

MINUTES OF THE SPECIAL JANUARY, 1998 MEETING
OF THE MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 22ND DAY OF JANUARY, 1998,
AT 8:30 A.M., IN THE MCEDA CONFERENCE
ROOM OF THE 1855 COURTHOUSE IN CANTON, MISSISSIPPI

A special January, 1998 meeting of the Madison County Economic Development Authority was duly called, held and conducted on the 22nd day of January, 1998, at 8:30 a.m. in the 1855 Courthouse in the City of Canton, Mississippi. Chairman Mark S. Bounds, presiding, called the meeting to order and directed that the notice and call of the meeting be filed with the Minutes of the meeting.

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

Guests: Gary Rogers; Bill Estes; Duane Gordon; and Ken Wilbanks.

Chairman Bounds announced that the all members of the Authority were present and declared the meeting duly convened.

Following discussion of the December 16, 1997 Minutes, Mr. Johnson moved to approve the Minutes as mailed to the Board. After a second from Mr. Phillips, the Minutes were unanimously approved.

There then came for consideration the election of officers. Mr. Wallace made a motion that Mr. Bounds remain as Chairman; that Mr. Johnson serve as Vice-Chairman; and that Mr. Phillips serve as Secretary-Treasurer. After a second by Mr. Estes, the motion was unanimously approved.

Mr. Gary Rogers with Advanced Engineering Resource, Inc. presented for approval a site plan of his proposed 3,750 square foot building on lot #3 in the Madison Business Park. The building will be 50 feet across the front and 75 feet long on the 1.21 acre lot. After the floor plans; samples of the brick and outside colors were examined, Mr. Wolcott made a motion to grant architectural approval on the site plan. After a second by Mr. Johnson, the motion was unanimously approved.

Mr. Bill Estes presented a request for \$4,200.00 to support the Procurement Technical Assistance program of the Central Mississippi Procurement Center. He reported that his office operates on a \$60,000 yearly budget. Mr. Johnson made a motion to approve the request. After a second from Mr. Wallace, with Mr. Chip Estes voting "Nay" due to his relationship with Mr. Bill Estes, and all others voting "Aye" the motion was approved.

After discussion of participation with Metro Economic Development Alliance (MEDA) in the Splendors of Versailles exhibit, Mr. Wallace made a motion to contribute \$10,000.00 from the Levi Account for advertisement purposes to promote economic development in the Metro area. After a second by Mr. Johnson, the motion was unanimously approved.

The financial reports were presented and reviewed. Mr. Wallace 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. Phillips seconded the motion which was unanimously approved.

Ms. Foy updated the Board of the status of the past due rent for Capitol Printing. The rent has not been paid since June, 1997 and \$18,434.00 is past due. Credits from Capitol invoices, were examined. Ms. Foy reported that Capitol is working with BankPlus to buy the building from MCEDA. After discussion on the matter, Mr. Vassallo's recommended giving Capitol until the February meeting to either make payment against the past due rent or to buy the property. At

which time the solution will be reassessed. It was the consensus of the Board to accept the recommendations, and no action was taken.

The proposal for MCEDA's 1996-97 audit from Koury, Boleware & Associates was presented for consideration. After much discussion, a motion was made by Mr. Wallace to accept the proposal for 1996-97 audit and to draft a procedure for selection of an accounting firm in the future. After a second by Mr. Phillips, the motion was unanimously adopted. Koury, Boleware & Associates were authorized and directed to perform an audit of MCEDA pursuant to its proposal. Mr. Vassallo will submit a recommended procedure to the Board in the event a change is necessary in the future from the firm retained presently.

Mr. Vassallo reported that actual expenditures year-to-date for the operations account stands at 35.9% of total budgeted amount.

Mr. Bourgeois reported that maps of the CCIC were complete and that the summary of the land ownership showed MCEDA with 315.3 acres and the City of Canton with 90.5 acres. The individual lots have been staked to assist in marketing of the property.

Also, in his engineering report, Mr. Bourgeois reported that mapping and platting of ownership of the rail in Central Mississippi Industrial Center (CMIC) was completed. He requested authority to obtain remedial/maintenance repairs on the rail to guard against future derailments. A motion was made by Mr. Phillips to hire McHann Railroad to service the track in the above fashion, provided the cost incurred does not exceed \$2,000.00. After a second by Mr. Wolcott, the motion was unanimously approved.

Mr. Montgomery reported that the agreement with Illinois Central Railroad (ICRR) to accept ownership and maintenance of the rail spur at CMIC, should be finalized within the next fifteen days. Conversations with Leavitt Tube to include the rail spur owned by their company in the maintenance agreement are ongoing. The rail owned by Leavitt Tube is on MCEDA property.

Mr. Vassallo requested approval of travel expenses for himself and Chairman Bounds to attend the ICSC Show in New Orleans. He reported that this show is an excellent direct contact with all major retailers. Mr. Phillips made a motion to approve travel expenses for Mr. Vassallo and Chairman Bounds to attend. After a second from Mr. Johnson, the motion was unanimously approved.

Mr. Vassallo reported that there are four sites remaining in the Ridgeland Business Park. Further, an additional \$100,000.00 payment was paid on the principal note at Trustmark National Bank.

A request for a donation by Ridgeland Elementary School was considered. Attorney Montgomery advised the Board that donations cannot be legally made from MCEDA.

