

MINUTES OF THE FEBRUARY, 1998 MEETING
OF THE MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 19TH DAY OF FEBRUARY, 1998,
AT 8:30 A.M., IN THE MCEDA CONFERENCE
ROOM OF THE 1855 COURTHOUSE IN CANTON, MISSISSIPPI

The February, 1998 meeting of the Madison County Economic Development Authority was duly called, held and conducted on the 19th day of February, 1998, at 8:30 a.m. in the 1855 Courthouse in the City of Canton, Mississippi. In Chairman Mark S. Bounds absence, Vice Chairman Thomas Johnson presided and called the meeting to order.

Members Present: Sammy Brown; Chip Estes; Thomas Johnson; Ray Phillips; John Wallace and Hite Wolcott. Also present were President Steve Vassallo; Bob Montgomery; John Bourgeois; Jake Hoglund and Joy Foy.

Guests: David Webb; Kelly Saxton; Chip Reynolds; Jeff Peoples; Charles Williford; Kara Kimbrough; Luther Waldrup; Paula Ohlmeyer; Joe Waggoner; Duane Gordon; and Ken Wilbanks.

Vice Chairman Johnson announced that the members of the Authority present constituted a quorum and declared the meeting duly convened at 8:29 a.m.

A moment of silent prayer was requested in consideration for Chairman Bound's mother.

Ms. Ohlmeyer and Mr. Hoglund presented an overview of the new web site (www.mceda.com).

Following discussion of the January 22, 1998 Minutes, Mr. Wolcott moved to approve the Minutes with the correction highlighted changing the Phase I Study source from Waggoner to Wildlife Technical Services, Inc. After a second from Mr. Phillips, the Minutes were unanimously approved.

Messrs. David Webb and Kelly Saxton with Saxton Pierce Restaurant Corporation presented a request for tax abatement for the headquarter's location of the Mazzio's Pizza facility in the Ridgeland Business Park. After discussion of the laws governing headquarters exemptions, a motion was made by Mr. Wallace to recommend to the Board of Supervisors that a tax exemption be granted contingent upon clarification of the state's guidelines. After a second by Mr. Phillips, the motion was unanimously approved. Mr. Vassallo will report to the Board upon the ruling.

Mr. Jeff Peoples presented expansion plans for DeBeukelaer Corporation to add approximately 30,000 square feet to their existing facility in the Central Mississippi Industrial Center (CMIC). The addition will not be visible from the street and will coincide with the existing building. Mr. Wallace made a motion to recommend to the Board of Supervisors that the proposed tax exemption be granted. After a second by Mr. Estes, the motion was unanimously approved.

The financial reports were presented and reviewed. Mr. Phillips moved to accept the monthly financial statement and to approve payment of the monthly invoices which are listed on an attachment to the Minutes and labeled "Docket" and made a part of the Minutes by reference. Mr. Wolcott seconded the motion, which was unanimously approved.

Discussion of the \$129,486.51 balance in the Trustmark - Kountry Tyme Account led to a motion by Mr. Phillips to change the account from a checking account to an interest bearing account. After a second by Mr. Wallace, the motion was unanimously approved.

A discussion of Capitol Printing's past due rental status totaling \$20,884.00 ended in a motion by Mr. Wolcott to table discussion until executive session. Mr. Wallace seconded the motion which was unanimously approved.

A motion was made by Mr. Wallace to accept the Account Balance Report as submitted. After a

second from Mr. Brown, the motion was unanimously approved.

Mr. Vassallo reported that actual expenditures year-to-date for the operations account stands at 45.7% of total budgeted amount, but cautioned that the major industrial project is having a significant impact on the budget.

Mr. Bourgeois reported that signing of the agreement to transfer ownership of the rail spur at CMIC to Illinois Central Railroad (ICRR) was upcoming with communications ongoing between Waggoner Engineering and ICRR.

Mr. Montgomery concurred with Mr. Bourgeois that the ICRR agreement should be complete within a few days, and he distributed a draft of the revised railroad agreement, a copy of which is attached to and made a part of these Minutes by reference. Mr. Montgomery explained that ICRR will be reimbursing MCEDA for past use of the rail spur, approximately \$157,365.00. It was the consensus of the Board to ask the Board of Supervisors to join with MCEDA in requesting an interest free loan from the Department of Transportation for the railroad repairs.

Mr. Vassallo began his report with a summary of the past two years. A copy of his recap is attached to and made a part of these Minutes by reference.

Mr. Wallace made a motion to endorse Mayor McGee's transportation plan for the City of Ridgeland and a proposed \$.01 sales tax. A copy of the letter endorsing the plan is attached to and made a part of these Minutes by reference. After a second from Mr. Phillips, the motion was approved, with Mr. Wolcott voting "Nay".

A "Proposed Procedure for Selection of Future Accounting Firm," which is attached to and made of part of these Minutes by reference, was presented for the Board's consideration. This issue was tabled until the next meeting. Mr. Estes along with Mr. Vassallo will re-examine the proposal.

Mr. Vassallo requested approval for Chairman Bounds and himself to travel to Washington, D.C. for a visit with Mississippi's Congressional delegation to discuss the details of a multi-million dollar prospect. A motion to approve the requested travel was made by Mr. Phillips. After a second by Mr. Brown, the motion was unanimously approved.

