

FINAL MINUTES OF THE JULY 15, 2004, MEETING OF THE  
MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY  
HELD AND CONDUCTED ON THE 15<sup>TH</sup> DAY OF JULY, 2004, AT 8:30 A.M.,  
IN THE MCEDA CONFERENCE ROOM  
OF THE 1855 COURTHOUSE IN CANTON, MISSISSIPPI

The meeting of the Madison County Economic Development Authority was conducted on the 15<sup>th</sup> day of July, 2004, at 8:30 a.m. in the 1855 Courthouse in the City of Canton, Mississippi.

Members Present: John Almond, Kevin Broughton, Steve Davenport, Chip Estes, Barbara Gray, Billy B. Thames and Thomas Johnson. Also present were Jerry Acy, Joy Foy, Veronica Peppers and Bob Montgomery.

Guests: Cecil Harper, Elizabeth Raley, Lucy Weber, Bobby Long, John Bourgeois, Jim Herring, Craig Panter, Charles Williford, Dr. S.L. Sethi, Kathy Malouf, James & Pam Hardy, Sherwood Johnson, representatives from DAS, IMS Autrans, Johnson Controls, Lextron-Visteon, M-Tek Mississippi, Mi-Tech Steel, System Electro Coating and Tower Automotive

Chairman Thames announced that the members present constituted a quorum and declared the meeting duly convened.

After review of the agenda, Mr. Davenport made a motion to adopt the agenda provided it is amended to move the tax exemption items to Old Business and to discuss the Request for Proposals for Legal Services in Executive Session. After a second by Mr. Almond, the motion was unanimously adopted.

The Minutes of June 17, 2004, were reviewed. On page 2, the 4<sup>th</sup> paragraph in the sentence, "A draft of a Madison County housing survey and MCEDA office effectiveness was reviewed." The word "reviewed" was changed to "presented", and in the 6<sup>th</sup> paragraph the word "tracts" was changed to "tracks." On the 3<sup>rd</sup> page in the last paragraph, in the sentence, "Mr. Estes made a motion to authorize Mr. Acy to proceed with the project for the construction of a speculative building within the Flora Industrial Park.", the sentence was changed to read, "Mr. Estes made a motion to authorize Mr. Acy to proceed with soliciting for construction proposals for a speculative building within the Flora Industrial Park." On page 4, the 6<sup>th</sup> paragraph the last sentence needs to be removed. Mr. Broughton made a motion to approve the Minutes as amended. After a second by Mr. Estes, the motion was unanimously adopted.

The minutes of June 28, 2004 were reviewed. On page 2, the 2<sup>nd</sup> paragraph in the first sentence the word "sell" needs to be changed to "sale." Mr. Broughton made a motion to adopt the minutes as amended. After a second by Mr. Almond, the motion was unanimously adopted.

Mr. Harper reported that the Madison County Foundation (MCF) is adding approximately 3 – 4 members monthly. The annual meeting has been scheduled for August 20, 2004, at the Jackson Country Club. Governor Haley Barbour will be the keynote speaker. The trip to Washington has been set for September 14, 15 and 16, 2004.

A motion to enter closed session to determine whether or not to declare an executive session was made by Mr. Broughton. After a second by Mr. Almond, the motion was unanimously adopted. Chairman Thames adjourned the open session and convened the closed session.

After discussion, Mr. Broughton made a motion to return to open session, which was seconded by Mr. Johnson and unanimously adopted. Whereupon, Chairman Thames adjourned the closed session and reconvened the open session.

The reason stated for executive session were: 1.) transaction of business and discussion regarding the character and professional competence in consideration of Request for Proposals (RFP) for legal services.

For the above stated reason, Mr. Broughton made a motion to declare an executive session. After a second by Mr. Almond, the motion was unanimously adopted. Chairman Thames recessed the open session and convened the executive session at 8:40 a.m.

Attorneys Bob Montgomery, Jim Herring and Craig Panter made presentations to the Board concerning their capabilities of representing MCEDA.

After the presentations, Mr. Johnson made a motion to enter into contract with Mr. Montgomery for MCEDA's legal services. The motion failed for lack of a second.

Mr. Broughton made a motion to accept Mr. Craig Panter's offer of \$100 per hour as MCEDA's attorney and to engage both Mr. Panter and Mr. Montgomery until the August Board meeting to help with the transition. After a second by Mr. Davenport, the motion was adopted with Mr. Almond, Mr. Broughton, Mr. Davenport, Ms Gray and Mr. Estes voting aye and Chairman Thames and Mr. Johnson voting nay.

