

RESOLUTION OF THE MADISON COUNTY BOARD OF SUPERVISORS TO EXPAND THE REGIONAL ECONOMIC ACT ALLIANCE AGREEMENT UTILITY PROJECT, PREVIOUSLY APPROVED ON JULY 20, 2021 (the MEGASITE PROJECT”) TO ADOPT AN ADDITIONAL REDA UTILITY PROJECT TO BE KNOWN AS THE “NORTH MADISON COUNTY WASTEWATER DEVELOPMENT PROJECT”

WHEREAS, on or about July 20, 2021, a Regional Economic Act Alliance Agreement was made and entered into pursuant to the Regional Economic Development Act (the “RED Act”) cited as Code Section 57-64-1, et seq, which permitted political subdivisions of the State, to-wit: Madison County, Mississippi, acting through its Board of Supervisors (the “County), the City of Canton, acting by and through its Mayor and Board of Aldermen (the “City”), Canton Municipal Utilities (“CMU”), acting through its Board of Commissioners, and the Madison County Economic Development Authority (“MCEDA”), each agreeing to become a party to the regional economic development entity, and to act in one accord under the aegis of the RED Act, said RED Agreement being certified by the Madison County Chancery Clerk’s Office, being attached hereto as Exhibit “A”, and

WHEREAS, the purpose of the REDA Alliance in 2021 was to participate in a comprehensive Utility Project meant to maximize the suitability and attractiveness of certain lands in Madison County for the location and siting of certain industrial development projects in an industrial park known as the “Madison County Megasite”, and

WHEREAS, since that time, said 2021 REDA Utility Project has performed well, attracting significant investment to the Megasite, which over time has and will generate valuable new revenue allowing the County to upgrade transportation roadways, bridges, and to foster greater economic development opportunities for the inurement and substantial benefit for all of its citizens and residents, and

WHEREAS, the said Parties to the former Megasite REDA, wish to re-target its REDA Alliance to adopt, create, perform, execute and complete an additional Utility Project, intended to target and to focus upon another area of Madison County, the largely rural and undeveloped areas of Northeast Madison County, which, by all accounts, has not experienced the improved economic benefits currently enjoyed by other areas of the county, and

WHEREAS, the rural areas, lands, and homesteads situated in the northeastern parts of the County, are devoid of a comprehensive sewer system, forcing them instead to rely, in the main, on septic tanks, to fulfill the wastewater needs of its homes, schools, businesses and homes, and

WHEREAS, the Parties to the REDA Alliance formed in 2021 intend to utilize the same REDA structure, process, duties, roles and responsibilities with regard to a new Utility Project, including the same parties, to fulfill the objective of expanding the current REDA to accomplish the new Utility Project, to be known as the North Madison County Wastewater Development Project (the “Wastewater Project”).

THEREFORE, BE IT RESOLVED that the Madison County Board of Supervisors, acting for Madison County (the “County”), agree, as a member of the currently formed, REDA Alliance, to participate, engage in, and to sponsor an additional REDA Utility Project, to facilitate the participation of the remaining relevant members of the REDA Alliance, and after due agreement and signatures of all of

the relevant Parties hereto, will work to establish in a new and additional such Utility Project, to be known as the “NORTH MADISON COUNTY WASTEWATER DEVELOPMENT PROJECT” the terms of which follow herein:

REGIONAL ECONOMIC DEVELOPMENT ACT ALLIANCE AGREEMENT
North Madison County Wastewater Development Project

This Regional Economic Development Act Alliance Agreement pertains to the North Madison County Wastewater Development Project (this “Agreement”), being made and entered into effective as of the date specified in Section 11 hereof, by and between Madison County, Mississippi, acting by and through its Board of Supervisors (the “County”), the City of Canton, acting by and through its Mayor and Board of Aldermen (the “City”), Canton Municipal Utilities (“CMU”), acting by and through its Board of Commissioners, and the Madison County Economic Development Authority, acting by and through its Board of Directors (“MCEDA” and together with the County, the City and CMU, each a “Party” and collectively, the “Parties”).

