

Minutes of The MCEDA Board Meeting
June 20, 1996

Chairman Mark S. Bounds called the meeting to order at 8:30 a.m. on the above date in the MCEDA Conference room of the Old Courthouse on the square in Canton. Board members present included Chairman Mark Bounds; Brance Beamon; Mayor Mary Hawkins; Thomas Johnson; Ray Phillips; and John Wallace. Also present were Bill Collins, representing Bob Montgomery; John Bourgeois; Steve Vassallo and Joy Foy. Guests attending included Frank Montgomery; JoAnn Gordon; Josh Zimmer and Hall Braswell.

Mr. Frank Montgomery was recognized and proceeded to discuss Cypress Pharmaceutical's building plans for the Board. He discussed two Madison County companies, Cardinal Health and Gulf South, as being Cypress's customers. Cypress plans to build a 15,000 sq. ft. split-face brick facility at CMIC. The colors for the building presented with the site plan are blue-gray with a dark green strip. The present plans call for 7 employees initially with projections of up to 20 people and an additional 20,000 sq. ft. Mr. Vassallo recommended that the architectural rendering be approved by the Board. The consensus was unanimous for the approval of the proposed plans for Cypress.

At 8:50 a.m., Ms. JoAnn Gordon gave an update of happenings and movie prospects for the Sound Stage. She told of joint efforts by the State Film Agency, Ramsey Agency and MDECD marketing the Sound Stage and added that another big movie is looking at the building presently. Mayor Hawkins questioned Wilcar's status, stating that the company was not registered with the State. Attorney Bill Collins will investigate. Ms. Gordon concluded with the promise to keep the MCEDA Board current with her activities involving the Sound Stage.

Chairman Bounds directed the Board to consider approval of the May 30, 1996 MCEDA Minutes mailed prior to the meeting. Mr. Wallace made a motion to approve the Minutes. Mr. Johnson seconded and approval was unanimous.

The Financial Report was presented with General Ledger Reports, Docket of Expenses and a folder of invoices by Ms. Foy. After some discussion on three Waggoner invoices in one month, Mr. Vassallo asked that Mr. Bourgeois submit all future bills broken down by general engineering services separate from land development engineering services; noting that any cost involved with development of property be deducted from the selling price of the property.

Mr. Johnson moved to accept the financial report. Mr. Wallace seconded and all approved.

Mr. Bourgeois summarized, in the engineering report, the sewer service for the 8.5 acres at CMIC. He suggested that sewer to the Cypress property line (400') be scheduled with the sewer service work for the 8.5 acres to be more cost effective. Mr. Wallace stated concerns for developing sewer service to property before a sale. Mayor Hawkins questioned the ownership of the sewer lines at CMIC that are serviced by CMU. After some discussion, Mayor Hawkins recommended that Mr. Vassallo investigate the ownership of the sewer lines and report back to MCEDA. Mr. Wallace recommended to proceed with sewer service to Cypress's property line, but to wait on sewer for the 8.5 acres. The consensus was to follow Mr. Wallace's recommendation.

The Ridgeland Business Park sites will be ready for sale by mid to late July, Mr. Vassallo reported. The rezoning will be complete by July 7th, and the next step will be surveying of individual lots. Mr. Bourgeois agreed to a ^{\$50}~~\$500~~ ceiling for lot surveys plus a \$100 charge to update the Master Plan after each sale. The two lots on the south side and one on the northwest end are ready for sale according to Mr. Vassallo. Mr. Johnson made a motion to accept Mr. Bourgeois's offer of no survey to exceed ^{\$50}~~\$500~~ and \$100 charge to up date the Master Plan each time. Mayor Hawkins seconded with unanimous Board approval.

Per
Steve
VASSALLO

Mr. Collins presented the attorney's report in Mr. Montgomery's absence. He discussed Cardinal's tentative closing date of July 12th. Adding that Cardinal's request to move onto property prior to closing is being addressed through Larry Smith-Vaniz and their lawyers. It was agreed that when Mr. Smith-Vaniz made a recommendation, the Executive Board would take action to prevent any delays to Cardinal with the understanding that the full Board will approve at July's meeting.

At 9:45, Mr. Vassallo presented a proposed budget for MCEDA 96-97 fiscal year, saying that it is imperative that Madison County be competitive with all the southern states. He told of a \$5M budget for Harrison County and other economic development agencies total budgets of \$200,000 to \$900,000. The sale of CMIC property to Cardinal and Cypress will enable the county to approve MCEDA's request without raising County taxes. Mr. Vassallo concluded his budget presentation stating that all money budgeted does not have to be spent, but reminded the Board that the May Retreat's findings call for a high priority being placed on economic development in the County's budgeting process. Mayor Hawkins made a motion to approve the \$497,704 proposed 96-97 budget. Mr. Beamon seconded and the vote was unanimous to approved the budget.

Mr. Vassallo commented that the Madison County video is a block buster and announced a joint "Office After Hours" with all the local Chambers scheduled for August 1st for the premier showing of the video.

