

MINUTES OF THE MCEDA
BOARD MEETING
JANUARY 16, 1997; 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. Guest were Max Draughn; Chris Pinto; Brian and Parker Sartain; Duane Gordon; Bill Collins; Josh Zimmer; Louise Spivey; and two individuals from TV3 news team.

Chairman Bounds asked for approval of the Minutes from the December 19 meeting. Mr. Wallace moved to approve the Minutes as mailed out, seconded by Mr. Wolcott, and they were unanimously approved. Mr. Wallace also moved to approve the Minutes of the January 8, 1997 meeting. Mayor Hawkins seconded and all approved.

Mr. Wallace moved to waive the ballot procedure for the election of new officers and to reinstate the 1996 officers for 1997. Mayor Hawkins seconded and all approved. Thus Mark S. Bounds is Chairman; Hite Wolcott is Vice-Chairman; and Thomas Johnson is Secretary/Treasurer for another year term.

Noting that the agenda could become time intensive, Mr. Johnson moved to enter the executive session portion of the meeting at 10:40 a.m. Mr. Wolcott seconded and the vote was unanimous approval.

Messrs. Brian and Parker Sartain presented a proposal to purchase lot #1 in the Central Mississippi Industrial Center (CMIC) to the South of the ABC Distribution Center. They offered \$35,000.00 for the lot. After discussion, Mr. Wallace moved to table discussion and consider the details in executive session. Mayor Hawkins seconded with no objections.

Mr. Pinto, CFO for Cypress Pharmaceutical, Inc. along with Mr. Draughn, requested MCEDA's support to the Board of Supervisors in Cypress's application for Free Port Warehouse Tax Exemption. Mr. Draughn told that plans are underway to break ground in the next 90 days for the Cypress's manufacturing facility. Mayor Hawkins motioned to recommend to the Board of Supervisors that Cypress be granted a 10 year Free Port Warehouse Tax Exemption beginning January 1, 1997. Mr. Phillips seconded and all approved.

Mr. Vassallo reported that Mississippi Department of Economic and Community Development Competitive Community Program (CCP) is being considered by the MCEDA Office and the Madison County Chamber Office. The CCP will assist with the 1997 Madison County Chamber Leadership Program and will work with the Chamber and MCEDA to implement the CCP program for 1998.

Ms. Foy presented financials stating that the \$50,804.86 payment to Deposit Guaranty National Bank represents interest due on the Sound Stage with \$30,000.00 of the payment coming from "A Time To Kill" rent last year and the balance from the City of Canton. The \$13,302.50 to Waggoner was explained as invoices related to Cardinal and Cypress and are paid from sale proceeds of these properties. Mayor Hawkins made the motion to approve the financial reports, Mr. Johnson seconded and all approved. The consensus of the Board was to take a detail look at the financial report in regards to budget status in March.

Mr. Bourgeois explained that the 7.83 acre site at CMIC just north of the Levi has a county dedicated road, Denim Way, cut through Levi property. The consensus of the Board is to make no decision until the land use plan is presented. In closing, Mr. Bourgeois mentioned the March deadline for CDGB grants filling.

Mr. Alan Perry asked for the Board's wishes to continue his services in the investigation of the Kountry Tyme Sports Foundation (KTSF) matter. After much discussion, Mayor Hawkins moved to pay legal council charges from the Construction Checking Account to Mr. Perry and

Mr. Herring and to continue to use their services. Mr. Phillips seconded. The vote was Chairman Bounds; Mayor Hawkins; Mr. Phillips; and Mr. Beamon voting yes, and Mr. Wolcott; Mr. Wallace; and Mr. Johnson voting no.

Mayor Hawkins made another motion to authorize Mr. Perry to proceed, adding to the litigation list Merchantile Bank, and to research the legal and monetary benefits of pursuing. Mr. Phillips seconded. Chairman Bounds; Mayor Hawkins; Mr. Phillips; and Mr. Beamon voted yes with Mr. Johnson; Mr. Wallace; and Mr. Wolcott voting no.

The foreclosure of the KTSF property is set for January 31. Mayor Hawkins moved to authorize Mr. Vassallo to bid back in the property for MCEDA based on the indebtedness of the property. Mr. Phillips seconded and the vote was unanimous.