RECITALS:

A. WHEREAS, all references herein to the “Code” shall mean the Mississippi Code of 1972, as amended.

B. WHEREAS, MCEDA was authorized by, and formed by the County in accordance with, Chapter 947, Local and Private Laws of 1979 (Senate Bill No. 3040), as since amended (the “MCEDA Act”);

C. WHEREAS, the MCEDA Act describes the corporate purpose of MCEDA as “an essential governmental function” and a “public purpose,” and provides that the members of the governing body of MCEDA must subscribe to the oath of all public officers except judges and legislators, that such members may be compensated for travel expenses; that public purchasing laws must be followed, and that the County levy and pledge ad valorem taxes in support of MCEDA and certain debt obligations thereof;

D. WHEREAS, CMU is a public utility commission authorized by, and instituted by the City, in accordance with, Code section 21-27-11 *et seq.* (the “Municipally Owned Utilities Laws”);

E. WHEREAS, given such provisions of the MCEDA Act and the Municipally Owned Utilities Laws, MCEDA and other such economic development authorities established pursuant to Local and Private Laws containing such provisions, as well as CMU, respectively, each constitute a “political subdivision” of the State of Mississippi (the “State”) as such term is defined in such sections of the Code as Section 11-46-1(i) and Section 31-21-3, and as further contemplated by the Office of the Attorney General of the State in its opinion to Thomas D. Bourdeaux, dated May 16, 1990;

F. WHEREAS, the Regional Economic Development Act (the “RED Act”), cited as Code Section 57-64-1 *et seq.*, permits political subdivisions of the State, such as MCEDA and CMU, to be a party to a regional economic development alliance formed in accordance with the RED Act.

G. WHEREAS, the Board of Supervisors of the County is the duly elected and serving governing body of the County.

H. WHEREAS, the Mayor and Board of Aldermen of the City are the duly elected and serving governing body of the City.

I. WHEREAS, the Board of Commissioners of CMU is the duly elected and serving governing body of CMU.

J. WHEREAS, the Board of Directors of MCEDA is the duly elected and serving governing body of MCEDA.

K. WHEREAS, pursuant to the provisions of the RED Act, local government units (such as each of the Parties), in order to make the most efficient use of their powers and resources, may cooperate and contract with one another for mutual advantage to share the costs of, and revenues derived from, a project and to, among other things, issue general obligation bonds to finance a project and provide services and facilities in a manner pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and economic development of the local government units;

L. WHEREAS, the RED Act provides that local governmental units of the State may, in connection with a “project” as defined by the RED Act, contract to jointly exercise and carry out any power, authority or responsibility exercised or capable of being exercised by each local governmental unit individually.

M. WHEREAS, each of the Parties hereto desires to enter into this Agreement, pursuant to the RED Act and in accordance with other applicable Code sections, to set forth the respective duties and obligations of each Party in connection with the development of the Project (as hereinafter defined);

N. WHEREAS, residents of the north/north-eastern parts of Madison County, have long sought and petitioned their elected officials to construct a conventional and comprehensive wastewater-sewer system to service this largely rural area. At present there is no community sewer system that connects schools, homes and businesses in the north/north-eastern areas of Madison County, thereby inducing these county citizens to rely on individually purchased septic tanks for wastewater disposal purposes. It is believed that the installation of this basic infrastructural component would bolster economic development and encourage the rapid construction of more single-family dwellings in the area. Without the availability of basic and reliable wastewater services this area of Madison County would continue to experience the out-migration of its population serving to impact the overall growth of the county.

O. WHEREAS, THIS project of septic to sewer conversion will benefit the low-income residents by providing smaller monthly financial burdens compared to unpredictable or irregular expenses associated with a septic system or individual treatment plant. This project will benefit unemployed residents as sewer service will allow commercial development in the community, which could lead to more jobs in the community. Young people who are considering leaving and not returning

because of the inconvenience and out-of-pocket expense of individual wastewater treatment will benefit as they will now have an option to return and build at home, ensuring the growth of the community. More young people returning would benefit the children in the community as it would address the falling enrollment in the schools and increase the likelihood that the children in the community can continue to go to school in or near the community. Persons vulnerable to getting sick from pollutants that raw sewage could produce will benefit.

