

FINAL MINUTES OF THE DECEMBER 13, 2007, MEETING OF
THE MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 13TH DAY OF DECEMBER 2007,
AT 8:30 A.M.
IN THE MCEDA CONFERENCE ROOM
OF THE 1855 COURTHOUSE IN CANTON, MISSISSIPPI

The meeting of the Madison County Economic Development Authority was conducted on the 13th day of December, 2007, at 8:30 a.m. in the 1855 Courthouse in the City of Canton.

Members Present: Chip Estes, Thomas Johnson, Calvin Harris, Jack Harrington,
Dick Hutchinson and John Almond.
Also present were Tim Coursey, Lenita Knight,
Mitch Stringer and Attorney Sam Keyes.

Guests: Chad Wages

At 8:37 a.m., Chairman Estes announced that the members present constituted a quorum and declared the meeting duly convened and directed that the notice for the meeting be filed with the minutes.

Mr. Almond made a motion to adopt the agenda with a spelling change of Legal Council to Legal Counsel as suggested by Mr. Harrington. After a second by Mr. Hutchinson, the motion was unanimously approved.

Mr. Almond suggested a change to the November 14, 2007 minutes to reflect the acceptance of the bid from Wilkerson Construction for the 152 Watford Drive building renovations with a base bid of \$1,025,800.00 and not Alternate # 1. Mr. Johnson made a motion to adopt the minutes of the November 14, 2007 as amended. After a second by Mr. Harris, the motion was unanimously approved.

Mr. Johnson made a motion to approve the financial report as presented. After a second by Mr. Harrington, the motion was unanimously approved.

Mr. Estes called for the Madison County Foundation report. There was no one present for the Foundation to make a report.

Mr. Coursey reported that the appropriate language had been inserted for the Parkway East Utility Easement. This is a new request to provide an easement for the installation of the main water line for all of Parkway East. The easement runs parallel and along the north property line of MCEDA property. Mr. Almond made a motion to approve the Parkway East Utility Easement. After a second by Mr. Johnson, the motion was unanimously approved.

Mr. Coursey reported that a representative of Levi's Strauss contacted him regarding the water tank in the CMIC near the Levi's facility. Levi's would like to have the tank repainted with

their new logo. They are inquiring to see if MCEDA would like to include Central Mississippi Industrial Center on the water tank at a cost of \$3,650.00.

Mr. Almond made a motion that is the will of the MCEDA Board not to repaint Central Mississippi Industrial Center on the water tower in the Central Mississippi Industrial Center, near the Levi's facility. After a second by Mr. Harris the motion was unanimously approved.

Mr. Coursey reported that Eastgroup Properties currently leases the property where Tower Automotive is located. MCEDA has a ground lease with East Group which has been in effect for the past 5 years. Their original lease with MCEDA indicated that providing all criteria were met, MCEDA would deed the property to Eastgroup after 5 years. Mr. Coursey indicated that all criteria have been met. There has been a name change with Eastgroup and Mr. Coursey is working with Ronnie Loeb at Butler Snow to ensure that this is in order with the original lease agreement. Mr. Hutchinson made a motion that MCEDA should deed the property to Eastgroup subject to legal review. After a second by Mr. Harrington, the motion was unanimously approved.

Attorney Sam Keyes represented Butler Snow in Attorney Leslie Scott's absence. He stated that legal counsel had nothing to report at this time.

Mr. Coursey requested direction regarding the removal of the Barn in Gluckstadt. The MCEDA Board feels that it would be most feasible to post a sign in front of the barn to remain posted through the end of February or longer if needed.

Mr. Coursey reported that the Finance committee met to review proposals received for the debt refinancing. The most favorable proposal was received from Bancorp South with a 20 amortization with set maturities at 5 year intervals with interest rate realignments, with today's interest rate of 5.92% and an annual principal payment of \$307,507.74, with the appropriate collateral. It is proposed that the 152 Watford Drive location would be used as collateral. Mr. Harrington made a motion to approve the bid for refinance received from Bancorp South with an interest rate of 5.92% and an annual principal payment of \$307,507.74, provided Bancorp South will accept the collateral of the 152 Watford Drive location as offered by MCEDA. After a second by Mr. Hutchinson, the motion was unanimously approved.

