

MINUTES OF THE OCTOBER 18, 2001, MEETING
OF THE MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 18TH OF OCTOBER, 2001, 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 October 8:30 a.m. in the 1855 Courthouse in the City of Canton, Mississippi.

Members Present: Sammy Brown, Steve Davenport, Chip Estes, Thomas Johnson, Billy Thames and John Wallace. Also present were Jerry Acy, Bob Montgomery, John Bourgeois, and Joy Foy.

Guests: Danny Williams, Larry Johnson, Lloyd Spivey, Charles Williford, Betty Douglas, Mike McGuffie, Darrell McGee, Scott Armstrong, and Ken Wilbanks

Chairman Estes announced that the members who were present constituted a quorum and declared the meeting duly convened.

Dr. Thames made a motion to approve the Minutes of the September 20, 2001, meeting as presented. After a second by Mr. Johnson, the Minutes were unanimously approved.

Ms Betty Douglas presented an overview of the growth and opportunities of Parker Hannifin at the Hoy Road, Madison, Ms location. She explained that the company has to invest in new modern equipment to stay competitive, even with the other Parker facilities, and that the requested tax exemption will assist in balancing out these necessary expenses. Mr. Johnson made a motion that as an incentive to keep these high paying jobs in Madison County that the MCEDA Board recommend the \$344,831.00 tax exemption request to the Madison County Board of Supervisors. After a second by Mr. Wallace, the motion was unanimously approved.

Mr. Willaims reported the Foundation's approval of a resolution committing to a good working relationship with all the area chambers, MCEDA and the Foundation. He reminded the Board of the mid-year legislative reception and requested that a suitable date be establish to ensure good attendance. November 14, 2001 was chosen for the next joint meeting with the Foundation and MCEDA. Dr. David Kolzow will be invited to discuss strategic planning with the group. Chairman Estes noted that Central Mississippi Planning and Development District has requested an invitation to Dr. Kolzow's presentation. Mr. Spivey encouraged the Board to assist with growing the membership for the Foundation.

Messrs. Mike McGuffie, Darrell McGee and Scott Armstrong presented plans drawn by Engineering Associates, Inc for the proposed System Electro Coating facility. The site plan calls for 20 acres south east of the Tower site for a 138,000 square foot building connected to the Tower building. This operation will require rail in the future for contracts to companies other than Nissan. The plans are to have the ground breaking in approximately 3 weeks. Start up is planned for March 2003. One third of the work force will be made up of technical people and the remainder will be truck drivers and warehouse personnel. Mr. Johnson made a motion to grant the following variances as requested 1.) Systems Electro Coating, LLC (SEC) and Tower Automotive facilities will connect for product exchange, requiring a variance to the set-back covenants in Section 201.01. 2.) SEC building facade will mirror that of Tower Automotive, utilizing four feet of exterior masonry finish at the front of the manufacturing/process area, requiring a variance to Section 201.03. 3.) SEC trucks and/or railcars may be "at rest" for unforeseen, short periods of time, possibly requiring a variance to Section 201.05. and 4.) SEC will have secondary loading and unloading operations at the east side of the manufacturing building, possibly requiring a variance to Section 201.09. After a second by Dr. Thomas, the motion was unanimously approved.

Mr. Wallace presented a proposed wastewater resolution for the Board's approval. The proposed location for the sewer lines is along Catlett Road all the way to Virillia Road. A meeting for the county sewer suppliers is scheduled for October 25, 2001 at 2:00 p.m. to offer an opportunity for input as to all requirements. Mr. Johnson made a motion to approved the Resolution, attached and made a part of these Minutes by reference, provided that MCEDA will own the sewer lines only until which time the Sewer Authority is formed. Once the Sewer Authority is empowered the lines and the associated debt will be transferred to the Sewer Authority. After a second by Mr. Brown, the motion was approved with Mr. Johnson, Mr. Brown, Mr. Johnson, Dr. Thames, Mr. Wallace and Chairman Estes voting aye and Mr. Davenport voting nay.

At 10:00 a.m. the Board took a break.

At 10:10 a.m., Chairman Estes reconvened the meeting.

Mr. Wallace explained that according to the Memorandum of Understanding with Nissan, a fire station has to be built. The sites identified include part of the Nissan property, part of the Hixon property and a site in the Canton Commercial and Industrial Center (CCIC). Mr. Wallace made a motion that provided all other options failed, MCEDA will provide a 2.4 acre site for the fire station at the corner of Solider Colony and Watford Drive. After a second from Mr. Johnson, the motion was unanimously approved.

The financial reports attached to and made a part of these Minutes by reference were presented and reviewed. A list of the invoices is attached to the Minutes and labeled "Docket." Mr. Davenport made a motion to approve the October financial reports and payment of the monthly invoices. After a second by Mr. Johnson, the motion was unanimously approved.