P. WHEREAS, to maximize and equitably enhance the quality of life in all of Madison County, basic utility services, such as wastewater, must be provided to the rural areas of Madison County, allowing it to enjoy the benefits of a rapidly growing county- and in order to most efficiently construct, manage and operate same, a facility such as a REDA plan must be offered for participation by the Parties, thusly:

(1) Madison County, acting as primary sponsor of the Project, and in concert with CMU and MCEDA, will engage qualified engineers to study, survey recommend and propose a comprehensive plan to develop, construct and install a comprehensive sewer system in north and north-eastern Madison County composed of force mains, lift stations, and wastewater treatment facilities, to be constructed in phases (Project Study and Design Phase- First Phase).

(2) Construct and provide sewer service to connect all the schools in the Camden area, including Camden. This phase is anticipated to include the design and installation of approximately 76,000 feet of force main, three lift stations, and a temporary wastewater treatment facility to support initial system needs. (Project School Construction- Second Phase).

(3) This proposed phase includes extending sewer service to connect to the CMU sewer system by constructing a new force main along MS 43. This phase anticipates the design of approximately 68,000 linear feet of force main and one lift station to transport flows to CMU. (Project CMU Connection-Third Phase).

(4) Any property or rights-of-way to be acquired, if necessary, will be procured by Madison County, as soon as practicable, to expedite the construction of the requisite sewer system the "Public ROW Project").

Q. WHEREAS, it is anticipated that the total expenditures required for the acquisition, development, construction and installation of Project-related public infrastructure improvements, (Three Phases), will total approximately Fifteen Million Dollars (\$15,000,000), which includes, but is not limited to, the costs to acquire any land or right-of-way and any rights-of-way or easements needed for public improvements), due diligence costs such as boundary surveys, environmental assessments, endangered species assessments, wetlands mitigation studies, cultural resource studies, property appraisals, soil borings, engineering activities, and various other costs included in the definition of "cost of project" If necessary, as such term is defined in Code Section 57-64-7 (collectively, the "Project Costs");

R. WHEREAS, in order to finance a significant portion of the Project Costs, the County anticipates that it might be necessary to apply for a utility grant and or loan from the U.S. Department of

Agriculture's Rural Utility Service (RUS); and that it might become necessary to consider the issuance of general obligation bonds of the County pursuant to Code Sections 19-9-1 through 19-9-31 and 57-64-15, and will pursue all legitimate sources from which approximately Fifteen Million Dollars (\$15,000,000), may be secured by the parties hereto to fund Project Costs; and will pursue all legitimate means, in concert with MCEDA, to finance the Project.

S. It is anticipated that the new sewer lines will be owned and operated by the REDA Alliance but will be operated by CMU as applicable and in accordance with applicable REDA laws.

T. **WHEREAS**, the Parties have recognized a need to develop the Project in the County to service the residing public, to attract new capital investment to the County, and to generate new and better job opportunities for the citizens of North-North-East Madison County, and the County at large.

U. **WHEREAS**, pursuant to the RED Act and subject to certification by MDA, the Parties have determined the Project will promote economic development and ultimately assist in the creation of new and better-quality jobs for the citizens of the rural areas and the County, and therefore it constitutes a "project" for purposes of the RED Act;

V. **WHEREAS**, the Parties desire to enter into this Agreement to set forth the various rights, responsibilities and duties of each Party and to set forth the terms and conditions for the development and operation of the Project;

W. **WHEREAS**, it is in the best interests of the County and its citizens that the County enter into and execute the Agreement;

X. **WHEREAS**, as it lies adjacent to the Camden (Northeast Madison County) and as it is the municipal sponsor of CMU, it is in the best interest of the City and its citizens that the City enter into and execute the Agreement.

Y. **WHEREAS**, it is in the best interests of the members of CMU and its constituents that CMU enter and execute the Agreement; and

Z. **WHEREAS**, it is in the best interests of MCEDA, which provides economic services for the county at large that MCEDA enter and execute the Agreement.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE ABOVE AND THE MUTUAL BENEFITS ACCRUING TO THE COUNTY, CITY, CMU AND MCEDA, THE COUNTY, CITY, CMU AND MCEDA DO HEREBY AGREE AS FOLLOWS:

SECTION 1: Duration. This Agreement shall be in force and effect unless and until terminated in accordance with the provisions of Section 6 hereof.

SECTION 2: Purpose. The purpose of this Agreement is to define the respective responsibilities of the Parties with respect to the Project.

