

RESOLUTION 03-2004

SAN PEDRO & SOUTHWESTERN RAILROAD

WHEREAS, the San Pedro Southwestern Railroad is a short line railroad serving Benson and points in Southern Cochise County, having taken over operation of these lines from the former Southern Pacific Railroad.

WHEREAS, ownership of this railroad has been recently acquired by the Arizona Railroad Group; and,

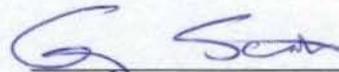
WHEREAS, the San Pedro Southwestern operational headquarters are located in Benson and the employees are local area residents; and,

WHEREAS, San Pedro Southwestern is a vital transportation provider to the Benson area's largest employer, Apache Nitrogen, as well as an important partner with the City of Benson and its industrial development program to attract much needed new business and industry to the City,

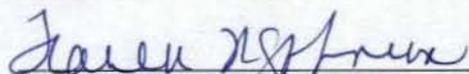
NOW THEREFORE LET IT BE RESOLVED THAT:

1. The City of Benson welcomes the new owners and employees of the San Pedro Southwestern;
2. The City of Benson seeks an active partnership with the railroad in attracting new industry to the City;
3. And moreover, the City recognizes the importance of the San Pedro Southwestern not only to its local efforts, but also to the County of Cochise as a whole, in providing vital economic development stimulus to the entire region.

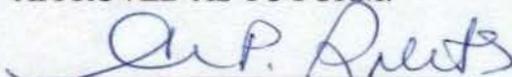
PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF BENSON,
ARIZONA this 15th day of March, 2004.


George Scott, Mayor

ATTEST:


Karen H. Johnson, City Clerk

APPROVED AS TO FORM:


Ann P. Roberts, City Attorney