

MINUTES OF THE SPECIAL SEPTEMBER, 2002
OF THE MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY
HELD AND CONDUCTED ON THE 27TH DAY OF SEPTEMBER, 2002, AT 9:30 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 27th day of September, 2002, at 9:30 a.m. in the 1855 Courthouse in the City of Canton, Mississippi.

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

Guests: Frank York, Buster McVey, Renee Cotton, Michael Stevens, Mark Bounds, Michael Hudgens, Andrew Rushing, Bruce Stevens, Joe Waggoner, Charles Williford, Veronica Peppers, Mike McKinzie, and Karl Allen

Chairman Johnson announced that the members present constituted a quorum and declared the meeting duly convened. He ordered the Notice and Call of the Meeting filed with the Minutes.

Mr. Davenport made a motion to approve the Minutes of the August 15, 2002, meeting as presented. After a second by Mr. Wallace, the motion was unanimously adopted.

Mr. Davenport made a motion to approve the Minutes of the August 22, 2002, meeting as presented. After a second by Mr. Wallace, the motion was unanimously adopted.

Mr. Andrew Rushing came before the Board to again discuss the cyclone fence along the back of the Earth Con property line. Mr. Davenport made a motion to work with the Central Mississippi Industrial Center (CMIC) land owners along Weisenberger Road to ensure the covenants are properly enforced with fencing screened to MCEDA's approval. After a second by Chairman Johnson, the motion was unanimously approved.

Mr. Mark Bounds and officials from Baptist Health Systems presented a power point presentation of a proposed occupational therapy clinic along Denim Way and Industrial Drive South in the CMIC. Baptist requested a one acre site for a temporary clinic with plans to build a permanent facility within 2005-2008 time frame. Baptist requested a decision from MCEDA by October 3, 2002.

Ms Peppers introduce Mr. Michael Hudgens and presented an ad valorem tax exemption and a Freeport Warehouse license request from the Falcon Company. The recent acquisition of an additional company has created 52 new jobs and additional inventory at the Canton site. The Position Statement, summarizing the tax exemption request, is attached to and made part of these Minutes by reference. Mr. Estes made a motion to recommend to the Board of Supervisors that the exemption and license be granted. After a second by Mr. Wallace, the motion was unanimously approved.

The Board considered the agriculture lease for the 65.31 acres in the Canton Commercial and Industrial Center (CCIC). It was explained that the rental income last year was \$3,477.00 and \$3,009.00 was the base payment from the Farm Bill. If the price of cotton does not reach a certain benchmark, the farmer or landowner, if the property isn't leased for farming would receive a second payment from the Farm Bill that could reach \$5,946.00 total. Dr. Thames made a motion to authorize MCEDA to sign up the acreage for collection of the Farm Bill payment in lieu of leasing the property. After a second by Chairman Johnson, the motion was unanimously approved.

Mr. Acy presented a request to borrow \$1.466 Million for 20 years at 1.75% DEQ loan. The monthly payment would be approximately \$7,309.00. Mr. Davenport made a motion to authorize Chairman Johnson to sign the DEQ loan application. After a second by Mr. Wallace,

the motion was unanimously approved. The Board then authorized Mr. Acy to request the Madison County Wastewater Authority to partner with MCEDA in financing this project.

Mr. Davenport made a motion to authorize Chairman Johnson to sign the \$1 Million EDA grant application jointly with the Madison County Board of Supervisors. However, for MCEDA understands that to receive the EDA grant funds, certain Restrictive Covenants regarding the project facilities have to be adopted. These covenants are intended to protect wetlands, endangered species habitat, 100 year flood plane and prime farmland. After a second by Dr. Thames, the motion was unanimously approved.

Dr. Thames made a motion to approve a 15 foot perpetual easement for the forced main along the Old Jackson Road and south of SEC out to Interstate 55. After a second by Mr. Davenport, the motion was unanimously approved.

A letter from Attorney Montgomery to Sarah M. Tracy (attached to and made a part of these minutes by reference) concerning a resolution approved by the Madison County Board of Supervisors on September 13, 2002, was discussed. Chairman Johnson made a motion to authorize MCEDA to accept the assignment, as approved by the Board of Supervisors, of the contract for the construction of the wastewater force main with Utility Constructors. After a second by Mr. Davenport, the motion was unanimously approved.

