

MINUTES OF THE MCEDA  
SPECIAL CALLED BOARD MEETING  
NOVEMBER 21, 1996; 8:30 A.M.

Chairman Mark S. Bounds called the Special Meeting to order at 8:35 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; Thomas Johnson; Ray Phillips; John Wallace; and Hite Wolcott. Also present were President Steve Vassallo; John Bourgeois; and Joy Foy. Guests attending included Jim Crews; Jim McKay; Duane Gordon; and Bill Collins.

Chairman Bounds asked for a motion to approve the Minutes from the two previous meetings. Mr. Wallace motioned to approved the October 24, 1996 Minutes as mailed. Mr. Johnson seconded and all approved. Mr. Johnson motioned to approve the November 8, 1996 Minutes, and Mr. Wallace seconded with all voting to approve.

Mr. Crews presented three (3) easement requests (attached) for Bear Creek Water Association with assistance from Mr. McKay. It was explained that the sewer system would serve the Red Oak Plantation sub-division. Mr. Wallace explained that the present Canton Municipal lagoon would accommodate this limited time use request. He pointed out that if a major water use industry located at CMIC then another sewer alternative would be needed anyway. He suggested that such easement would benefit both Bear Creek and MCEDA. After each board member expressed concerns, a motion was made by Mr. Johnson to approve the easement as drafted subject to an approved reciprocal use agreement. The desire to also have the agreement reflect Bear Creek's willingness to relocate the sewer line to accommodate any additional roads was discussed. Mr. Phillips second and all approved. Mr. Vassallo will attend the Bear Creek board meeting along with Mr. Bourgeois who will assist in adopting the language. Ratification will be given by an Executive Board to save time.

The folder of invoices for the month of November were examined along with the docket of expenses. Ms. Foy pointed out that the Herring & Long invoice was part of the invoices discussed last month, but was not showed last month on the docket or as part of the year to date budget totals last month. She explained that the \$269.23 Entergy bill will be paid in half by Canton Tourism for the Sound Stage as per the agreement. The \$6,837.50 check to Waggoner is partially a double payment to Waggoner, since Montgomery, Smith-Vaniz is paying these charges from the escrow accounts when the Ridgeland land sales are closed. Mr. Johnson motioned to approve the docket of expenses. Mr. Beamon seconded with an unanimous vote of approval.

Next, the Account Balances were discussed with attention given to the Magnolia Federal account for the Ridgeland land sales. Mr. Vassallo explained that the operation budget was approved subject to MCEDA's promise of \$129,307.81 back to the County within the year to the Interest and Sinking Account. This has been done in one month's time. It was also noted that a payment to the City of Ridgeland had been made and that a deposit from Mississippi Iron Works for an additional lot in Ridgeland was received. The Operations Account reflects a negative because of lack of taxes collected thus far this month.

Mr. Wallace motioned to approve the financial report. Mr. Johnson seconded and all approved.

Mr. Bourgeois discussed the Ridgeland Business Park by reporting that eight (8) lots have been sold. He stated that Mayor McGee is already planning for a Phase II for this park since the property is moving so rapidly. The Ridgeland Board of Aldermen has approved dedication of the property to the city.

Mr. Bourgeois proceeded by presenting a map showing extending utilities to Solider Colony Road at the Canton Commercial and Industrial Center at an estimated engineering cost of \$2,900.00. Mr. Wallace volunteered that CMU will put the lines in place. Mr. Johnson motioned to accept Waggoner's proposal to design the extended utilities services at a cost of no more than \$2,900.00. Mr. Beamon seconded and all approved.

Mr. Collins, representing Montgomery, Smith-Vaniz, presented the attorney's report by presenting a resolution for the dedication of road in the Ridgeland Business Park. A motion to approve the Resolution was made by Mr. Wolcott, seconded by Mr. Johnson, and all approved.

Mr. Vassallo began his report with proposals for a boundary survey on the 8 acres at CMIC north of Levi. The quotes for the survey range from \$3,650 to \$1,840. Mr. Wallace motioned to allow Waggoner to do the survey at a cost not to exceed \$1,840 in order to have an archive of all engineering work at one facility. Mr. Johnson seconded and all approved. Mr. Bourgeois accepted the offer for Waggoner.

Mr. Vassallo requested approval to proceed with having the 8 acres rezoned to allow for commercial investors. Mr. Wallace motioned to allow Mr. Vassallo to begin the paper work for rezoning process to allow highway commercial zoning. Mr. Phillips seconded and all approved.

Mr. Wallace motioned to accept the \$2,200.00 land use plan proposal for the 8 acres at CMIC from Johnson, Bailey, Henderson and McNeel. Mr. Phillips seconded and all approved.

