

FINAL MINUTES OF THE JUNE 17, 2004, MEETING OF THE
MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 17TH DAY OF JUNE, 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 17th day of June, 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: Elizabeth Raley, Lucy Weber, Tim Johnson, Buddy Huff, Don Cannada and Hap Hederman

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

Mr. Davenport made a motion to adopt the agenda as presented. After a second by Mr. Broughton, the motion was unanimously adopted.

Mr. Johnson made a motion to approve the minutes of May 20, 2004. After a second from Mr. Davenport, the motion was adopted, with Mr. Estes abstaining.

Ms Raley reported that the Madison County Foundation (MCF) has added two new members since the May meeting. She reminded everyone that the MCF annual meeting has been set for August 18, 2004. The next Washington trip is scheduled for the week of September 18, 2004.

Mr. Broughton reported that the Contract Review Committee decided to solicit for legal council and drafted a Request for Proposals (RFP). A copy of the RFP is attached to and made a part of the minutes as Exhibit, "A."

Mr. Broughton made a motion to publish the RFP in the Madison County Journal and Madison County Herald for two consecutive weeks and accept proposals until the close of business a week following the last advertising date. After a second by Mr. Davenport, the motion was unanimously adopted. It was agreed that a copy of the RFP would be mailed to all members of the MCF.

Mr. Estes made a motion to amend the MCEDA By-Laws, As Amended October 16, 2003, under ARTICLE IV, Officers and Agents, Section 2. Election Between Meetings. By removing a., b. and c. subheadings dealing with 70 day grace period for officers voluntarily leaving a position and to add "All officers that are elected or change positions to fill the vacancy of an officer shall complete that term as well as serve in the same capacity for the following year. A copy of the By-Law change as mailed out in meeting notices is attached to and made a part of the minutes as Exhibit, "B." After a second by Mr. Broughton, the motion was unanimously adopted. Other changes directed at the authority of the Executive Committee will be discussed at the July meeting.

Mr. Huff with Trustmark National Bank (T/M) explained changes in the bank's strategic plans would prohibit T/M from building on the 1.1 acre site at Central Mississippi Industrial Center (CMIC) in a timely manner. He thanked the Board for the extensions and understanding extended to T/M. However, since T/M cannot live up to the obligations of the contract, if MCEDA desires, T/M is willing to sell the property back to MCEDA. Mr. Johnson made a motion to repurchase the 1.1 acre site at purchased price of \$4.50 per square foot. After a second by Mr. Estes, the motion was unanimously adopted.

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Mr. Hederman presented a tax exemption request for machinery purchased for \$2,957,760.50. He explained that such investment was necessary to stay competitive and maintain business in the market place. Mr. Estes made a motion to recommend to the Madison County Board of Supervisors that the tax exemption be granted in the spirit of support to existing industry. After a second by Mr. Broughton, the motion was adopted with Mr. Davenport voting nay.

At 9:05 a.m., Mr. Davenport left the meeting.

Two proposals for Non Profit Directors and Officers Liability insurance were reviewed. Copies of the proposal from Madison County Farm Bureau and Shackleford Brothers Insurance agencies are attached and made a part of these minutes by reference as composite Exhibit "C." Mr. Broughton made a motion to procure the liability insurance and employment practice liability on \$2M limit amount from Madison County Farm Bureau, being the lowest bidder, and to complete the process as soon as possible. After a second by Mr. Almond, the motion was unanimously adopted.

Mr. Acy, in his monthly report, stated that a media day event has been scheduled with tours of the industrial parks. Existing industry warehouse needs have been identified, as well as potential opportunities of excess warehouse space with existing industry, 23 industrial contacts were made in the past month, 2 immediate expansions Sun Pine and Mi-Tech are underway, he attended 4 City Board meetings and the Beatties Bluff sewer facility ribbon cutting. The railroad boring bids have been received for the Flora Industrial Park and the bids are due for the Flora road by July 12, 2004. Mr. Acy also reported that he had volunteered to serve on a committee with Metro Economic Development Authority to take advantage of all automotive opportunities along with Duane O'Neil, Larry Mobley and John Turner. Title to the sound stage land has been conveyed to the Canton Convention and Visitors Bureau. A draft of a Madison County housing survey and MCEDA office effectiveness was presented. Copies of the two draft surveys are attached to and made a part of the minutes as Exhibit, "D." Mr. Acy reported he plans to complete both surveys within 30 - 45 days.

Additionally, Mr. Acy reported the additions and renovations to the Gluckstadt fire station are complete except for the roll-up doors. The manually operated roll-up doors designated in the contract have been cancelled leaving a balance of \$1,300.00 of the funds approved by MCEDA for the 1,600 square foot metal addition to the building. The fire district has requested the remaining \$1,300.00 to off set the cost of automated roll-up doors. The district will pay all additional costs. Dr. Thames made a motion to authorize the change order to the contract and to transfer the remaining money to the fire district. After a second by Mr. Almond, the motion was unanimously adopted.

