

**EASTLAND ECONOMIC DEVELOPMENT, INC.
BOARD MEETING
May 26, 2020**

The Eastland Economic Development, Inc. Board of Directors met in the Commission Chambers at Eastland City Hall as scheduled, and notice was posted 72 hours in advance and prior to the meeting.

Members Present:

Board Member _____	Mark Pipkin
Board Member _____	Jason Cochran
Board Member _____	Carolyn White
Board Member _____	James Doyle
Executive Director _____	Tom Bailey

Members Absent

Board Member _____	Vicki Bradley
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City Staff Present:

City Secretary _____	Roma Holley
Director of Planning & Development _____	Tony Stubblefield
City Manager _____	Ron Duncan

Guests:

I. Meeting Called to Order

Mark Pipkin called the meeting to order at 12:00 p.m.

II. Invocation and Pledge of Allegiance

The Invocation was offered by Jason Cochran and James Doyle led the Pledge of Allegiance.

III. Public Comment on any subject not Listed on this Agenda
(Limited to Five Minutes Per Speaker)

IV. The EEDI Board of Directors may Discuss and Take Action on the Following Agenda Items:

1. Discuss and Consider Development agreement with Jordon Harrelson representing XF Enterprises.

Executive Director Tom Bailey stated that he had mistakenly put Jordon Harrellson on the agenda and that it should be corrected to Jonathon Haralson.

Director Bailey read the following:

To Whom It May Concern:

My name is Jonathon Haralson and I reside in Eastland County and own and operate a large commercial agricultural enterprise. I have cattle in 5 counties in Texas and grow milo, corn, wheat and cotton. I also own a trucking company where I assist small to midsize companies with their logistics. Part of my agricultural enterprise includes serving as a local dealer/logistics coordinator for Anipro which is a subsidiary of XF Enterprises, who provides top nutrition for cattle. Anipro has several lines of mineral and also provides protein supplement in the form of tubs or molasses-based products. Over the last two years I have helped grow the sales volume by leaps and bounds and we are now in need of a warehouse area to provide a wholesale distribution center to the dealers that service Texas, New Mexico and Oklahoma.

The area of interest for us is the 40'x40' maintenance shed at the old Morgan Buildings yard on Hwy 112 to store and distribute our inventory and will allow me to utilize my trucks to bring in the palletized products and ship out to regional distributors.

Request:

We propose to enter into an agreement with EEDI to lease space of the "Maintenance Barn" at the old Morgan Building Facility.

Terms Proposal:

June 1, 2020 we would take residence of the property. We would like to clean up the brush (trim, mow, spray), add rock in front of the building to better be able to operate a forklift, and repair the holes in the tin. I would also like to add ventilation to the building to dissipate some of the heat so our products aren't damaged. We propose that these improvements be our good faith and rent for 1 year ending May 31, 2021. After that I would propose we enter into a lease agreement of \$300/month for the use of said maintenance barn.

Job Creation Projections:

*2 Truck Driving positions (local hires and will be immediate
1 Warehouse manager part time (growth will determine the need)*

Thank you for your consideration,

Jonathon Haralson, Anipro Sales/Logistics

Director Bailey stated that a request for assistance in developing a distribution center is a legitimate use of 4a funds. This is legitimate project for us and it will not cost us anything for them to get started. He recommended accepting the proposal. He asked for authorization to enter into an agreement. Mr. Bailey stated if authorized, he will have a lease written to designate the details.

Mark Pipkin clarified the building in question is a 40'x30' Quonset hut on the north east portion of the Morgan property.

Jason Cochran made a motion, seconded by James Doyle, to authorize Tom Bailey to enter into an agreement with Jonathon Haralson for the Morgan Maintenance Building as presented. Motion prevailed by the following vote:

Ayes: Cochran, Doyle, White
Nays: None
Absent: Bradley

2. Discuss and Consider Lease terms with Kevco Inc.

Mr. Bailey advised the board that Kevco has been in the Morgan Building Property for about a year now. They have renovated everything that they intended and are now paying rent. Due to the COVID19 situation, their business has slowed down considerably. The owner is asking for some relief from the amount of rent agreed upon. Mr. Bailey stated that after engaging in some research, he proposes an amount per square foot that looks to be an average for similar warehouse space. He asked for the boards direction about how to proceed. He would also like to be able to offer the same type of rent pricing for other business in the building.

Discussion centered around whether this will be a temporary relief or if it will be a permanent adjustment. Board members asked Mr. Bailey to negotiate a contract that will be beneficial to both Kevco Inc, and EEDI. This will be brought back to the Board at the next meeting for approval.

Jason Cochran made a motion, seconded by Carolyn White, to authorize Tom Bailey to renegotiate the lease with Kevco Inc to offer some relief due to COVID 19. Motion prevailed by the following vote:

Ayes: Cochran, Doyle, White
Nays: None
Absent: Bradley

V. Executive Directors Report

Director Tom Bailey stated that the Red Star Project is underway and the building plans have been approved. Director of Planning and Zoning Tony Stubblefield stated that himself, Director of Public Works Bobby Jacoby and Fire Chief David Branch have all signed off on the plans. The flooding elevation question has been answered by FEMA in a manner that is beneficial to the project. The only thing that we are waiting on is the plumber to bring in his plans and get the plumbing permit.

Director Bailey advised the board about a business located in Eastland that is for sale at this time. There is a concern that whoever buys this business will take it out of town. Mr. Bailey asked the board to spread the word to anyone who might be interested in purchasing a successful manufacturing business. This is a great opportunity.

City Manager Ron Duncan added that the contractor for University Drive will begin constructing it within the next couple of weeks.

VI. Adjournment

James Doyle made a motion, seconded by Carolyn White to adjourn at 12:24 p.m. Motion prevailed by the following vote:

Ayes: Cochran, Doyle, White

Nays: None

Absent: Bradley

Approved:

Mark Pipkin, Vice-President
EEDI Board

Attest:

Roma Holley, City Secretary