Messrs. Bruce Stephens and Karl Adams from Waggoner Engineering requested approval for amendment #2 to the CMIC pump station due to additional time required from Waggoner engineers in securing the DEQ approval of the plan and the change from an 18" line to a 24" line. It was noted that Waggoner actually expended \$20,000.00 but are only requesting \$9,500.00 toward recovering the expenditures. Mr. Acy recommended that the final price of \$102,000 be approved for the work. (The first amendment moved the price from \$79,000 to \$92,000 for the redesign work required with the re-location of the facility.) Mr. Estes made a motion to grant the Waggoner request. After a second by Chairman 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." Dr. Thames made a motion to approve the September financial reports and the payment of the monthly invoices. After a second by Chairman Johnson, the motion was unanimously approved.

At 11:15 a.m. the Board took a break.

At 11:25 a.m., Chairman Johnson reconvened the meeting.

Mr. Acy reported that with Nissan's recent announcement of the expansion planned for the Madison County site certain MCEDA property had to be identified as sufficient land to support the suppliers land requirements. A Memorandum of Understanding (MOU) attached to and made a part of these Minutes by reference identified those certain real MCEDA land holdings. Mr. Davenport made a motion to approve the MOU and authorize Chairman Johnson to sign the agreement. After a second by Dr. Thames, the motion was unanimously approved.

Mr. Acy summarized active projects including the Scruggs' land deal to close in two week, Two Rivers Restaurant to close before Oct 17, 2002 and Madison Gymnastics interested in property along Olympic Way in Madison.

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

After discussion of matters, Mr. Estes made the motion to return to open session. Mr. Wallace seconded the motion, which was unanimously adopted, whereupon Chairman Johnson reconvened the open session. The reasons stated for executive session were transaction of business and discussion regarding prospective land sales and personnel matters.

Mr. Davenport made a motion to enter executive session. After a second by Ms Gray, the motion

was unanimously approved at 11:47 a.m.

AJA Trucking has rejected the 16th Section site due to the numerous long term commitments required for the school property. Mr. Acy informed the Board that a 15 acres site on the west side of the CCIC along Solider Colony Road would be offered at \$12,000 per acre, with the understanding that with the added investment and jobs a CDBG could be awarded for extending the Watford Drive back to the Nissan Parkway. The Board had no objections.

Mr. Estes made a motion to authorize Mr. Acy to negotiate with Baptist Health Systems under the following guidelines:

1. Subject to approval by the Board of Supervisors
2. \$8.00 per square foot selling price net to MCEDA with any closing or Realtor's fees being paid by Baptist
3. Mandate that the permanent facility be built by 2/1/05
4. Architectural review required for both the temporary and permanent facilities.
5. If time frame is not met for the permanent facility the property can be re-purchased by MCEDA for 90% of net selling price.

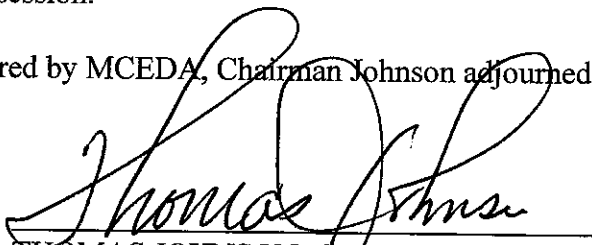
After a second by Dr. Thames, the motion was unanimously approved.

Mr. Acy reviewed the approved budget. Mr. Acy and Ms. Foy left the meeting to allow the Board to discuss staff salaries.


Mr. Davenport made a motion to approve salaries of the staff as presented by the director, however the Board requested that all employees be paid at least 80% of the identified average salary range in the future and that a measurable job description be presented to the Board for each employee. After a second by Dr. Thames, the motion was unanimously approved.

At 12:55 p.m., Mr. Wallace made a motion to adjourn executive session. After a second by Mr. Estes, the motion was unanimously approved. Whereupon, Chairman Johnson adjourned the executive session and reconvened the open session.

There being no more business to be considered by MCEDA, Chairman Johnson adjourned the meeting at 1:00 p.m.


THOMAS JOHNSON, CHAIRMAN

ATTEST:


BILLY B. THAMES, SECRETARY-TREASURER