

MINUTES OF THE SEPTEMBER, 1998 MEETING
OF THE MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 17TH DAY OF SEPTEMBER, 1998,
AT 8:30 A.M., IN THE MCEDA CONFERENCE
ROOM OF THE 1855 COURTHOUSE IN CANTON, MISSISSIPPI

The September, 1998 meeting of the Madison County Economic Development Authority was conducted on the 17th day of September, 1998, at 8:30 a.m. in the 1855 Courthouse in the City of Canton, Mississippi.

Members Present: Cindy Alford; Sammy Brown; Chip Estes; Thomas Johnson; Ray Phillips; John Wallace and Hite Wolcott. Also present were President Steve Vassallo; Larry Smith-Vaniz; John Bourgeois; Bob Montgomery; and Joy Foy.

Guests: Eric Dean; Robert Long; and Charles Williford.

Acting Chairman Johnson announced that the members of the Authority present constituted a quorum and declared the meeting duly convened.

Mr. Wolcott made a motion to approve the Minutes of August 18, 1998 meeting as presented. After a second by Mr. Wallace, the Minutes were unanimously approved.

Mr. Phillips made a motion to approve the Minutes of August 26, 1998 meeting as presented. After a second by Mr. Wolcott, the Minutes were unanimously approved.

The financial reports were presented and reviewed. Mr. Wallace made a motion to consolidate the Deposit Guaranty National Bank Capitol Account with the Construction Checking Account to obtain the best interest rates. After a second by Mr. Phillips, the motion was unanimously approved. Mr. Phillips made a motion to accept the monthly financial statement and to approve payment of the monthly invoices which are listed on an attachment to the Minutes and labeled "Docket" and to make them a part of the Minutes by reference. Mr. Wolcott seconded the motion, which was unanimously approved.

Mr. Montgomery reported that a contract to begin work on the Flora lagoon had been delivered to the Natural Resource Office.

The removal and storage of the "A Time To Kill" movie sets were discussed. Dennis Garland was directly involved with the construction of the sets for "A Time To Kill". The committee formed to make recommendations on the removal and preservation of the sets have recommended Mr. Garland be hired to oversee the work. Mr. Wallace made a motion to hire Mr. Garland, based on his expertise to oversee and direct the dismantling, preserving, moving and storage of the set at a price not to exceed \$120,000 and within the time frame of six (6) weeks. After a second by Mr. Wolcott, the motion was unanimously approved. The City of Canton will provide a storage place. The latest date that the sets can be inside the Sound Stage is December 1, 1998.

Mr. Estes made a motion to authorize the Executive Committee to negotiate a contract with Mr. Garland/Gulf Coast Construction and Remodeling Company, provided no issues contrary to discussion arise. After a second, the motion was unanimously approved.

At 10:15, the Board took a break.

At 10:29, Acting Chairman Johnson reconvened the meeting and Mr. Bourgeois discussed an invoice from McHann Railroad Service dated February 3, 1998 for \$2,547.00. The charges incurred and invoiced relate to work done on the railroad spur at the Central Mississippi Industrial Center (CMIC) in connection with a bid process to upgrade the track to Illinois Central Railroad (ICRR) standards. This bid proposal was in conjunction with an agreement with ICRR to assume maintenance of the spur at CMIC. No such agreement with ICRR has yet been reached. Mr. Phillips made a motion to approve payment of the \$700 for actual work performed

on the track, but to write a letter explaining that MCEDA can take no responsibility for the performance bond or insurance amount incurred by McHann. After a second by Mr. Brown, the motion was unanimously approved.

Mr. Bourgeois also reported the two (2) acre lot survey for a prospect at the Canton Commercial and Industrial Center (CCIC) is underway.

Mr. Vassallo reported that the Martin Property land transaction should close by the middle of October. The Ridgeland Business Park has only one (1) lot remaining to sell. The announcement for the prospect leasing the Sound Stage will be held at the Resource Center, Wednesday, September 23, 1998 at 2:00 p.m. The Board elected to take bids to modify the old sign at CMIC and to construct and erect a new sign for the Martin property on the North end of the park.

