

MINUTES OF THE MCEDA
BOARD MEETING
DECEMBER 19, 1996; 8:30 A.M.

Chairman Mark S. Bounds called the Board Meeting to order at 8:35 a.m. on the above date in the MCEDA Conference Room of the 1855 Courthouse on the square in Canton. Board Members present included Chairman Bounds; Brance Beamon; Mayor Mary Hawkins; Thomas Johnson; Ray Phillips; John Wallace; and Hite Wolcott. Also present were President Steve Vassallo; John Bourgeois; Bob Montgomery; and Joy Foy. Guests attending included Dudley Wooley; J.L. McCullough; Louise Spivey; Dick Ambrosino; Jim Herring; Luther Waldrup; and Duane Gordon.

Chairman Bounds asked for a motion to approve the Minutes from the November 21, 1996, meeting. Mr. Johnson motioned to approve the Minutes as presented. Mr. Wolcott seconded and all approved.

Mr. Wooley of Ross and Yerger Insurance Firm presented an insurance proposal for the Board's consideration. (See attached copy.) After summarizing the proposal, Mr. Wooley concluded that MCEDA's present insurance carrier offers the best rate for coverage. However, he proposed that if given the opportunity, he would monitor MCEDA's assets and adjust the policies accordingly, thus saving MCEDA money when property is sold. Chairman Bounds suggested having Shappley and Harris, the County's insurance auditors, advise the Board. The Board concurred and Chairman Bounds recommended that the Board would take the proposal under advisement.

At 8:50 a.m., Mr. Dick Ambrosino, President of SID, explained his plans to build a national headquarters office and a high-tech light assembly facility along Highland Colony Parkway. He presented a letter (attached) to help explain the project. He asked the Board for favorable consideration in support of a tax abatement request to the Board of Supervisors. Mr. Ambrosino reported that the City of Ridgeland, in a 7 to 0 vote, approved his facility to be built in the C-1A zoning of the area. Mayor Hawkins motioned to support the tax abatement request as allowed by law and to recommend to the Board of Supervisors. Mr. Phillips seconded and the motion passed with Chairman Bounds voting no.

Chairman Bounds asked for a vote to enter closed session. Mayor Hawkins motioned to enter closed session to discuss executive session. Mr. Wallace seconded and all approved.

Chairman Bounds explained that a revised contract for the KTSF property; legal matters; land acquisitions; and personnel matters were items requiring executive session. Mr. Wallace motioned to enter executive session and Mr. Wolcott seconded. The vote was unanimous. At 9:08 a.m. the meeting was declared in executive session. Ms. Spivey; Mr. McCullough; and Mr. Herring were invited to stay for the land acquisition discussion.

Chairman Bounds explained that 500-1,000 acres were being sought for Project Magnolia/Graystone. After much discussion, Mayor Hawkins motioned to authorize Chairman Bounds and Mr. Vassallo to proceed in acquiring the options on the properties in question using whatever means necessary and to expend up to \$25,000.00 in option money. Mr. Johnson seconded and the vote was unanimous. (The consensus of the Board was to use MCEDA Construction Saving Account monies as funds for the option money.)

Next, Chairman Bounds reviewed a revised purchase agreement from William Smith on the KTSF property.

Mr. Montgomery advised against entering into any agreement until the Board knows (1) who the parties are and (2) the proposed use of the property. Mr. Wolcott motioned to take the agreement under advisement. Mr. Beamon seconded and all approved.

A check of \$6,187.50 from Doug Warren was presented to the Board for crop rental on the KTSF property. The question of whether the check represented the final lease payment for 1996 was raised. Mr. Montgomery volunteered to locate a copy of the crop rental agreement. If the lease allows, Mr. Wallace suggested that a letter be sent to Mr. Warren accepting this check as final

payment on lease of property and state that MCEDA is under no other obligations for future crop land rental of property to the Warrens. No action was taken on suggestion, but it was the consensus of the Board, that if the lease agreement was not in conflict with the Mr. Wallace's suggestion, that such letter be mailed.