Mr. Collins explained an updated request (attached) for the Bear Creek easement at the CMIC. After questions from all Board Members were satisfied, Mr. Johnson moved to grant easements as presented. Mr. Beamon seconded and all approved.

Chairman Bounds declared a 10 minute break.

At 10:32 a.m. the meeting resumed with Mr. Vassallo requesting the Board's wishes in renewing the Deposit Guaranty National Bank Sound Stage note at 6 1/2% interest rated for one (1) year. Mr. Wallace moved to authorize Steve to request the Board of Supervisor's support in the one year renewal at 6 1/2 % with a resolution of support as requested by DGNB. Mayor Hawkins seconded and all approved.

At 10:40 Mr. Vassallo suggested closed session to discuss possible executive session. Mr. Wolcott moved to enter closed session, Mr. Johnson seconded and all approved.

Chairman Bounds listed personnel; legal; land sales; and other related matters requiring executive session. Mr. Wallace moved to enter executive session, Mr. Johnson seconded and the vote was unanimous at 10:43 to enter executive session.

Mr. Vassallo reported that project Magnolia requires additional information on taxes; employment; and the possibilities of a local airport.

Chairman Bounds recommended the Board focus on the possibilities of a county commercial airport. Mr. Wallace suggested that a needs-analysis report be conducted in conjunction with the Metro Jackson Airport. It was the Board's consensus that this issue be discussed at length in the February Meeting and to plan a work session with the Madison County Board of Supervisors to discuss MCEDA's plans on items that could benefit the County as a whole.

Mr. Vassallo recommended that if MCEDA is interested in the automobile industry that appropriate property be acquired to better market the County to that industry.

In personnel matters, Mr. Vassallo mentioned a security problem during the week of December 26th. He reported that the Foundation voted to support the cost of a security system up to 1/3 of the total cost or \$1,500.00, whichever was less. This discussion was tabled until open session.

The Sartain's land request was discussed and Mayor Hawkins moved to offer Lot #1 at \$45,000 or Lot #2 or #3 at \$35,000.00 subject to architectural review and to deed restrict separate outside storage buildings. The selling price of other lots will be revisited to ensure future deals recoup complete cost of the project. Mr. Johnson seconded and all approved.

A Madison Business Park prospect was discussed at a price of \$18,000.00 for Lot #3. Mr. Vassallo recommended that this price is very acceptable. Mr. Johnson moved to authorize Mr. Vassallo to negotiate with the Board of Supervisors on the selling price for the lot. Mr. Wallace seconded. Everyone voted yes, except Mayor Hawkins who voted no.

Mr. Vassallo told of Cypress's driveway being constructed 5 feet over the northern property line. Mr. Wallace moved to sell Cypress the property at the same price paid for the initial 5 acres.

Mayor Hawkins seconded and all approved.

Mr. Perry agreed that the Mercantile Bank did have some exposure in the Pat Matthews letter. He agreed to write a letter to the bank and put them on notice.

Mr. Montgomery is handling the KTSF foreclosure and noted that the public auction is scheduled from 11:00 - 4:00 on January 31, 1997.

Mr. Wallace suggested that the interest payment on the KTSF note be made to the Trustmark National Bank and to renegotiate with Trustmark for the lowest possible interest rate. Mayor Hawkins moved to pay the current interest on the note and to authorize Mr. Bounds and Mr. Vassallo to explore the options with Trustmark to renegotiate the loan at the lowest interest rate after foreclosure. Mr. Beamon seconded and all approved.

Mr. Perry will request the \$50,000.00 check from the courts and pass that money along to Trustmark Bank.

At 12:10 Mayor Hawkins moved to end executive session. Mr. Phillips seconded and all approved.

Mayor Hawkins moved to recommend to the Board of Supervisors that they accept the low bid (attached) to install a security system in the 1855 Courthouse. Mr. Phillips seconded and all approved.

At 12:25 Mayor Hawkins moved to recess the meeting until January 30, 1997 at 8:30 a.m. Mr. Beamon seconded and the vote was unanimous.

WITNESS OUR SIGNATURES:



MARK S. BOUNDS, CHAIRMAN



THOMAS JOHNSON, SECRETARY-TREASURER