Another travel request was answered with a motion from Mr. Estes to approve Mr. Vassallo's overnight travel on March 14th to Dallas, Texas with City of Canton officials to visit and study development of a similar area. After a second by Mr. Wolcott, the motion was unanimously approved.

With several requests to purchase property in the CCIC, the Board discussed the various zoning options. A motion was made by Mr. Wolcott to allow Mr. Wallace to represent MCEDA with the City of Canton in the re-zoning of the CCIC property. After a second by Mr. Phillips, the motion was unanimously approved.

Mr. Hoglund reported that Logosol's owner and his family will visit Madison County from Sweden on March 2nd. Both Logosol and Minitube are working to be incorporated within the United States.

A request by Mr. Bucky Gideon for access to his 50 acres at the CMIC site lead to a motion by Mr. Wolcott to authorize Mr. Vassallo to work with Mr. Gideon in developing a plan to develop the property. Mr. Gideon will be asked to adopt the CMIC covenants in the development of the acreage. After a second from Mr. Wallace, the motion was unanimously approved.

Mr. Wallace reported that Canton Municipal Utilities (CMU) has authorization from its Board of Directors to proceed with determining the cost and type of treatment to upgrade the present lagoon to allow development in the area to proceed. The plan is to have CMU manage the treatment and continue to own the facility. Bear Creek Water Association would handle the collection process within its certificated area.

At 10:40 a.m. Vice-Chairman Johnson called for a ten (10) minute recess.

After reconvening the meeting at 10:50 a.m., Ms. Foy asked the Board to declare the Lanier copier surplus property and to authorize selling the copier to the Town of Flora for \$50.00. Mr. Wolcott made the motion, which was seconded by Mr. Phillips, to declare the copier as surplus property and to sell it to the Town of Flora for \$50.00. The motion was unanimously approved.

Ms. Foy requested approval to represent MCEDA on the July trip to Sweden. Mr. Phillips made a motion to authorize the requested travel. After a second from Mr. Wolcott, the motion was unanimously approved.

A motion to change the meeting date for the next MCEDA Board meeting from March 19th to March 26th was made by Mr. Brown. After a second by Mr. Wolcott the motion was unanimously approved.

Mr. Phillips made a motion to authorize Ms. Kimbrough's travel to Las Vegas for the IGBE 98 Gaming Business Show from March 24-26. After a second by Mr. Wolcott, the motion was unanimously approved.

A copy of Ms. Foy's report is attached to and made a part of these Minutes by reference.

Mr. Hoglund reported on another Swedish hi-tech prospect interested in Madison County.

Mr. Wolcott made a motion to enter closed session to consider whether or not to declare an executive session. After a second from Mr. Brown, the motion was unanimously approved. Mr. Johnson then closed the General Session and convened the Closed Session.

After discussion of matters, Mr. Phillips made the motion to return to Open Session. Mr. Brown seconded the motion and it was unanimously adopted, whereupon Mr. Johnson reconvened the Open Session. The reasons stated for executive session were 1.) several land acquisition matters and 2.) potentially pending and proposed litigation.

For the stated reasons, Mr. Wolcott made a motion to declare an executive session which was seconded by Mr. Phillips and unanimously approved. Whereupon Vice-Chairman Johnson closed the General Session and declared an Executive Session at 11:25 a.m.

Available land for addition to the CMIC was discussed at an asking price of \$950,000 for approximately 100 acres. Mr. Wallace made a motion to acquire the property at the price offered and request authorization from the Board of Supervisors to underwrite the loan for the transaction. After a second by Mr. Phillips, the motion was unanimously approved. It was the Board's consensus to stage a joint lunch meeting with the Board of Supervisors to discuss in Executive Session the land acquisition matter. The meeting is scheduled for Wednesday, February 25th at 12:00 noon.

A large industrial project was discussed. Mr. Wallace made a motion to adopt the proposed Resolution made a part of these Minutes by reference and to proceed with amending the MCEDA legislation that addresses to the sales section similar to the lease section of property. After a second by Mr. Phillips, the motion was unanimously approved.

Mr. Montgomery reported that the EPA is working to approve MCEDA's proposal for the Covington Avenue property in Canton.

Capitol Printing's past due status was discussed. Mr. Wallace made a motion to delay action for sixty (60) days to get the account current. After that time, the Board will take the appropriate action deemed necessary. With a second by Mr. Phillips, the motion was unanimously approved. Mr. Montgomery was directed to communicate the Board's position to Capitol through a registered letter.

A contract to purchase lot #8 at the CMIC by Mr. Kenny Simons, with Mr. Chad Clark serving as Realtor, was rejected. The offer was for \$20,000.00 for the 1.6 acre site with the asking price

of \$30,000.00 for the lot. Mr. Wallace made a motion to sell the site to Mr. Simons for \$30,000.00. After a second by Mr. Phillips, the motion was unanimously approved.

At 12:52 p.m., Mr. Phillips moved to adjourn the Executive Session. After a second from Mr. Wallace, the motion was unanimously adopted. Vice-Chairman Johnson adjourned the Executive Session and reconvened the open meeting.

A motion was made by Mr. Wallace to recess the meeting until noon on Wednesday, February, 25th . After a second by Mr. Phillips the motion was unanimously approved.

ATTEST:



THOMAS JOHNSON, VICE CHAIRMAN



C. RAY PHILLIPS, SECRETARY-TREASURER