

FINAL MINUTES OF THE MARCH, 2004
MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 18TH DAY OF MARCH, 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 18th day of March, 2004, at 8:30 a.m. in the 1855 Courthouse in the city of Canton, Mississippi.

Members Present: Steve Davenport, Chip Estes, Barbara Gray, Billy B. Thames, Thomas Johnson and John Wallace. Also present were Larry Mobley, Joy Foy and Bob Montgomery.

Guests: Tom Wiygul, Bob Landri, Patrick Casico, Joe Barlow and Joe Waggoner

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

Mr. Estes made a motion to approve the minutes of February 19, 2004, meeting. After a second from Ms Gray, the motion was unanimously adopted.

Mr. Estes made a motion to approve the minutes of February 27, 2004, meeting. After a second from Mr. Davenport, the motion was unanimously adopted.

Natcom notified MCEDA that it is withdrawing its tax exemption request based upon the company's closure of the Ridgeland site. Mr. Wallace made a motion to notify the Board of Supervisors, in writing, of Natcom's decision to cease the process. After a second by Ms Gray, the motion was unanimously adopted.

Mr. Wallace explained that Mississippi Development Authority (MDA) is satisfied with the agreement between Canton Municipal Utilities (CMU) and Bear Creek whereby CMU is responsible for the fire protection to the Central Mississippi Industrial Center (CMIC) along Old Jackson Road and Bear Creek is responsible for providing domestic water service.

Mr. Wallace reported that the Madison County Wastewater Authority (MCWA) voted to build the Madison County sewer plant. Once all the details are worked out for the MCWA to purchase the Catlett Road interceptor, MCEDA will make the necessary arrangements to issue and submit a resolution authorizing the transfer of the project and loan agreement to MCWA, as well as the termination of the existing loan agreement.

A request from Mr. Parker Sartin for an additional amendment to the covenants at the CMIC within his "First Choice Business Park" was reviewed. On November 20, 2003, the MCEDA Board voted to grant an amendment to Section "201.01 Setbacks" of the covenants for the First Choice Business Park lots and in addition, Mr. Sartin wishes an amendment to Section 108.01-06, concerning the prohibited uses of a facility less than 50,000 square feet for multi-tenant warehouse. Given the one acre lot size in the First Choice Business Park, this type development would not be applicable. Mr. Wallace made a motion to approve the requested amendment for property within the First Choice Business Park, Lots 1 – 9. After a second by Mr. Davenport, the motion was unanimously adopted. A copy of the amendment is attached to and made a part of these Minutes by reference as Exhibit "A."

Mr. Wiygul reviewed the 2003 MCEDA audit with the Board. He recommends that MCEDA utilize an accounts payable software to better track outstanding invoices. Mr. Davenport made a motion to approve the 2003 Audit from Harper, Rains, Knight & Company. After a second by Mr. Johnson, the motion was unanimously adopted. The MCEDA staff will review with the accountant options to allow the accounting firm to assist with the bookkeeping for the office on a monthly basis.

Ms Gray noted that the invoices and documentation for the monthly invoices were complete except for a payment to Mr. Acy as reimbursement for his dependent coverage insurance. She requested that copies of the insurance policy be attached to the payment voucher. With that correction, she made a motion to approve the financial reports and payment of monthly invoices. After a second by Mr. Johnson, the motion was unanimously adopted. The financial reports, including the docket of invoices are attached to and made a part of these Minutes by reference as composite Exhibit "B."

Mr. Johnson made a motion to authorize Mr. Montgomery to review the minutes that extended Mr. Acy's contract and to ensure that the terms of the contract are outlined and approved in the minutes. After a second by Mr. Estes, the motion was unanimously adopted.

A letter drafted by Attorney Montgomery regarding backing up MCEDA's computer files, as directed at the February MCEDA Board Meeting, was presented. A copy of which is attached as Exhibit "C." The letter requested that the Board of Supervisors sign a confidentiality agreement based on the fact that security of MCEDA files could be at risk. Mr. Estes made a motion to authorize Chairman Thames to sign and deliver the letter, provided a confidentiality agreement form is attached for the supervisors to sign. After a second by Mr. Wallace, the motion was adopted with Chairman Thames, Mr. Wallace, Mr. Estes and Mr. Johnson voting "Aye" and Ms Gray and Mr. Davenport voting "Nay."

