

MINUTES OF A SPECIAL CALLED MEETING
MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
WEDNESDAY, APRIL 3, 1996; 8:15 A.M.

Attending the special called meeting in the MCEDA conference room in the old courthouse on the square in Canton, were Board Members and staff: Brance Beamon, Mark Bounds, John Bourgeois, Joy Foy, Thomas Johnson, Bob Montgomery, Ray Phillips, Steve Vassallo, and Hite Wolcott. Absent from the meeting were Steve Duncan, Mayor Mary Hawkins, and John Wallace.

Guests attending the meeting were Supervisors Louise Spivey and Luther Waldrup.

President Bounds called the meeting to order at 8:15 A.M.

Mr. Johnson made a motion to go into closed session. Mr. Beamon seconded the motion, and all approved.

President Bounds noted the agenda item involved making a determination on the purchase of the 100 acres of Martin property at Gluckstadt.

Mr. Johnson made another motion to go into executive session. The motion was seconded by Mr. Beamon, and all agreed.

President Bounds turned the meeting over to Mr. Vassallo for an overview and summary of information gathered on the pending land deal.

Mr. Vassallo summarized that Mr. Martin has (1.) agreed to MCEDA's counter offer of \$9,500 per acre, and (2.) agreed to sell MCEDA the 180 acres across the interstate with certain guidelines.

However, estimates from the 1993 Waggoner Engineering study verifies that the sewer capacity would potentially have to be increased from 80,000 gallons to 480,000 gallons. That associated cost was estimated at \$1.7M with an additional estimated cost of \$239,000 for roads. Mr. Vassallo explained these improvements would add approximately \$2M to the cost of the property. The increase in cost would raise the investment per acre to \$30,000.

Taking into consideration these figures, Mr. Vassallo consulted with Steve Duncan and two Supervisors, and they made the following recommendations:

- 1.) Offer an option to Mr. Martin to allow MCEDA time to test the market on selling this property or consider a marketing agreement.
- 2.) Search for grant money to fund the infrastructure.

Noting that the top selling price in the Central Mississippi Industrial Center has been \$23,500 per acre, there was concern whether the market would support \$30,000 per acre.

Mr. Montgomery offered that negotiation with the Martin property should be a joint negotiation with the land owners of the buffer property dividing park #2 and the 100 acres. He said that this buffer property is the most obvious place to extend the sewer service. He also suggested that if the property is bought, which would take five weeks to legally borrow the money, Mr. Vassallo would need to work fast to land the first prospect. There are grants to fund the development cost he added.

There was discussion on the impact this land purchase would have on the \$12M debt ceiling for MCEDA. This discussion led to possibilities of a contractual marketing agreement with Mr. Martin.

President Bounds asked to take a vote from the Board on whether to buy the property.

Mr. Johnson offered that from the morning's discussion on the limited credit, it was obvious buying the property at the present time would not be a wise decision.

After considerable discussion, Mr. Johnson made a motion to authorize Mr. Phillips and Mr. Vassallo to re-negotiate an agreement with Mr. Martin. MCEDA would offer to make it's best efforts to market the property and to seek, where necessary, all available public financial assistance to develop the property. In addition, MCEDA's best efforts would be utilized to market the 180 acres west of the interstate at a price agreeable to Mr. Martin for a period of one year.

Mr. Wolcott seconded the motion and all approved.


Mr. Johnson made a motion to end executive session, Mr. Beamon seconded, and all approved.

Mr. Wolcott made a motion to adjourn at 9:15. Mr. Johnson seconded, and the vote was unanimous.

WITNESS OUR SIGNATURES:



MARK S. BOUNDS, PRESIDENT



THOMAS JOHNSON, SECRETARY-TREASURER