At 9:35 a.m., Mr. Johnson made a motion to adjourn the executive session. After a second by Mr. Almond, the motion was unanimously adopted. Chairman Thames adjourned the executive session and reconvened the open session. Ms Gray and Mr. Davenport left the meeting.

Representatives from Distribution and Auto Services, Inc., IMS Autrans, LLC, Johnson Controls, Inc., M-Tek Mississippi, Inc., Mi-Tech Steel Mississippi, LLC, System Electro Coating, Tower Automotive Products Company, Inc., all Nissan Suppliers, arrived to request tax exemption for their respective companies. Mr. Acy reminded the Board that suppliers tax exemptions were negotiated as part of the Memorandum of Understanding (MOU) between the state of Mississippi and Nissan. Mr. Estes made a motion to recommend to the Madison County Board of Supervisors that the above named suppliers' request for tax exemption be granted. After a second by Mr. Johnson, the motion was unanimously adopted. Copies of the Position Statements from each of the companies is attached to and made a part of the minutes by reference as attachment "A."

Mr. Sherwood Johnson, with Peco Foods, Inc., presented a tax exemption request for Peco on the \$12,037,542.70 expansion which will create 40 – 50 new jobs. Mr. Estes made a motion to recommend to the Madison County Board of Supervisors that Peco's request be approved. After a second by Almond, the motion was unanimously adopted. A copy of the Peco Position Statement is attached to and made a part of the minutes by reference as attachment "B."

In the matters of negotiating Mr. Acy's contract, Attorney Montgomery presented a letter dated July 1, 2004, from Attorney General Jim Hood, that states MCEDA has the authority to hire Mr. Acy as a consultant, however, there is no authorization for prepayment of services. A copy of the letter is attached to and made a part of the minutes at Exhibit "C."

A proposal from Harper, Rains, Knight & Company, P.A. to perform monthly general ledger postings, reconcile bank statements and compile financial statements for MCEDA at a cost of \$300.00 per month was discussed. Mr. Broughton made a motion to hire Harper, Rains, Knight & Company as outlined for the proposed services. After a second by Mr. Almond, the motion was unanimously adopted. A copy of the Harper, Rains, Knight changes to the letter is attached to and made a part of the minutes as Exhibit "D."

A copy of the proposed changes to the By-Laws is attached to and made part of the minutes as Exhibit "E." The change deals with Article IV, Officers and Agents, Section 7. to add the word "specific" in front of the word "matters" in the second sentence and to add the following wording at the end, and only as directed and authorized by a majority vote of the Authority. Mr. Estes made a motion to amend the By-Laws as presented. After a second by Mr. Almond, the motion was unanimously adopted.

In the Executive Director's report, Mr. Acy reported working on the Tax Exemption Policy for Madison County. Plans are underway for MCEDA to host a Minority Business seminar jointly with the Chambers of Commerce in the County, by the end of August, the Madison County Waste Water Authority (MCWA) should complete the documentation required by DEQ for assuming the SRF loan and ownership of the Catlett Road force main sewer lines. Bids for construction of the road in the Flora Industrial Park are below the estimated cost so a second road on the south side of the property can also be constructed. Bids must be submitted on or before July 23, 2004, for a 30,000 square foot speculative building in the Flora Industrial Park.

The legal ad ran in the Madison County Journal requesting Statements of Qualifications (SOQ) from architectural/engineering firms to provide master planning type design for the 120 +/- acres of 16<sup>th</sup> Section property was printed with an erroneous due date. Mr. Estes made a motion to republish and re-advertise following state laws and regulations for legal ads. After a second by Mr. Broughton, the motion was unanimously adopted.

Mr. Acy also reported that he is requesting a third quote for the printing of the MCEDA brochure. Mr. Estes made a motion to have the final draft emailed to the Board and to authorize the Executive Committee to review and select a printer from the bids. After a second by Mr. Broughton, the motion was unanimously adopted.

Mr. Broughton made a motion to authorize Mr. Acy to work with the county engineer to obtain an estimate for constructing a road from Watford Drive to Highway 22 in the Canton Commercial and Industrial Center (CCIC). After a second by Mr. Johnson, the motion was unanimously adopted.

Ms Gray made a motion to approve the financial reports and payment of monthly invoices. After a second by Mr. Almond, the motion was adopted with Mr. Estes abstaining. The financial reports, including the docket of invoices are attached to and made a part of these Minutes by reference as composite Exhibit "F."

Mr. Estes made a motion to authorize travel, meals & lodging for staff and board members to participate in the Madison County Foundation trip to Washington, D.C. September 14, 15 and 16, 2004. After a second by Mr. Almond, the motion was unanimously adopted.