Mr. Coursey stated that the Highway 16 widening discussion will be discussed further at the MCEDA planning retreat. He also stated that meetings will be scheduled at the beginning of the year.

Mr. Coursey stated that the minutes for the September 13, 2007 MCEDA Board meeting indicate an abstention in the vote concerning the Madison County Foundation membership donation from MCEDA. Mr. Estes would like to be indicated by name as the abstaining vote. It is the direction

of the MCEDA Board that all MCEDA Board members that abstain from a vote will be indicated by name in the MCEDA Board minutes.

Mr. Coursey reported that a 1 day Strategic Planning Session will be held during January or February at Holmes Community College with Dr. Bill Smith of the University of Southern Mississippi as the facilitator. The purpose of this session will be to identify the Goals, Objectives and Strategies of the MCEDA Board and Staff.

Mr. Coursey requests the approval to attend an IEDC Strategic Planning Session to be held in February. Mr. Johnson made a motion to approve travel request for Mr. Coursey to attend the IEDC Strategic Planning Session. After a second by Mr. Almond the motion was unanimously approved.

It was suggested that during the January MCEDA Board meeting some time should be devoted to the ideas that each board member would like to see discussed during the strategic planning session. This will be added to the agenda for January. The strategic Planning meeting can then be scheduled for a date after Mr. Coursey returns from the IEDC training.

Mr. Harrington inquired about the recent Mayors Summit that was held in the City of Madison. The question was raised as to whether or not MCEDA has received a report on the Summit and if not would it be possible to receive one from the City of Madison. Mr. Coursey will request a report from Mayor Mary Hawkins- Butler or a representative of her choice.

Mr. Coursey reported that ADP made an announcement of a 1 year lease locating in the old WorldCom location. ADP will employ 1,000 people. Also, Eyevox will sublease space at the 152 Watford Drive location.

Mr. Stringer reported that he has continued to work with Air Liquide exploring Renewal Community and GO Zone opportunities to secure them funding and incentives to retain them in Madison County. He also met with the Vice President of Operations of L-3 this month. Chris Blount will be leaving L-3 at the end of the year. He has also facilitated the additions to the Manufacturing Study as indicate from the Board suggestions. Additionally, Mr. Stringer continues to work with the County to have ditches cleaned in our industrial parks where needed.

Ms. Knight reported that she is taking steps to identify the most feasible means of producing a promotional video for schools. She spoke with Linda Case at the Canton Tourism office. They have been working with the MS Department of Education in their current effort to produce a state wide stay in school video promotion. She also met with John Gibson of Eyevox and his staff about the production of a video and their creative ideas. Mr. Harrington suggested that Jef Judin would be an additional source to contact for ideas. The consensus of the Board is that between \$5,000.00 and \$20,000.00 would be feasible for the production of a video.

Ms. Knight also attended a November Board of Alderman meeting for the City of Canton on the behalf of MCEDA to request the waiver of permit fees for the renovations construction at 152

Watford Drive. The Board of Alderman agreed to waive the permit fees in the amount of \$2,200.00.

There was a motion by Mr. Harris and second by Mr. Hutchinson to go into closed session for the purpose of discussing the need for an Executive Session to address possible land sales, potential litigation and personnel matters. The motion passed unanimously. There was then a discussion of the need to go into Executive Session to consider the aforementioned, at the conclusion of which there was a motion by Mr. Hutchinson and a second by Mr. Johnson to do so. This motion was adopted unanimously. Chairman Estes then opened the meeting to announce publicly that the Board was going into Executive Session to discuss possible land sales, potential litigation and personnel matters. Chairman Estes convened an Executive Session for this purpose.