Mr. Jim Watford's request of renaming of Industrial Drive in the CCIC to Watford Parkway Drive, was discussed. After discussion, Mr. Phillips made a motion to recommend to the City of Canton that the name be changed to Watford Parkway Drive in honor of the long-time ownership of the property by the Watfords. After a second by Mr. Wallace, the motion was unanimously approved.

Mr. Wallace reported favorable ongoing discussion with Bear Creek Water Association in the providing of sewer service for the entire Gluckstadt area. He further stated that an agreement should be reached before the end of January.

Ms. Foy summarized a typed report that is made a part of these Minutes by reference of her activities for the month. She asked for a motion to approve \$1,000.00 to participate with the Metro Economic Development Alliance (MEDA) in sponsoring "The Mississippi Legislature and Elected State Officials Reception" on Monday, February 9, 1998, at the Ramada Coliseum between the hours of 5:30 - 7:30 p.m. A motion by Mr. Johnson was made to participate in the amount of \$1,000.00 as a sponsor of the Reception. After a second by Mr. Phillips, the motion was unanimously approved.

A request to approve travel expenses for Ms. Foy to attend the National Manufacturing Trade Show in Chicago from March 15th - 20th was presented. A motion to approve the travel expenses was made by Mr. Phillips and seconded by Mr. Brown which was unanimously approved.

Mr. Hoglund reported a working visit to Sweden during the Christmas Holidays. Good relationships have been developed with Sweden and Madison County, he reported. He also mentioned working with companies on joint venture opportunities in the two countries.

The web site will be completed in mid-February according to Mr. Hoglund.

At 10:40 a.m. Chairman Bounds called for a ten (10) minute recess.

After reconvening the meeting at 10:50 a.m., Mr. Johnson made a motion to enter closed session to consider whether or not to declare an executive session. After a second from Mr. Wolcott, the motion was unanimously approved. Whereupon Mr. Bounds closed the general session and convened the closed session.

After discussion of matters, Mr. Johnson made the motion to return to open session. Mr. Phillips seconded the motion and it was unanimously adopted, where upon Mr. Bounds reconvened the open session. The reasons stated for executive session were 1.) Two (2) proposals of lease or purchase of land; 2.) One (1) negotiation of prospective litigation; and 3.) Three (3) sales of property to industrial prospects.

For the stated reasons, Mr. Johnson made a motion to declare an executive session which was seconded by Mr. Wolcott and unanimously approved. Where upon Chairman Bounds closed the general session and declared an executive session at 10:50 a.m.

A project code named "Cougar" was discussed. Mr. Johnson made a motion to give Mr. Vassallo and Chairman Bounds authority to negotiate, acquire and sign the documentation to obtain options for the real property; easements; right of ways; etc. which is necessary for the project. After a second from Mr. Wallace, the motion was unanimously approved.

A request for a Phase I environmental study on the identified "Cougar" site was presented with low proposal of \$2,500.00 for conducting the study submitted from Wildlife Technical Service, Inc. After discussion, Mr. Wallace made a motion to hire Wildlife Technical Service, Inc. to conduct a Phase I Study at a cost of \$2,500.00. After a second by Mr. Johnson, the motion was unanimously approved.

Available land for addition to the Central Mississippi Industrial Center was discussed. Mr. Johnson made a motion to authorize Mr. Vassallo and Chairman Bounds to negotiate with the land owner on a price for the purchase of the property. After a second from Mr. Brown, the vote was unanimously approved.

A request by Mayor Alice Scott for a survey of Canton's citizens was considered. A motion was made by Mr. Wallace to support the request, using Levi funds up-to \$2,500.00 to staff and fund the survey, if the Executive Committee agrees with the Mayor after a one-on-one discussion with her on the matter. After a second by Mr. Johnson, the motion was unanimously approved.

After discussion of five (5) acres of property in the CCIC, Mr. Wallace made a motion to obtain an appraisal of the property as well as enter into a joint venture agreement with adjoining property owners for the marketing and sale of the property. After a second from Mr. Johnson, the motion was unanimously approved to enter into such an agreement, provided the other property owners handle drafting of the agreement with their personal attorney.

Upon report of a request from an existing industry, Mr. Estes made a motion to negotiate with the industry to assist in their future plans. After a second from Mr. Wolcott, the motion was unanimously approved.

A request from a second existing industry was discussed concerning expansion and tax

abatement request. Mr. Phillips made a motion to approve the expansion and to recommend to the Board of Supervisor that the tax abatement be granted. After a second from Mr. Johnson, the motion was unanimously approved.

Mr. Montgomery presented a settlement offer on pending ligation concerning the Covington Drive property in Canton with no admission of liability on MCEDA's parts. The settlement calls for the payment of \$60,000 in two installments of \$30,000 each, with the first due upon finalization of the settlement and the second six months thereafter. Mr. Johnson made a motion to accept Attorney Montgomery's recommendation of accepting this agreement. After a second from Mr. Phillips, the motion was unanimously approved.

At 12:44 p.m., Mr. Johnson moved to adjourn the Executive Session. After a second from Mr. Brown, the motion was unanimously adopted. Chairman Bounds adjourned the Executive Session and reconvened the open meeting.

There being no further business to come before the meeting of the Madison County Economic Development Authority, on motion duly made, seconded and unanimously adopted, the meeting was adjourned on this the 22nd day of January, 1998 at 12:45 p.m.

ATTEST:



C. RAY PHILLIPS, SECRETARY-TREASURER



MARK S. BOUNDS, CHAIRMAN