Mr. Wallace motioned to draw all funds from the KTSF escrow account and deposit the funds into a special MCEDA checking account, and to take monies from this special account to pay Trustmark as reflected in the escrow agreement. Also, a request to Trustmark deferring the principal payment until 12/28/97 was included by Mr. Wallace. Mr. Johnson seconded and all approved.

In related matters concerning KTSF, Mr. Johnson motioned to instruct Mr. Montgomery to proceed with foreclosure in the event of default of the 12/28 payment. Mayor Hawkins seconded and all approved.

Chairman Bounds asked for the Board's reconsideration on payment of KTSF attorney fees. The consensus of the Board was to take no action at the present time.

Mr. Vassallo read a memo (attached) from Ms. Foy regarding security of the MCEDA offices. He recommended that locks be changed with only MCEDA employees having keys to the offices. Mayor Hawkins motioned to install new locks on all MCEDA office doors for MCEDA personnel. Mr. Johnson seconded and all approved.

At 11:35 a.m. Mayor Hawkins motioned to end executive session. Mr. Johnson seconded and all approved.

Mr. Bourgeois presented the engineering report reviewing the Bear Creek easement request at CMIC. The consensus of the Board was to have Mr. Bill Collins work with Mr. Bourgeois and to bring a revised agreement to the January Board Meeting for final Board approval.

Mayor Hawkins motioned to approve the financial report (attached) as presented. Mr. Johnson seconded and all approved.

Mr. Vassallo began his report saying that prospect activity has never been greater. (Two prospects for Madison; one for CMIC; one for Flora; and one for Highland Colony Parkway) The fifth land closing for the Ridgeland Business Park is scheduled for the morning of 12/19/96 with the Madison County Journal. He also reported that the results from the traffic count taken by the Central Mississippi Planning and Development District were completed and the report is available for anyone interested. Alternate financing for the Sound Stage is proceeding. The next step is to present the proposal of \$800,000 - 8 year interest free loan to the Legislature. A luncheon is planned for the MCDF Task Force and the local Mayors; J.L. McCullough; Luther Waldrup; Senator Dick Hall; Representative Rita Martinson; and Larry Smith to explore State funding available for the County's infrastructure needs.

The Board approved Mr. Vassallo's request to take the Madison Business Park property (3.49 acres) off the market until a Swedish Company arrives in February for a determination in locating a company on the site.

Other items presented included the March 5, 1997, Job Fair at the Ramada Coliseum; list of Staff's 1997 Minimum Goals; and the January 7, 1997 MCDF Meeting.

Ms Foy presented a \$500.00 invoice from the Madison County Chamber for a table at the annual banquet. Mr. Johnson motioned to buy a table. Mr. Beamon seconded and all approved.

Mayor Hawkins motioned to increase the petty cash amount from \$1,000.00 to \$1,500.00 as requested. Mr. Wallace seconded and all approved.

Mr. Billy Simpson is performing the 1996 audit at the budgeted amount of \$3,000.00 according to Ms. Foy. A legal advertisement has been placed in the Madison County Journal at a price of \$28.65 to take bids on the cropland at CCIC. Notice for the liability insurance on the Sound

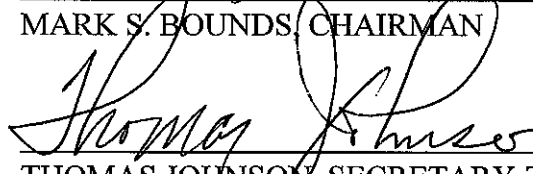
Stage was reviewed. It was agreed that the policy should be renewed without the contents being part of the insured amount. (Ms. Foy is to notify JoAnn Gordon.)

At 12:15 p.m. Mayor Hawkins motioned to adjourned the meeting. All members concurred.

WITNESS OUR SIGNATURES:



MARK S. BOUNDS, CHAIRMAN



THOMAS JOHNSON, SECRETARY-TREASURER