Mr. Almond made a motion to adjourn Executive Session. After a second by Mr. Harris, there was a unanimous vote to adjourn the Executive Session and reconvene the open session. The following actions taken in Executive Session were then reported by the Chair:

The MCEDA Board authorized and directed Mr. Coursey and legal counsel to take the next lawfully available legal action necessary to enforce compliance of the covenants regarding the failure of Smart Logistics LLC to correct or otherwise respond to MCEDA's demand they bring their facility up to covenants and to a condition of construction as originally approved by MCEDA.

As part of the deal to finalize the Bass Pecan/Ironwood Project, the developers have asked the School Board and MCEDA to make several changes to the Restrictive Covenants governing the property. The School Board has already approved the changes to sections governing 1) Permitted and Prohibited Uses - to allow for a Winery, 2) Exteriors - to allow for wood construction as required by the architecture, 3) Maximum Building Coverage - to accommodate more than one building on the lot, and 4) Bulk Storage - to allow for grape juice and wine to be stored on-site. There are also two amendments to the lease that have been requested and approved by the school. Ironwood seeks the approval of MCEDA of these amendments as well. They are: 1) revising the Leasehold Purchase Contract to account for Ironwood's intended use of the property by replacing the word "warehouse" with "office space, retail sales space, a winery, and other related purposes", and 2) changing the contact person to Andy Copeland. Mr. Almond made a motion that MCEDA request considering amendment changes to covenants for Ironwood. After a second by Mr. Johnson, the motion was unanimously approved.

MCEDA, as the majority property owner of the Flora Industrial Park, has the authority to amend the Restrictive Covenants for the Park. Mr. Coursey recommended amendments to the covenants to read as follows:

AMENDMENT.

Section 109.01-05 and Section 109.01-07 of Article I in General Provisions prohibit the operation of slaughterhouses, stockyards, and animal processing facilities in the Flora Industrial Park. These sections pertain to facilities that manufacture animal or food products (Section 1601, article XVI). By definition, as outlined by the Department of Homeland Security, the National Bio and Agro-defense Facility (NBAF) will be involved in basic research, diagnostic development and validation, diagnostic testing, advanced countermeasure development, and training for high consequence biological threats. The NBAF would house BSL3 and BSL4 livestock laboratories for the purpose of research and development in the area of foreign animal and zoonotic diseases. The Grantor views the classification of NBAF as a scientific laboratory and not an animal rendering facility. Pursuant to Section 102.01, the Grantor bestows an exemption to Section 109.01 to the Department of Homeland Security for the operation of the National Bio and Agro-defense Facility in the Flora Industrial Park. Should the classification of NBAF change from scientific laboratory to manufacturer, the Grantor reserves the right to review the facility's new mission and change, alter, amend or extend covenants as mandated.

Mr. Johnson made a motion to approve amendments to the covenants for the Flora Industrial Park to allow for the incineration of animals by a Federal Laboratory as stated in the outlined amendment. After a second by Mr. Almond, the motion was unanimously approved.

Mr. Hutchinson made a motion to approve the recommendations of the Executive Director to increase the annual salary of each member of the MCEDA staff by \$5,000.00 and change the staff titles and responsibilities as follows: Lenita Knight – Director of Finance, Administration and Community Development and Mitch Stringer – Director of Existing Industry, Business Development and Government Relations. These changes will take affect during the first pay period of 2008. After a second by Mr. Almond, the motion was unanimously approved.

Mr. Hutchinson made a motion to increase the annual salary of Executive Director, Tim Coursey to \$117,000.00 effective the fist pay period in 2008. After a second by Mr. Almond, the motion was unanimously approved.

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At 10.40 a.m., upon a motion made by Mr. Almond, seconded by Mr. Harrington and unanimously adopted, the meeting was adjourned.

Bryan "Chip" Estes, Chairman

ATTEST:

Deborah Martin, Secretary-Treasurer