A letter from Bucky Gideon requesting MCEDA assistance in regards to availability of natural gas to the development on the 1,923 acre site West of Canton was discussed. Mr. Montgomery advised that MCEDA had no authority to contribute to this project. Mr. Wallace recommended that Mr. Johnson write a letter to the Canton Municipal Utility Board President to assist Mr. Gideon in obtaining approval under the old CMU policy that was in effect when the land was purchased. The old policy allowed CMU to construct the main line service to the property, but under the new policy, the cost will be the developer's.

Ms. Foy's typed report was examined and is attached to and made a part of these Minutes by reference. No action was required.

A letter from Jim Beasley of Yates Engineering outlined the status of the specifications for the renovation of the Sound Stage. Mr. Wallace made a motion to allow Mr. Vassallo to advertise for bids based on Mr. Beasley's specifications. After a second by Mr. Phillips, the motion was unanimously approved.

At 11:22 a.m., Mr. Wolcott made a motion to enter closed session to consider whether or not to declare an executive session. After a second from Mr. Phillips, the motion was unanimously approved. Acting Chairman Johnson then closed the General Session and convened the Closed Session.

After discussion of matters, Mr. Brown made the motion to return to Open Session. Mr. Phillips seconded the motion and it was unanimously adopted, whereupon Acting Chairman Johnson reconvened the Open Session. The reasons stated for executive session were 1.) purchase/sale of land 2.) litigation and 3.) personnel matters relating to Mr. Vassallo.

For the stated reasons, Mr. Wolcott made a motion to declare an executive session which was seconded by Mr. Brown and unanimously approved. Whereupon, Acting Chairman Johnson closed the General Session and convened an Executive Session at 11:25 a.m.

An offer to sell 50 acres of property adjoining the CMIC park for \$3,000 per acre to MCEDA was discussed. Mr. Wallace made a motion to take the matter under consideration. After a second by Mr. Phillips, the motion was unanimously approved.

A prospect interested in establishing a truck terminal at the CMIC was discussed. It was the consensus of the Board that this type of business was not a desirable land use for the property, but MCEDA will continue to work with the Realtor in an attempt to locate an alternate site.

The EPA litigation was discussed. Mr. Estes made a motion to authorize travel, lodging and meals for up to five (5) individuals to travel to Washington, D.C. to meet with the Justice Department and the EPA in an attempt to resolve the matter. After a second by Mr. Phillips, the motion was unanimously approved.

Mr. Estes made a motion to purchase approximately 140 acres known as the Flora Business Park from the Town of Flora for \$350,000, provided Flora will agree to enter into a contract to develop the land by January 1, 2000 and to sign a marketing agreement with MCEDA. After a

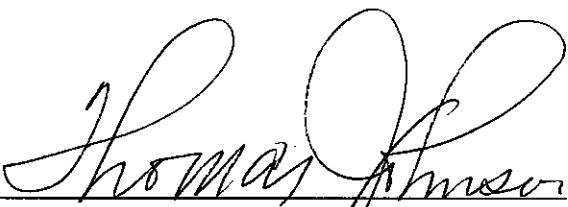
second by Ms. Alford, the motion was unanimously approved.

Mr. Montgomery explained a contract (copy attached and made a part of these Minutes by reference) to extend Mr. Vassallo's employment with MCEDA. Ms. Alford made a motion to approve the contract as presented for an additional three (3) years starting February 6, 1999 at a base pay of \$88,000 annually. After a second by Mr. Brown, the motion was unanimously approved.

At 12:45 p.m., upon motion duly made, seconded and unanimously adopted the executive session was adjourned and the open session reconvened.

Mr. Wallace made a motion to elect Mr. Johnson Chairman of the MCEDA Board. After a second by Mr. Wolcott, the motion was unanimously approved.

At 12:50 p.m., Mr. Brown made a motion to adjourn. After a second by Mr. Wallace the motion was unanimously approved.



THOMAS JOHNSON, CHAIRMAN

ATTEST:



C. RAY PHILLIPS, SECRETARY-TREASURER