Mr. Broughton made a motion to change the MCEDA Board meeting date in September from the 16<sup>th</sup> to the 9<sup>th</sup> to accommodate the trip to Washington. After a second by Mr. Estes, the motion was unanimously adopted.

Mr. Williford, along with other land owners, James & Pam Hardy, Kathy Malouf and S.L. Sethi presented a request to extend a frontage road from Nissan Parkway on the east side of Interstate 55 down to Highway 22. Nissan owns the property between Nissan Parkway and these above mentioned property owners. This group is asking that MCEDA support this project and express its support in a letter to Nissan. After hearing the request, the Board elected to take the matter under advisement until the August board meeting.

At 11:05 a.m., upon a motion made by Mr. Almond, seconded by Mr. Johnson and unanimously adopted the meeting was recessed.

At 1:15 p.m. after Chairman Thames reconvened the meeting with Mr. Almond, Mr. Estes and Mr. Johnson returning to the meeting. Mr. Johnson made a motion to enter closed session to determine whether or not to declare an executive session. After a second by Mr. Almond, the motion was unanimously adopted. Chairman Thames adjourned the open session and convened the closed session.

After discussion and with motion by Mr. Johnson and seconded by Mr. Estes, Chairman Thames adjourned the closed session and reconvened the open session.

The reason stated for executive session included: 1.) transaction of business and discussion regarding prospective purchase, sale or leasing of lands and 2.) transaction of business and discussion relating to personnel matters and employment matters.

For the reasons stated, Mr. Almond made a motion to declare an executive session. After a second by Mr. Johnson, the motion was unanimously adopted. Chairman Thames recessed the open session and convened the executive session.

At 1:20 p.m., Chairman Thames convened the executive session.

In presenting prospect activity, Mr. Acy reported that a call center request with 500 jobs has approached Supervisor Doug Jones asking for tax exemption if the facility chooses to locate in Madison County. Mr. Jones assured the company that, if the state laws allows for such an exemption, the request would be considered favorably.

Mr. Acy reported working with a prospect for a 1 acre site in the CCIC across from the Bank Plus site or adjacent to the Bank Plus site for a restaurant/service station type development. A second land request for an extended stay motel with 3 stories and 60 rooms on a 1.5 acre site backing up to the Love's property in the CCIC was discussed. Mr. Johnson made a motion to get concurrence with Canton Municipal Utilities (CMU) on selling the property for these types of developments and if CMU concurs on the usage to authorize Mr. Acy to proceed with getting an appraisal. After a second by Mr. Almond, the motion was unanimously adopted.

A local individual has offered \$2.50 per square foot for a restaurant site in the CCIC. Mr. Johnson made a motion to proceed with getting more details of the project and working with Canton Municipal Utilities before proceeding. After a second by Mr. Almond, the motion was unanimously adopted.

Mr. Walker with Walker Ford requested that MCEDA reconsider his offer of \$1.15 per square foot on a 9 acre site for an automotive dealership. The consensus of the Board is that they will not reconsider that offer.

In respond to Mr. Walker's request, Mr. Acy suggested offering Walker Ford a 5 acre site at \$2.00 per square foot and a 5 year lease arrangement for an additional 3.8 acres with an option to purchase at \$2.00 per square foot. Mr. Almond made a motion to offer a lease/purchase arrangement whereby MCEDA would sell 5 acres to Walker Ford for \$2.00 per square foot and offer to lease an additional 3.38 acres, with an option to purchase at \$2.00 per square foot, at a lease rate based on prime plus 2%, recalculated each January, for 15 years. After a second by Mr. Johnson, the motion was unanimously adopted.

Mr. Johnson made a motion to get a 30 day option on the 40 acre site adjacent to the Flora Industrial Park, at a cost not to exceed \$1,000.00, which would allow MCEDA time to get a second appraisal. After a second by Mr. Estes, the motion was unanimously adopted.

Mr. Almond made a motion to take Request for Qualification (RFQ) from firms interested in reviewing all identified potential industrial park properties and to evaluate and rate them one to another. After a second by Mr. Estes, the motion was unanimously adopted.

Mr. Estes made a motion to invite representatives from Harreld Chevrolet to the MCEDA August board meeting and to advise them to be prepared to discuss all documents pursuant to constrains and specific construction plans. After a second by Mr. Johnson, the motion was unanimously adopted.

At 2:00 p.m., upon motion made by Mr. Almond, seconded by Mr. Johnson and unanimously adopted, Chairman Thames adjourned the executive session.

Whereupon, Mr. Almond made a motion to adjourn. After a second by Mr. Johnson, the motion was unanimously adopted.

  
DR. BILLY B. THAMES, CHAIRMAN

ATTEST:

  
BARBARA GRAY, SECRETARY-TREASURER