

MINUTES  
MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY  
RECESS BOARD MEETING  
(1855 COURTHOUSE BOARD ROOM)  
THURSDAY, JANUARY 30, 1997, 8:30 A.M.  
(Recessed from Regular MCEDA Meeting; January 16, 1997)

Chairman Mark S. Bounds called the Recessed Board Meeting to order at 8:39 a.m. 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; Bob Montgomery; and Joy Foy. Guests attending the meeting included Alan Perry; Bobby Long; Duane Gordon; Bill Collins; Luther Waldrup; Lloyd Spivey; Joe Iupe; Josh Zimmer; Gail Pittman; and Thomas Maley.

Mr. Beamon motioned to reconsider the vote taken in the January 16th meeting concerning paying special legal counsel fees from the Construction Checking Account and continuing the services of Messrs. Perry and Herring. (See attached letter.) Mr. Johnson seconded. Mayor Hawkins asked that Mr. Wallace recuse himself from voting. The vote was Mr. Beamon; Mr. Johnson; Mr. Wolcott; and Mr. Wallace voting yes and Chairman Bounds; Mayor Hawkins and Mr. Phillips voting no.

Mayor Hawkins motioned to continue the legal services of Messrs. Alan Perry and Jim Herring and to pay the outstanding invoices to each. Mr. Phillips seconded. Chairman Bounds; Mayor Hawkins; and Mr. Phillips voted yes. Mr. Beamon; Mr. Johnson; Mr. Wallace; and Mr. Wolcott voted no.

Chairman Bounds then asked for a five minute recess at 9:05 to confer privately with Mr. Beamon.

At 9:25 a.m. the meeting reconvened with Chairman Bounds asking for a motion to enter closed session to discuss possible executive session. The motion for closed session was made by Mr. Wallace, second by Mr. Wolcott to enter closed session. The vote carried with Mayor Hawkins voting no.

Chairman Bounds covered the issues requiring executive session as legal matters; land acquisition and related matters; along with a land exchange request from Gail Pittman, Inc. The motion was made by Mr. Wolcott, seconded by Mr. Mr. Johnson to enter executive session. The vote passed with Mayor Hawkins abstaining.

At 9:32 Chairman Bounds declared the meeting in executive session. KTSF attorney fees were discussed, and Chairman Bounds presented the \$50,628.98 check from the escrow account. No action was taken.

Mr. Montgomery then gave his opinion for bidding on the KTSF property at the January 31st foreclosure. He recommended bidding the amount owed by KTSF to MCEDA plus all outstanding charges connected to the property. (See attachment.)

Mr. Johnson motioned to authorize Mr. Vassallo to bid the property at an amount not to exceed \$3,774,992.38 and to open the bidding at \$3,583,277.99. Mr. Beamon seconded. Mr. Beamon; Mr. Johnson; Mr. Phillips; Mr. Wolcott; and Mr. Wallace voted yes, Mayor Hawkins voted no, and Chairman Bounds abstained.

Chairman Bounds shared concerns expressed by Trustmark National Bank surrounding lack of communication to the Bank from the MCEDA Board. After discussion, the consensus of the Board was to have Mr. Vassallo telephone Mr. Harry Walker immediately following the Board meeting to

arrange for a meeting on Monday, February 3, with Mr. Walker; Mr. Bounds and Mr. Vassallo to discuss the details of the outstanding loan with the bank.

Mr. Maley and Ms. Pittman made a request to the Board concerning Gail Pittman, Inc. acquiring an additional 1.5 acres to the north of the existing property line. He proposed a land swap arrangement with Ranger Distribution Company and site number four in the Ridgeland Business Park. Mr. Phillips motioned to authorize Mr. Vassallo to negotiate a contract with Gail Pittman, Inc. and to call a Special Meeting if necessary for Board approval. Mr. Johnson seconded and all approved.

Discussion about the cost of extending sewer service to Lot #2 at CMIC that Mr. Parker Satain has option to purchase, led Mr. Johnson to motion and Mr. Wolcott to second, authorizing Mr. Vassallo to react to this project acting upon the Board's discussion and to report back to the Board. All approved.

At 12:02 p.m., Mr. Johnson motioned to end executive session, seconded by Mr. Phillips and all approved.

Mr. Lloyd Spivey and Mr. Joe Iupe requested that MCEDA withdrawn its petition to rezone the 7.83 acres in CMIC from I-1 to C-2. Mr. Spivey stated that they felt it unfair to compete with MCEDA in marketing commercial property. Mayor Hawkins motioned to table any rezoning action for one year and to work with Mr. Spivey and Mr. Iupe in marketing their property for retail development. Mr. Phillips seconded. The vote was taken and all approved.

Ms. Foy presented a letter asking Mr. Lloyd (Billy) Simpson to conduct an audit of the 1995-96 financial statements for MCEDA and another letter whereby MCEDA would hire Mr. Simpson as auditor at an amount of \$3,000.00 to furnish such an examination. Mayor Hawkins motioned to hire Mr. Simpson and Mr. Phillips seconded. The vote was unanimous.

The Public Right Policy was discussed and the motion was made by Mayor Hawkins seconded by Mr. Phillips to allow Ms. Foy to provide requested information to the press from approved minutes under the guidelines of the policy. The vote was unanimous.

Upcoming events discussed included the Canton Economic Development Strategic Planning set for Saturday, February 1, 1997; Mr. Vassallo's one year anniversary, February 5; three new business announcements, Thursday, February 6; and the next regular scheduled MCEDA Board Meeting, Thursday, February 20.

The motion was made by Mayor Hawkins and seconded by Mr. Beamon to allow Ms. Foy to attend the National Manufacturers Week Trade Show sponsored by Entergy from March 8 - 13 in Chicago. The vote was unanimous.

Mr. Johnson motioned to pay special legal counsel fees and to return KTSF matters to MCEDA's legal counsel. The motion failed for lack of a second.

After discussion, a motion was made by Mr. Johnson, seconded by Mr. Wolcott to pay Mr. Perry and Mr. Herring in the amount of \$50,000.00 for legal services and to dismiss their firms from continuing services, returning legal counsel matters for MCEDA to Mr. Montgomery. Mr. Johnson; Mr. Beamon; Mr. Wolcott; and Mr. Wallace voted yes. Chairman Bounds; Mayor Hawkins and Mr. Phillips voted no.

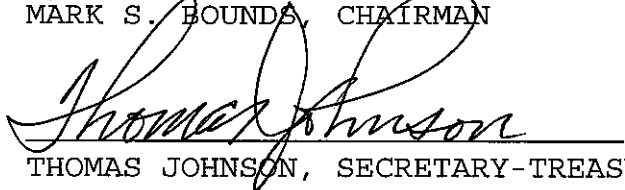
Mayor Hawkins requested that the Minutes reflect that she asked Mr. Wallace to recuse himself from voting on KTSF matters because of his testimony to the Grand Jury concerning the matter.

Chairman Bounds declared the meeting adjourned at 12:55 p.m.

WITNESS OUR SIGNATURES:

A handwritten signature in cursive script, reading "Mark S. Bounds", written over a horizontal line.

MARK S. BOUNDS, CHAIRMAN

A handwritten signature in cursive script, reading "Thomas Johnson", written over a horizontal line.

THOMAS JOHNSON, SECRETARY-TREASURER