At 9:35 a.m., the Board took a break.

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

A request from Attorney Alan Purdie to amend the development lease on the 16th Section property at Gluckstadt to reduce the acreage of the lease by 1.174 acres for a temporary construction easement and by 1.515 acres for a permanent and perpetual easement was considered. The easements will allow for the industrial water line that will serve Nissan and the new interstate interchange. Mr. Johnson made a motion to accept the proposed amendment to the 16th Section Lease as outlined in the letter attached to and made a part of the Minutes by reference at Exhibit "D." After a second by Mr. Wallace, the motion was unanimously adopted.

Messrs. Landris, Casico and Barlow presented a request to purchase a 10 acre site south of SEC at Gluckstadt for expansion of IMS Autrans. The site fronts Old Jackson Road and is part of a 26 acre tract. IMS would like to purchase 10 acres, with an option to purchase the remaining 16 acres within a year. This would allow the developer, Jackson Logistics, to develop the property to its maximum potential, complete with storm water retention areas. IMS has a contract with 11 tenants and are out of space at the present location. The plans call for a 100,000 square foot facility on the 10 acre site with later expansion moving toward Interstate 55. They offered to work with MCEDA in locating office space along the I-55 frontage when the project moves onto the 16 acre tract.

A second company, Anika, is looking at the same site. It has a design plan for the entire 26 acres as discussed in the February 27, 2004, meeting. The developer plans to bring in companies. No representative of Anika attended the meeting. Mr. Mobley reported that he has been working with Jackson Logistics for 4 – 5 months on the Autrans project, but only last month received the proposal and master plan design from Anika. Anika is a joint venture between Yates Construction and Michigan developer, Murray Wikol.

Mr. Acy, contacted by phone, recommended that the Anika plan be awarded the purchase agreement based upon their commitment to develop the entire acreage. Given that Jackson Logistics attended the meeting, is working with Nissan and is working with Autrans, Mr. Johnson made a motion to offer a contract to Jackson Logistics that allows them to purchase the 10 acres now and the remaining 16 acres within a 9 month period provided a master plan for the entire site is presented and approved, at a price of \$35,000 per acre. After a second by Mr. Davenport, the motion was unanimously adopted. The contract will include a buy out clause that would ensure that MCEDA has the option to repurchase the property at the selling price if Jackson Logistics defaulted on the agreement.

The sale of the Oxford Automotive building was discussed. The following are proposals received to date: Jackson Logistics' offer of \$1.36M; Anika's \$1.80M and Dillon's \$2.0M. These offers are not consistent and therefore cannot be evaluated on face value. Chairman Thames reminded the Board that while Oxford is looking to expand and all of these developers are interested in being included, MCEDA has to be considerate of Oxford's rental rates to ensure that they can bring a stamping operation to Madison County. Mr. Davenport made a motion to authorize the Executive Committee to review all proposals in detail and select the highest and best bid for the project. After a second by Mr. Johnson, the motion was unanimously adopted.

Mayor Richardson of Flora requested, by letter, that MCEDA consider purchasing 40.89 acres along Highway 49 from Mr. Arrion King. The King property borders the Flora Industrial Park on the north side. Mr. Wallace made a motion to authorize the MCEDA staff to negotiate a 60 day option, at no cost, that will allow MCEDA time to have an engineer look at the feasibility of developing the property for industrial use and to have the property appraised with the intent of negotiating a purchase price. After a second by Mr. Johnson, the motion was unanimously adopted.

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As a follow-up to the discussion at the January 15, 2003, meeting when MCEDA committed to working with the Town of Flora on the sewer project to secure sufficient grant funding, Mr. Estes made a motion to also fund any shortfall of the grant funding up to \$250,000. The Flora sewer project will require moving the discharge point out to the Big Black River at a cost of approximately \$375,000. The relocation permit will expire August 11, 2004. After a second by Mr. Wallace, the motion was unanimously adopted.

At 11:30 a.m., upon motion made, duly seconded and unanimously adopted, Chairman Thames adjourned the meeting.


DR. BILLY B. THAMES, CHAIRMAN

ATTEST:


BARBARA GRAY, SECRETARY-TREASURER