The California prospect has not responded with the financial information requested in the due diligences, Mr. Vassallo reported. Mr. Wallace confirmed that no information had been received.

Mr. Haglof of Sweden is making plans to have Madison County's trade mission as his guests in June. The cost to an individual will be approximately \$1,500, thanks to Mr. Haglof's generosity, reported Mr. Vassallo. He requested that MCEDA should extend consideration to sponsoring the trip for any Board Member interested in participating in this trip. He stated that only 35 people could participate in this first trip. He further explained that Mr. Haglof is working to secure a second Swedish company for Madison County.

The Building Bridges meeting held on the square in downtown Canton was well attended and well received Mr. Vassallo reported.

The Sound Stage note was discussed. The payoff as of 11-13-96 was \$768,800 in principal and \$43,725 in interest. The interest builds at a cost of \$138+ per day. Mr. Vassallo concurs with Ms. JoAnn Gordon that we should solicit an eight (8) year, \$800,000 interest free loan from the Legislators. He reported that local legislators have spoken favorable toward this idea since it is a loan, opposed to a grant of monies. We will need a.) MCEDA Board approval; b.) Supervisor's approval; and c.) Ms. Department of Economic and Community Development support with the Legislators; and d.) Legislator approval. This arrangement, if approved, will allow a \$100,000 payment for eight years. This would enable the Sound Stage to be maintained for the movie/tourism industry as designed. The plans are to have the Foundation sponsor a reception for the Legislators at the Sound Stage to make the final sell of the ideal to them. Mr. Phillips motioned to authorize Steve and Mr. Johnson to ask the Supervisor's for approval to proceed with a request to the Legislators and to go before the Canton Board of Aldermen with a Resolution pledging funds toward the interest payment. Mr. Beamon seconded and all approved.

Mr. Wallace suggested that the \$30,000.00 paid to MCEDA as rent from the Movie Company along with proceeds from the sale of land to Yates Construction be used as interest payment and refinance the loan to allow the Legislators time to proceed. The consensus of the Board was to proceed in that manner.

Ms. Foy told of an interest by Mr. Scott Penn to purchase the Covington Street property he is presently renting. Mr. Collins will investigate the details.

Mr. Bounds spoke of dinner with Dave Lichtfuss of Leavitt Tube and the 45% production growth that the CMIC business will soon be enjoying. The issue of dredging the ditch is still a major concern. Mr. Collins was asked to discuss with the Supervisors.

Mr. Wallace mentioned that the new Courthouse will have the setting of it's cornerstone on Monday, November, 25 at 3:30 p.m.

Mr. Vassallo said the remainder of his report would require executive session.

Mr. Wallace motioned to enter into closed session to discuss executive session. Mr. Phillips seconded and all approved.

Chairman Bounds explained that an updated contract from KTSF prospect was to be considered, legal fees payment, and two land sales. Mr. Wallace motioned to enter executive session and Mr. Wolcott seconded. The vote was unanimous.

At 10:50 a.m. the meeting was declared in executive session. Mr. Wallace explained to the press the reasons for executive session.

Chairman Bounds read a letter attached to an updated agreement for purchase of KTSF property from Mr. William Smith. After much discussion, Mr. Wallace motioned to give Mr. Smith 14 days for first right of refusal on the property once clear title is reclaimed. Mr. Wolcott seconded and all approved.

Mr. Johnson motioned to instruct the attorneys to proceed with foreclosure on the KTSF deal and then amended his motion to say if payment is not received for the December payment. Mr. Collins suggested

that KTSF attorney's opinion be sought before any action be taken in this matter. The motion failed for lack of a second.

Mr. Vassallo spoke of "project Magnolia" and told that now there is a prospect tied to the project. The property has yet to be secured for purchase. Mr. Wallace said this may be a case we force eminent domain.

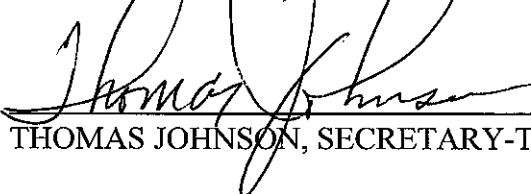
The next prospect is looking for remaining acreage in park II at CMIC exclusive of the ditch. It was the consensus of the Board to allow the sale leaving the ditch as county property.

At 11:45 a.m. Mr. Johnson motioned to end executive session. Mr. Beamon seconded and all approved.

Chairman Bounds adjourned the meeting at 11:50 a.m. upon motion by Mr. Wallace.

WITNESS OUR SIGNATURES:

  
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MARK S. BOUNDS, CHAIRMAN

  
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THOMAS JOHNSON, SECRETARY-TREASURER