

MINUTES OF THE SPECIAL MARCH, 1999 MEETING
OF THE MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 5TH DAY OF MARCH, 1999,
AT 8:30 A.M., IN THE MCEDA CONFERENCE
ROOM OF THE 1855 COURTHOUSE IN CANTON, MISSISSIPPI

A Special Meeting of the Madison County Economic Development Authority was duly called, held and conducted on the 5th day of March, 1999, at 8:30 a.m. in the 1855 Courthouse in the City of Canton, Mississippi.

Members Present: Sammy Brown; Thomas Johnson; Ray Phillips; John Wallace and Hite Wolcott. Also present were President Steve Vassallo; Bob Montgomery; and Joy Foy.

Chairman Wallace announced that the members of the Authority who were present constituted a quorum and declared the meeting duly convened and ordered the Call and Notice of the meeting be filed with the Minutes of the Meeting and made a part of the Minutes by reference.

Chairman Wallace explained that this meeting has been called to discuss the sale of MCEDA property.

At 8:35 a.m., Mr. Johnson made a motion to enter into closed session to consider whether or not to declare an executive session. After a second from Mr. Phillips, the motion was unanimously approved. Chairman Wallace then closed the general session and convened the closed session.

After discussion of matters, Mr. Johnson made the motion to return to Open Session. Mr. Phillips seconded the motion and it was unanimously adopted, whereupon Chairman Wallace reconvened the Open Session. The reason stated for executive session was 1.) Transaction of business and discussion regarding prospective sale of land.

For the stated reason, Mr. Phillips made a motion to declare an executive session. After a second by Mr. Johnson, the motion was unanimously approved. Whereupon, Chairman Wallace closed the General Session and convened an Executive Session at 8:40 a.m.

Mr. Montgomery listed the following issues to be considered in making a decision on pricing of the Electro National Corporation (ENC) building:

1. Under the present lease, there is no provision for the lessee to purchase the property, as is the normal bond lease agreement whereby a tenant is provided an option for purchase at a nominal fee after the bond indebtedness is retired.
2. Electro National, in a letter dated February 17, 1999, attached and made a part of these Minutes by reference, stated that ENC has paid \$532,703 to Goldkist for purchase of its lease portion of the building, as well as \$261,000 in leasehold improvements.
3. ENC has promised that the ownership of building is the necessary factor for an expansion that will enable ENC to create 35-45 new jobs paying a minimum hourly rate of \$10.00.
4. As required by law, the property was appraised with the leasehold interest taken into consideration. The market value estimate of the leased fee estate is \$14,200.

At 9:15 p.m., Mr. Harold Hall, President and COO of ENC, was called for a conference with the Board.

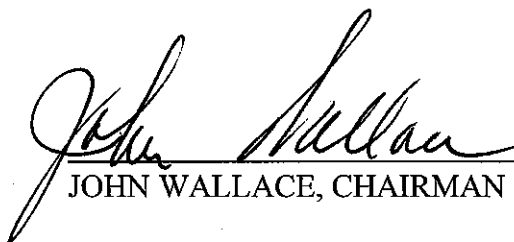
Mr. Vassallo reported to Mr. Hall that the property was being offered for the appraised value of \$14,200 plus reasonable closing costs, including the appraisal fee, not to exceed \$25,000 in total. He also stated that the property would be transferred via a quick claim deed, and would be transferred on an as-is basis. Once ENC owns the property it will revert to the Madison County tax rolls. MCEDA would not recommend to the Board of Supervisors to grant a tax exemption. A lump sum of \$14,200, plus closing cost would be required at closing. After Mr. Hall heard the facts, he asked Mr. Montgomery to proceed with the closing procedures. Mr. Montgomery questioned whether or not a title search and title certificate would be necessary. Mr. Hall requested that Mr. Montgomery supply these documents at closing.

Mr. Johnson made a motion to authorize the sale of ENC property to ENC as discussed barring any unknown pitfalls. After a second by Mr. Brown, the motion was unanimously approved.

At 9:26 a.m., Mr. Johnson made a motion to return to open session. After a second by Mr. Wolcott, the motion was unanimously approve. Chairman Wallace closed the executive session and reconvened the open session.

Mr. Wallace passed out an outline, attached and made a part of these Minutes by reference, for the Board's information. The Board consented that the project was moving according to plan.

At 10:00 a.m., upon motion duly made, seconded and unanimously adopted, the meeting was adjourned.



JOHN WALLACE, CHAIRMAN

ATTEST:



BRYAN ESTES, SECRETARY-TREASURER