

MINUTES OF THE MCEDA  
BOARD MEETING  
JUNE 19, 1997; 8:30 A.M.  
(Recessed from Regular MCEDA Meeting of May 15, 1997)

Chairman Mark S. Bounds reconvened the Board Meeting at 8:30 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; Ray Phillips; and Hite Wolcott. Also present were President Steve Vassallo; Bill Collins; and Joy Foy. Guests were David Collins; Allen Davis; Kevin Watson; Charlie Walley; John Laws; Mike Evans; Bucky Gideon; Charlie Lott; Ken Wilbanks; Duane Gordon; Kathryn Abernathy; Billy Simpson; Pam Sandifer; and William Tyner.

Chairman Bounds recognized Mr. Billy Simpson who reviewed the September 30, 1996 audit. He explained that the audit reflects an entire picture of MCEDA's finances or as much as could be determined from working with Steve Duncan and the County's auditor. It was the consensus of the Board to take the audit under advisement and discuss it in detail at the July meeting.

Bucky Gideon and Charlie Lott gave an update on progress with the 1,923 acres marketing plan. They reported very good progress with the sale of lots. Mr. Vassallo asked for the Board to consider an advertisement in the Mississippi Business Journal to assist in the marketing of the property. Kathryn Abernathy presented a draft of the proposed advertisement and gave the price of \$960.00 for a one time full page ad to run in the Journal. Mr. Phillips moved to expend the \$960.00 for the page ad (draft attached) for the MS Business Journal. After a second by Mr. Wolcott, the expenditure was unanimously approved.

Chairman Bounds presented a request from Mr. H.C. Bailey of Venture Properties. Venture Properties, a member of the Madison County Development Foundation (MCDF), has asked for and received unanimous support from the MCDF Board in Venture Properties' efforts with Mississippi Department of Transportation (MDOT). A draft of a letter the MCDF Board approved in support of Venture Properties' request to MDOT was read. The letter stated Venture's wishes for a curb cut onto Highway 463 to aide in the development of the 60 +/- acres owed by Venture in the southwest quadrant of the intersection of Interstate 55 and Mississippi Highway 463. Mr. Phillips moved to support MCDF's position concerning the curb cut requested by Venture Properties to the MDOT. After a second by Mr. Beamon, the motion was unanimously approved.

As a courtesy to the Madison County Chamber, Pam Sandifer and William Tyner were allowed to present (for the second time) a request asking that MCEDA donate Lot #1 at Central Mississippi Industrial Center (CMIC) to the Chamber. The requested land would allow the Chamber to pursue plans in re-locating its office to a proposed 3,100 square foot facility in Gluckstadt. The building cost would be approximately \$150,000.00 according to Mr. Tyner. Chairman Bounds expressed concerns about donating marketable Madison County property. Mr. Vassallo requested that William and/or Pam share with the Board the views of the Supervisors who were contacted directly concerning the property matters. Neither claimed any knowledge of discussion with the Supervisors. Chairman Bounds acknowledged the matter would be considered again at a later date.

Mr. Wolcott moved to approve the Minutes of the May 15, 1997 meeting as presented. After a second by Mr. Beamon, the Minutes were unanimously approved.

Kevin Watson, attorney for Diversified Technology, Inc. (DTI) introduced himself and presented a ten year ad valorem tax exemption request. He reported that DTI has been in business in Madison County for 25 years and employs 156 people with an annual payroll of \$5.1 million. (The average salary was reported as \$32,000.00) The City of Ridgeland has already voted to allow the exemption from the city for the total investment of \$21,180,824.00 (Position Summary Sheet attached). Mr. Wolcott moved to recommend to the Board of Supervisors that the ten year exemption be granted for DTI. After a second by Mr. Phillips, the motion was unanimously approved.

Charlie Walley, John Laws, and Mike Evans presented plans for a 100 foot x 100 foot metal building with concrete tilt-up front in the Ridgeland Business Park. After discussion, Mr. Phillips moved to grant architectural approval to the project. After a second by Mr. Beamon, the motion was unanimously approved.