Mr. Acy reported that the \$850,000.00 CDBG application has been amended to include work for Church Road to be three laned to Highway 51 and to fund the sewer expansions required by the Nissan suppliers locating in the Central Mississippi Industrial Center (CMIC). Under the amended application the request totals \$3.5 million.

The Phase I Cultural Research approved in September at CCIC surrounding the found tombstone identified no problems. Once the corner lot is sold, bids will be accepted for construction of the proposed road.

Nissan Training Facility work is about finished and a visit for the MCEDA Board and the MCF will be included in the 11/14/01 joint meeting. Mr. Acy reported that final payment to the contractors is being held until Mississippi Development Authority and Nissan have inspected and approved the work.

With a request from the City of Madison concerning the annual meeting, Mr. Johnson made a motion to buy a table jointly with the MDF for all the Madison County Chamber's annual meeting. After a second by Mr. Wallace, the motion was unanimously approved.

A copy of the letter from the U.S. Department of Housing and Urban Development granting official approval for reconfiguring the development of the Martin property was distributed.

A draft resolution, previously adopted by MCF, that outlined a working agreement with the MCEDA, MDF and the five Madison County Chambers of Commerce was discussed. Mr. Davenport made a motion to approved the resolution. After a second by Mr. Johnson, the motion was unanimously approved.

Noting that the City of Madison was recently named one of the most livable cities in the state, Mr. Johnson made a motion to prepare a resolution from the MCEDA Board in recognition of this award. After a second by Dr. Thames, the motion was unanimously approved.

Mr. Johnson made a motion to enter closed session for the purpose of determining whether or not to declare an executive session. After a second by Mr. Wallace, the motion was unanimously approved. Whereupon, Chairman Estes recessed the general session and convened the closed session.

After discussion of matters, Mr. Johnson made a motion to return to open session. Dr. Thames seconded the motion, which was unanimously adopted, whereupon, Chairman Estes reconvened the open session. The reasons stated for executive session were discussions regarding prospective land sales, land acquisition and potential litigation.

For the stated reasons, Mr. Johnson made a motion to declare an executive session at 11:12 a.m. After a second by Mr. Brown, the motion was unanimously approved. Whereupon, Chairman Estes closed the open meeting and convened an executive session.

A copy of the Kennedy Complaint filed September 21, 2001 against Arthur Noble and Randy Wingfield was distributed by Attorney Montgomery. No action required just an information item.

M-Tech is considering a site on the 16th Section property at the corner of Old Jackson Road and Church Road back to Interstate 55. The lot proposed is 35 acres with 970 feet of frontage along

Old Jackson Road. After discussion concerning time frame required to purchase 16th Section property and the proposed new interchange in this same area, Mr. Wallace made a motion to proceed with the purchase of 100 acres of 16th Section property after the completion of the road improvements to ensure that all the purchased property is usable. After a second by Mr. Johnson, the motion was unanimously approved.

Mr. Wallace made a motion to draft a resolution requesting the Supervisors' approval funds not to exceed \$1.2M for the purchase 100 acres of 16th Section property. After a second by Mr. Johnson, the motion was unanimously approved.

Mr. Acy reported he is working with three active industrial prospects in additional to the ones that have been discussed by name as well as one potential commercial prospect.

Stating downturn in the economy as a reason, Georgia Gulf has elected to not purchase the fifteen acres to the north of their site.

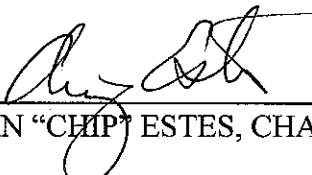
Tower Automotive has requested that MCEDA fund a Phase II environmental assessment at a cost of \$5,500 to ensure no tract pesticides remain in the soil. With the understanding that a Phase II would serve as an insurance policy, Mr. Davenport made a motion to approve the expenditure of up to \$5,500.00 for the assessment. Mr. Johnson seconded and all approved.

It was reported that Engineer Dave Holman is proceeding with the required land acquisition for an access road into the Flora Industrial Park from Highway 49.

At 12:15 p.m., Mr. Johnson made a motion to adjourn executive session. With a second from Mr. Brown and with all voting "aye" the executive session was adjourned and the general session reconvened.

Mr. Montgomery recommended that MCEDA consider joining the AHEAD organization to ensure insight into the Department of Transportation 2005-2010 road plans. Membership is \$100 and the next scheduled meeting is November 13, 2001. Mr. Davenport made a motion to join HEAD. After a second by Dr. Thames the motion was unanimously approved.

After a motion made, duly seconded and unanimously approved, the meeting was adjourned at 12:30 p.m.



BRYAN "CHIP" ESTES, CHAIRMAN

ATTEST:


STEVE DAVENPORT, SECRETARY-TREASURER