Two proposals were submitted for the Board's opinion on the 8 acre land use design at CMIC's entrance. Discussion lead to the conclusion that the purpose for this land design is to obtain the most money possible and to provide service to the area. Mr. Wallace motioned to get additional proposals from substantial companies with advanced capabilities in land design. Mr. Johnson seconded and all approved.

Mr. Vassallo told of his visit with Senator Dick Hall to discuss economic funding for Mississippi through a special sales tax. Senator Hall promised to get the opinions of his staff and inform Mr. Vassallo.

The proposed tax abatement policy was discussed and Mayor Hawkins motioned to work with the Tri-Counties to have a uniform tax abatement policy throughout the Metro Economic Development Alliance. Mr. Johnson seconded and the vote was unanimous.

Mr. Vassallo requested a cellular phone for his car saying he's away from the office more and more. Mayor Hawkins made the motion to approve the expenditure to purchase Mr. Vassallo a mobile phone and for service through the County's Cellunet program. With no discussion, Mr. Johnson seconded and all approved.

Mr. Vassallo told the Board federal funding is still being sought for the widening of the Natchez Trace overpass bridges on Rice Road and Old Canton Road.

Ms. Foy submitted a report regarding her industry visit to Parker -Hannifin. She mentioned receiving an Entergy scholarship to attend her third and final year of the Community Development Institute in Conway, Ark. Mr. Wallace made a motion to approve Ms. Foy's request to attend the third year of CDI training and to reimburse her for out of pocket expenses for the week including room, mileage, telephone calls and food. Mr. Beamon seconded and all approved.

Mr. Vassallo told of a major prospect for the Highland Colony Parkway, a prospect from Sweden, PHH Fantus prospect looking at Kearney Park in Flora, and discussion with a prospect for the Sound Stage, which called after the meeting started to say they would withdraw their request due to the time involved to retrofit the facility.

Mr. Vassallo shared that the printed marketing material will be available in July.

A resolution, drafted by Larry Smith-Vaniz (enclosed), was presented for approval giving Mr. Vassallo authority to conduct business on behalf of MCEDA with Deposit Guaranty National Bank (DGNB) renewing the CHEER loan. Mayor Hawkins made the motion to approve the proposed agreement and resolution accepting DGNB's low bid and authorizing Mr. Vassallo to act on behalf of the Board in renewal of the CHEER loan. Mr. Beamon seconded and all approved.

A request to transfer the lease agreement from UNR-Leavitt to Leavitt Tube Company was presented. Attorney Collins said there are some restrictions in transferring agreements with Bond Documents. The consensus was to table this request until Attorney Collins could review the request with Leavitt Tube's attorneys.

A site plan was presented for architectural review and approval from Cardinal Health. The Board voted to table approval until the exact colors of the building were presented.

The scheduled July 18th meeting will be in conflict with the DGNB Golf Classic, July 18-21, and Mr. Vassallo requested it be moved to Tues., July 16th. Attorney Collins recommended recessing this meeting until that date to circumvent a special meeting which would limit the action of the Board. All approved recess of this meeting until Tuesday, July 16th at 8:30 in the MCEDA Conference Room.

Other upcoming events were tentative dates of July 16 for the Cardinal's announcement and July 25 for Courthouse Cornerstone opening. The Canton Planning Meeting is scheduled for July 11, 7 - 9 p.m. and the MCEDA Board has been requested to participate in this meeting.

Mr. Johnson made a motion to enter into closed session to consider executive session for the Board. Mr. Phillips seconded and all approved.

At 10:45 Mr. Vassallo explained the items for consideration are as follows:

- 1.) Retrofitting the Sound Stage.
- 2.) Raytheon's request.
- 3.) SID land request.

Mayor Hawkins made a motion to enter executive session to discuss the prospects and land negotiations. Mr. Wallace seconded. At 10:47 the Board was declared in executive session.

Mr. Vassallo presented the details of the Raytheon's request. After discussion, Mr. Wallace made a motion to offer 9 +/- acres, (retaining property for right-of-way for a road) at \$23,000 per acre with a request of a \$25,000 contribution to the Foundation. Pledging that MCEDA will strive to develop a frontage road while requiring that after the purchase of property, the construction will be underway within 24 months. Mr. Phillips seconded and all approved.

Other matters were delayed for additional consideration.

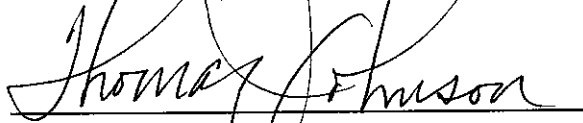
Mayor Hawkins made the motion to adjourn executive session, and Mr. Wallace seconded with all agreeing.

Mayor Hawkins motioned to recess the meeting until July 16th at 8:30 a.m.. Mr. Johnson seconded and the vote was unanimous. The meeting concluded at 11:35 a.m.

WITNESS OUR SIGNATURES:



Mark S. Bounds, Chairman



Thomas Johnson, Secretary-Treasurer