Allen Davis, a partner of Direct Mail and Computer Services (DMCS), presented a supplementary application of \$848,649.00 (Position Summary Sheet attached) for a ten year tax exemption. Mr. Davis explained that the additional request comes from furniture and equipment that was left off the first application late last year. Mr. Phillips moved to recommend to the Board of Supervisors that the additional equipment be granted a ten year tax exemption. After a second by Mr. Wolcott, the motion was unanimously approved.

The financial reports, copies of which are attached to these Minutes and made a part by reference, were examined and discussed. Ms. Foy explained the \$152,458.09 balance in the Ridgeland account reflects \$60,630.00 in a land closing for ResCom (1.25 acres). Also noted was the Construction Checking Account balance of \$86,226.43 that included a \$2,000.00 check from Walmart as the balance due from the grant for the Madison County promotional video. The year-to-date analysis was distributed by Mr. Vassallo. Mr. Phillips moved to approve the financial reports as presented. After a second by Mr. Beamon, the financial reports were unanimously approved.

A draft for the 1997-98 budget (attached) was submitted with the same amount in total as the 96-97 budget but with adjustments to different categories amounts in this fiscal year. The 96-97 budget was approved by the Board of Supervisors with the obligation that MCEDA produce \$100,000.00 in land sales. MCEDA has sold \$1.2 Million in property year-to-date. The \$497,704.00 budget request will be examined by Chairman Bounds; Mr. Johnson; and Mr. Vassallo and brought back for final approval at the July meeting.

Mr. David Collins presented invoices totaling \$40,994.50 from McHann Railroad Services, Inc. and Hulcher Services, Inc. for the repairs to the CMIC railroad required as a result of the derailment at the Central Mississippi Industrial Center in Gluckstadt, copies of which are attached to these Minutes and made a part by reference. Mr. Collins further reported that ICRR is very interested in working out a maintenance agreement with MCEDA. Mr. Wolcott moved to adopt the following Resolution. After a second by Mr. Phillips, the resolution was unanimously adopted.

BE IT RESOLVED by the members of the Board of Directors of Madison County Economic Development Authority ("MCEDA") that a derailment of certain railroad cars in the Central Mississippi Industrial Center at Gluckstadt on or about May 6, 1997, resulted in an emergency situation which required immediate action by MCEDA, and that pursuant to verbal approval of the available members of the Board, the Chairman did in fact determine that an emergency situation existed and, further, that the delay which would result from the competitive bidding process would be detrimental to MCEDA and occupants of the Central Mississippi Industrial Center.

BE IT, FURTHER, RESOLVED that the action of the Chairman in entering into an emergency contract with Hulcher Services, Inc., and McHann Railroad Services, Inc., in the total sum of Forty Thousand Nine Hundred Ninety-four and 50/100 Dollars (\$40,994.50) to restore derailed cars to the tracks and to make emergency spur line repairs were necessary and proper, as contemplated by S31-7-13 of the Mississippi Code of 1972, Annotated, to restore rail service to industries in the Central Mississippi Industrial Center, is hereby ratified and approved.

BE IT, FURTHER, RESOLVED that the Board of Directors of MCEDA does hereby ratify and approve all action taken by Mark S. Bounds, Chairman, in the effort to address and cure the emergency situation, as well as authorize the payment of the above referenced invoices.

RESOLVED, this the 19th day of June, 1997.

Mr. Vassallo deferred his report for executive session except to say that there was very good prospect activity. He also mentioned that 33 people leave Sunday, June 22 for Sweden, and he told of his two hour meeting last Friday in Alexandria, VA at the Sister City International Headquarters.