Ms Veronica Peppers joined the meeting to present the tax exemption procedures in place for Madison County, a copy of which is attached to and made a part of the minutes as Exhibit, "E." Ms Peppers tracks each exemption to ensure the paper work is not delayed in any phase of the review process. Mr. Estes requested a report of the industry exemptions complete with expiration dates.

Ms Gray made a motion to approve the financial report after noting Mr. Acy's insurance payment and the S&S Contractor invoices. After a second by Mr. Broughton, the motion was unanimously adopted.

Mr. Johnson made a motion to enter closed session to determine whether or not to declare an executive session. After a second by Ms Gray, the motion was unanimously adopted.

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Whereupon, with motion made by Mr. Johnson, seconded by Mr. Estes, Chairman Thames adjourned the open session and convened the closed session.

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

The reasons stated for executive session included: 1.) transaction of business and discussion regarding the 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. Broughton made a motion to declare an executive session. After a second by Mr. Almond, the motion was unanimously adopted. At 9:30 a.m., Chairman Thames recessed the open session and convened the executive session and the board took a break. Ms Gray left the meeting.

At 9:45 a.m., Chairman Thames reconvened the executive session.

Messrs. Jimmy Allen and Ryan Church joined the meeting requesting a 15 acre site in the Canton Commercial and Industrial Center (CCIC). The company is presently operating in Canton and have recently been awarded an additional \$12M in Nissan business. They presently employ 130 people and are part of the inventory control for Nissan. They presently operate 88 trucks to serve Nissan. They have worked with Nissan since 1981 and plan to build a 160,000 square feet facility in the Canton area. Mr. Allen offered \$20,000.00 per acre for a 15 - 20 acre site behind the Training Facility. Mr. Johnson made a motion to accept the offered \$20,000 per acre for the 3.52 acre site plus the 15 acre site. After a second by Mr. Broughton, Mr. Almond suggested that an appraisal of the property be obtained prior to accepting any offer. Mr. Johnson withdrew the motion. Mr. Almond made a motion to authorize an appraisal of the site as soon as possible and to call a special meeting to determine a counter offer for the site. After a second by Mr. Johnson, the motion was unanimously adopted. Mr. Allen cautioned the Board that the company has to be in the building by January 1, 2005 and that his offer will not be available indefinitely, however, they are ready to close once a price is agreed upon.

Mr. Estes suggested that MCEDA work with Mr. Arrion King regarding the 40 acre tract adjacent to the Flora Industrial Park. Mr. King was asking \$10,000.00 per acre and the property appraised for \$6,750.00 per acre. It was the consensus of the Board to work with Mayor Richardson to renegotiate with Mr. King on the price of the property.

An automotive dealership has offered \$1.00 per square foot for a 9 acre site along Feather Lane pass the Harreld Chevrolet site. Mr. Johnson made a motion to accept the \$1.00 per square foot offer. After a second by Chairman Thames, the motion failed with Mr. Johnson and Chairman Thames voting yea and Mr. Almond, Mr. Broughton and Mr. Estes voting nay.

Another offer of \$2.00 square foot for a 1.7 acre site south of Tate's Furniture for a cycle dealership was discussed. Mr. Almond made a motion to sell the Canton Municipal Utilities site for the \$2.00 per square foot price. After a second by Mr. Estes, the motion was unanimously adopted.

Mr. Acy requested authority to solicit a proposal for building speculative warehouse space in the Flora Industrial Park. Primos is expanding and could have a need for additional warehouse space in that area. Mr. Estes made a motion to authorize Mr. Acy to proceed with the soliciting for construction proposals for a speculative building within the Flora Industrial Park. After a second by Mr. Almond, the motion was unanimously adopted.

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Anika is requesting an extension of its option to purchase the Oxford Automotive facility based upon the desire of another company interested in purchasing the Oxford business. Mr. Johnson made a motion to approve the requested 60 day extension. After a second by Mr. Estes, the motion was unanimously adopted.

An outstanding invoice from Johnson Bailey Henderson McNeel (JBHM) for \$26,188.80 on the Oxford expansion design was discussed. A copy is attached to and made a part of the minutes as Exhibit "F." Mr. Broughton made a motion to pay the JBHM outstanding invoice. After a second by Mr. Almond, the motion was unanimously adopted.

At 11:20 a.m., Chairman Thames recessed the meeting.

At 11:30 a.m., Chairman Thames reconvened the meeting.

Mr. Estes made a motion to approve a 4% cost of living raise for Ms Veronica Peppers retroactive to her return date from active duty. After a second by Mr. Johnson, the motion was unanimously adopted.

At 11:40 a.m., Mr. Acy and Ms Foy were excused from the meeting with Supervisor Johnson staying for the personnel matters concerning Mr. Acy and Ms Gray returning to the meeting. Mr. Montgomery recorded a motion made by Mr. Broughton to hire Panter Harris Clifford Attorney at Law to advise the board on personnel matters. After a second by Mr. Estes, the motion was adopted with Mr. Almond, Mr. Broughton, Ms Gray, and Mr. Estes voting aye and Chairman Thames and Mr. Johnson voting nay.

At 12:20 a.m., Chairman Thames adjourned the executive session and reconvened the open meeting.

Whereupon, Ms Gray 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