



JONESBORO CONCRETE PIPE CO.

P.O. Box 1500 • 800 West Johnson • Jonesboro, AR 72403

(501) 935-5913 • FAX (501) 933-9048

November 22, 1994

Expansion - Reasons

The management from Jonesboro Concrete Pipe Co., Inc. has, for the past two years, been developing long range objectives in order to position ourselves for future growth. We have made trips to Europe, Canada, and many locations in the United States to view existing facilities and learn the latest technology in the production and marketing of concrete products.

Jonesboro Concrete Pipe, at present, has in operation two concrete pipe machines both using the packerhead process. This process uses no slump concrete which will produce high strength concrete and allow for high production rates. The problem with this type of process is that it will only produce round pipe. All of our non-round concrete products must be manufactured by the "wet-cast" process.

The market trends are toward more and more precast items such as boxes, inlets, elliptical, and other non round items. The reason for this shift is to reduce labor costs out on the job, as well reduce the time it takes to do a job. We feel the trend will only increase.

Using a dry-cast method (lower water content) for most all of our structures as well as concrete pipe through vibration will increase our quality as well as reduce our production time. We also intend to install a computerized batching system which will give us a precise mix design. This modernization would allow JCP to:

1. Produce a higher quality product through automation.
2. The ability to produce a denser product more suitable to sanitary sewers which should open up new markets.
3. A new plant lay out will allow us to integrate the most current OSHA and EPA regulations as well as safety procedures in an easily workable environment.

The surroundings areas, are requiring more and more concrete products which we now produce as non-standard or "wet-cast"



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items. Simply stated, this means we cannot produce these items on a machine. Although this is an acceptable and workable method, its drawbacks are (1) it is slow and (2) it is labor intensive and (3) it takes a disproportionately large production area. The most critical of these points is a slow production rate. If we delay production until the job is awarded our slow production rate may not enable us to do the work. We feel rapid production rates will increase the demand for our products as well as open new markets.

We produce products that transport sewage away from cities, storm water away from roads, as well as other products, all of which are necessary for the infrastructure development.

This expansion will not only add a minimum of 2 full time positions to our company but the community will gain revenue from the large purchases of equipment from two manufacturers and the building contractor located in Jonesboro, AR.

Our rough estimates are the building will run approximately 600,000. Equipment, tools and moving cost will add another 850,000 bringing the total to nearly 1.5 million dollars. With a large portion going to local businesses.

If any further information is required please call or write to the number listed above.

Sincerely,

Cindy Harris
Office Manager

Application

OFFICE USE ONLY

Arkansas Enterprise Zone Program of 1993

SIC

PROJECT #

Applicant

JONESBORO CONCRETE PIPE CO. INC.

Name of Enterprise Zone Business

P.O. BOX 1500 JONESBORO AR 72403

Principal Mailing Address

City/State/Zip

800 W. JOHNSON AVE JONESBORO AR 72401

Physical Location (for auditing purposes)

City/State/Zip

CINDY HARRIS - OFFICE MANAGER 501/935-5913

Name and Title of Local Company Contact

Phone

Taxpayer Consultant

If company is filing for tax credit under a different name, please give complete name

FREEMAN & COMPANY

Name of Individual or Company/Firm

903 UNION

JONESBORO AR 72401

Mailing Address

City/State/Zip

JOHN HURST

501/932-4514

Name of Contact Person

Phone (Please list 800 number if available)

Project Cost Estimates

This application MUST include a project plan if applying for sales and use tax credit.

Date Received

Land \$ _____

Buildings \$ 600,000.00

Equipment \$ 700,000.00

*Other \$ 150,000.00

TOTAL \$ 1,450,000.00

*Please attach description of other eligible costs.

Employers Federal I.D. Number

7 | 1 | - | 0 | 3 | 9 | 0 | 8 | 5 | 3 |

Arkansas Sales or Consumer Use Tax Number

0 | 4 | 3 | 3 | 5 | 2 | - | 1 | 6 | - | 0 | 0 | 1 |

Present employment 27

Projected number of net new permanent employee(s)* after completion 2

Note: To qualify for the sales and use tax and income tax credits, business MUST hire the requisite number of new permanent employees within a 24 month period.

*The definition of a net new permanent employee is provided in the Enterprise Zone Regulations.

Description of principal business activity, products manufactured, etc.

MANUFACTURING OF PRECAST MANHOLES, CULVERTS, MANHOLES, BOX CULVERTS, SEPTIC TANKS AND INLETS.

Information for Income Tax Exemption:

Ownership of your business: (please check all appropriate boxes)

- Individual Fiduciary Partnership
 Taxable Corporation Small Business Corporation

Owner's Name(s)	Percent Ownership	Social Security Number or Corporate Tax I.D. Number
EDWARD VANCE SCURLOCK	23%	430-03-5038
JAMES V. SCURLOCK	16%	430-90-1085
BILL G. NELSON	10%	430-76-2753

When does your tax year end?

1	2
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 /

3	1
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 /

9	4
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Month Day Year

CERTIFICATION

BEFORE ME, the undersigned authority, personally came and appeared JAMES V. SCURLOCK
Name of Company Official

who being first duly sworn did depose and say that he/she is PRESIDENT of
Title

JONESBORO CONCRETE PIPE CO. INC.
Name of Enterprise Zone Business

This affidavit is made for the specific purpose of verifying that he/she has examined the information contained in these two pages.

Sworn to and subscribed before me this 17th day of NOVEMBER, 19 94.

Cindy Harris
Notary



My Commission Expires 08/01/99

Seal

By [Signature]
Signature of Company Official