Ms. Foy's report included an update on working with the State in upgrading and re-filming of the Resource Center's video; a good meeting with the Madison County Retirees; and a promising prospect looking at the Legg's Building. She also reported that a sign was installed in the Ridgeland Business Park to advertise lot #1 at \$100,000.00, and that she has already received a call interested in the property. A request from Scott Penn was discussed to consider selling the Covington Avenue property that he is now leasing. After discussion, Attorney Collins was asked to determine the status of the EPA lien on the property. No action was taken on the matter. Ms. Foy also reported that work was in motion to file an application with the Mississippi Department of Economic and Community Development to fund the Sound Stage for eight years interest free in the principal amount of \$800,000.00.

In an effort to form a Sister City relationship, the City of Ridgeland is attending the Sister City International Convention in San Diego, California. With discussion that Mr. Vassallo has other obligations that would keep him from accompanying Mayor McGee to San Diego, Mr. Phillips moved to approve Ms. Foy's expenses in accompanying the City of Ridgeland up to \$1,500.00. Mr. Wolcott seconded and all approved.

The Board consented to review (with attorney assistance) the lease with Headrick before allowing the lease transfer from Headrick to Lamar Signs.

After discussion, Mr. Wolcott moved to approve the expenses of the MEDC Conference trip for Chairman Bounds and Mr. Vassallo in Biloxi. Mr. Beamon seconded and all approved.

At 10:20 a.m., Mr. Phillips made a motion to declare an executive session for the purpose of considering action on proposed purchase and sale of real estate. After a second by Mr. Wolcott, the motion to declare executive session was unanimously approved.

Andrew Rushing presented a \$5,000.00 check as option money on lot #1 at CMIC, as he discussed his plans to build a facility for his company Foliage Design Systems. Mr. Vassallo made the Board aware of another prospect interested in the same location for the purpose of locating a restaurant. After discussion on the matter, it was the consensus of the Board a restaurant would not be appropriate for this location. Mr. Phillips moved to accept the \$5,000.00 as option money and to sell Mr. Rushing Lot #1 at \$50,000.00 with the understanding that the closing may not take place until January, 1998. After a second by Mr. Beamon, the motion was unanimously adopted.

Mr. Vassallo shared Direct Mail and Computer Service's plans for growth. The Board had no objections to the plans.

Mr. Vassallo asked for a motion to ratify the Stanley Steemer buy-out of the 1.25 acres at the Ridgeland Business Park. Mr. Phillips moved to affirm buying back the property at the selling price amount of \$56,257.00. After a second by Mr. Beamon, the proposed buy back was unanimously approved.

Rainbow Creations owned by John Tracy cannot proceed with its plans to build on the two acre site and have offered the property back to MCEDA at the same price paid for the property of \$55,000.00 per acre. Mr. Phillips moved to purchase the two acre site at \$110,000.00. After a second by Mr. Beamon, the purchase was unanimously approved.

Mr. Vassallo asked for the Board's consensus to market the property north of Levi to the Budget Inn. After discussion on the matter, it was the consensus of those present that Budget Inn should be contacted and welcomed to explore the possibilities.

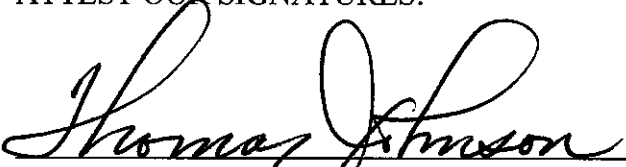
Mr. Phillips moved to close the executive session. After a second by Mr. Beamon, the motion to adjourn the executive session was unanimously approved. Chairman Bounds declared the

executive session adjourned at 11:20 a.m.

A Resolution (attached) to honor Juanita Lester for her work with the Swedish Sister City visit was presented. Mr. Wolcott moved to approve and sign the Resolution. After a second by Mr. Phillips, the Resolution was unanimously approved.

After a motion was duly made and seconded and unanimously adopted, the meeting was adjourned at 11:25 a.m., this the 19th day of June, 1997.

ATTEST OUR SIGNATURES:

  
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THOMAS JOHNSON, SECRETARY-TREASURER

  
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MARK S. BOUNDS, CHAIRMAN