifying the Chamber and City of St. Joseph of its intent to move forward with the Chapter 100 program. Company understands time is of the essence to complete the Chapter 100 Bond transactions prior to December 31, 2022, and to meet City Council meeting deadlines. As such, company submittals, review, and authorization of required paperwork is the obligation of the Company. Failure to submit paperwork in a timely manner may result in the delay of Chapter 100 bond transaction and processes, and therefore can impact the first-year of tax abatement. Formal approval of said incentives contained in this proposal are required by issuing governmental and/or institutional bodies.*



Project Information Request



Missouri Department of Economic Development

Missouri Department of Economic Development, PO Box 1157, Jefferson City, MO 65102 573-291-3217 www.ded.mo.gov

Date Submitted: 8/11/2012

All gray shaded areas should be completed.

Contact Person (Company or Consultant) Company (Operating the Project Facility) Project Facility Location (If location is undecided at this time, indicate "undecided")

Address Proposal To Parent Company Please select one

Please provide an organizational chart that outlines ownership of the Company as well as subsidiaries owned by the same Parent or a Related Company. See previous information supplied

Company Description: Indicate below the products or services of the Company at the project facility.

New IBC production. PE Drum Production. Reconditioned IBC's cleaned and resold as recycled units back to the industry.

Project Description: Describe below the purpose of the project, such as a new product or line, new contracts or increased sales, etc.

Adding additional KEB (Blow mold machine), two addition Grid Welders and another BCP. This will essentially allow us to double our output of new IBC's as sales increase. Expanded 90,000 square foot parking lot for storage.

Other Missouri Facilities of the Company, Parent, or a Related Company

Table with columns: Company Name, Location (facility address), City, Primary NAICS Code, Number of existing full-time company employees, Any layoffs anticipated? [Yes/No], Any transfers anticipated? [Yes/No], If yes, to where?

Project Facility - New Capital Investment (indicate incremental new annual amounts only - NOT cumulative amounts)

Table with columns: New Capital Investment, Year 1, Year 2, Year 3, Year 4, Year 5, Year 6, TOTAL

Other Information

Has the Company performed significant, project specific site work at the project facility? YES
Has the Company purchased machinery or equipment related to the project? NO
Has the Company publicly announced its intention to make new capital investment at the project facility? NO

Activity Dates Month/Year Lease Information (if applicable)
Company's tax year end date: Dec-22 Is the building lease new or renewal?
Estimated date of location/relocation/expansion decision will be made: Apr-22 What is the term of the new/renewal lease?
Estimated date of start of new construction/improvements to existing building: Aug-22 Is the M/E lease new or renewal?
Estimated date of commencement of operations (project completion): Dec-22 What is the term of the new/renewal lease?
Estimated date of hiring of first new jobs: Nov-22 Who owns the building being leased?
Estimated date of purchase/lease of new machinery/equipment (if applicable): Dec-22
Estimated date program benefits would begin (must have attained job/investment thresholds and commencement of operations has begun): Jun-23 Do they also own the business seeking benefits?

New Jobs at Project Facility (indicate incremental new annual jobs only - NOT cumulative jobs)

Table with columns: New Jobs, Year 1, Year 2, Year 3, Year 4, Year 5, Year 6, TOTAL

Number of employees relocated from other facility within Missouri:

Number of existing full-time company employees at project facility — most recent month end:	64
Number of existing full-time company employees at project facility — average of prior 12 months:	63
Higher number of above 2 (hereafter, "base employment"):	64
Average wage of existing full-time company employees (total payroll/# existing full-time employees):	\$ 40,750
Annual average percentage of turnover of full-time employees at the project facility:	15%

Occupations (New/Existing Jobs) - NOT including owners

Occupation	# New Jobs	Average Starting Annual Wage including Overtime/Commission/Bonuses	New Payroll	# Existing Jobs	Average Annual Wage of Existing Jobs Including Overtime/Commission/Bonuses	Existing Payroll
Blow Mold Line Leads	4	\$ 37,900	\$ 151,600	3	\$ 42,000	\$ 126,000
Blow Mold Operators	4	\$ 34,780	\$ 139,120	8	\$ 36,250	\$ 290,000
Grid Welder Leads	4	\$ 37,900	\$ 151,600	9	\$ 36,250	\$ 326,250
MX Line Workers	26	\$ 32,700	\$ 850,200	14	\$ 33,250	\$ 465,500
MX Line Leads	2	\$ 37,900	\$ 75,800	1	\$ 41,500	\$ 41,500
Production Supervisors	2	\$ 64,000	\$ 128,000	5	\$ 54,000	\$ 270,000
Maintenance Technicians	2	\$ 59,740	\$ 119,480	9	\$ 41,107	\$ 369,963
Quality / Safety	-	\$ -	\$ -	4	\$ 28,447	\$ 113,788
Salary	-	\$ -	\$ -	11	\$ 55,000	\$ 605,000
Temps	-	\$ -	\$ -	54	\$ -	\$ -
	44	\$ 36,722.73	\$ 1,615,800	64	\$ 40,750.02	\$ 2,608,001

\*Added for informational purposes

Health Care

Are all full-time company employees in Missouri offered health care benefits? (Yes/No)	YES
Percentage of health care premium paid by the Company for full-time company employees:	70%
Number of days after hire date when the new employee is eligible to receive health insurance benefits:	60

Company Training Information

Lowest base starting rate (excluding bonuses, commissions, overtime) \$15/hr This pay rate is required to be considered for training assistance.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Estimated training costs by year (optional):						
Earliest training start date (optional):						
Type of training activities & costs (optional):						

State and Local Permits or Licenses (Indicate below any state or local permits or licenses needed to conduct the new project)

As required

Other Information

	YES/NO
Is this a start-up company (has been operational for less than three years)?	NO
Is the Company in a bankruptcy status at this time, or is about to file for bankruptcy?	NO
Does the Company have any outstanding unpaid state or local tax payments that are uncontested?	NO
Do any of the owners (privately held company only) or managers of the Company have a felony conviction?	No
If the Company has received a prior DED incentive program or loan, is it in compliance?	YES
Is there any pending or threatened lien, judgment, or material litigation which is likely to affect the viability of the Company?	NO
Is the Company under any material violation of state or federal environmental requirements?	NO

Please return this form to your Project Manager at [sharon.schenewerk@ded.mo.gov](mailto:sharon.schenewerk@ded.mo.gov)

Prior to the acceptance of a proposal, please complete Form 943 to request a Tax Clearance Certificate and submit it to the MO Dept. of Revenue. In order to expedite the proposal process, in the section on Form 943 "Authorization for Release of Confidential Information", please add: Shari Schenewerk, Project Manager, Phone # 573-291-3217, PO Box 1157, Jefferson City, MO 65102. The Certificate can be obtained at [www.dor.mo.gov/forms/943.pdf](http://www.dor.mo.gov/forms/943.pdf).