SECTION 3: Organization; Statutory Authority. The joint effort and alliance formed by the Parties pursuant to this agreement (the "Alliance") shall be governed by the County Board of Supervisors (the "Alliance Board"). The Alliance Board shall have any and all powers granted unto it under and pursuant to the RED Act. The Alliance Board shall take action in the same manner and in accordance with the same procedures established for the County Board of Supervisors such that any action, approval or other decision required to be taken or made by the Alliance Board in accordance herewith or applicable law shall be deemed to have taken or made if taken or made by the County Board of Supervisors. The County, City, CMU and MCEDA are authorized by the RED Act, the MCEDA Act, the Municipally Owned Utilities Laws and by Title 19 and Title 21 of the Code to jointly exercise and carry out the powers, authorities, and responsibilities to be exercised by each of them pursuant to the terms of this Agreement. The County shall notify the Mississippi Development Authority to ascertain its approval concerning the adoption of an additional Utility Project, to be undertaken by the current REDA Alliance. Should a Certificate of Convenience become necessary the County, on behalf of the REDA Alliance, will apply for same.

SECTION 4. Financing, Staffing and Supplying.

(a) *Financing Generally.* The Alliance shall be financed as a joint undertaking of the County, City, CMU and MCEDA in accordance with the terms and conditions of this Agreement. All Project Costs, identified as approximately Fifteen Million Dollars (15,000,000), shall be paid or sourced by the County using the Project Funds or any other funds of the County from any source that may be expended for such purpose, at, and subject to, the direction of the Alliance Board.

(b) *Other Discretionary Funding.* Notwithstanding the foregoing, (1) MCEDA may, but shall have no obligation to pay for any Project Costs using any funds of, or that are otherwise made available to, MCEDA, which may be utilized for such purposes under applicable laws; (ii) the City may, but shall have no obligation to pay for any Project Costs using any funds of, or that are otherwise made available to the City, which may be utilized for such purposes under applicable laws; (iii.) CMU may, but shall have no obligation to, pay for any Project Costs using any funds of or that are otherwise made available to, CMU, which may be utilized for such purposes under applicable laws

(c) *Staffing, Etc.* All of the staffing pertaining to the acquisition, construction, development and/or tenant recruitment for the Project will be provided by CMU, or engineers and consultants authorized by the REDA Alliance. The Parties hereby designate and authorize the Alliance Board to confer with and solicit the advice and recommendations of MCEDA with respect to the acquisition and development of the Project, and to exercise all powers needed to carry out and assist in such acquisition and development thereof. The County Board of Supervisors shall be responsible for approving all invoices and/or other payment obligations for Project Costs; provided, however, that the Alliance Board may designate one or more officers or employees of one or more Parties to grant such approvals to the extent such invoices and/or other payments are consistent with any such approval granted by the County Board of Supervisors.

SECTION 5: Operation of Alliance and the Project.

(a) The operation of the Alliance shall be carried out or otherwise directed by the Alliance Board, as described in Section 3 above, and as may be otherwise provided in this Agreement or permitted by the RED Act.

(b.) The County shall undertake the design, construction and installation of the Project and/or any components thereof, including without limitation, using the Project Funds and/or any other funds of, or that are otherwise made available to, the County, which may be utilized for such purposes under applicable laws..

SECTION 6: Termination; Disposition of Property. This Agreement shall terminate only upon the agreement and direction of the project sponsor, Madison County Board of Supervisors.

SECTION 7: Amendment. This Agreement may be amended at any time by the mutual consent of the Parties evidenced by a written agreement entered into pursuant to the provisions of the RED Act; provided, however, that the County and MCEDA may amend this Agreement in the same such manner (*i.e.*, in writing and pursuant to the provisions of the RED Act) without the consent of City and CMU solely to the extent that such amendment in no way imposes any adverse obligations (either monetary or non-monetary obligations) on city or CMU.

SECTION 8: Administration of Issuance of Bonds. The County shall issue and administer the County Bonds, if any, in accordance with the RED Act and other applicable laws, if necessary, subject to Section 4 hereof.

SECTION 9: Effective Date; Approvals; Filing. This Agreement shall be effective from and after the last to occur of the following: (a) this Agreement has been executed by all Parties hereto, (b) the approval of this Agreement by the Mississippi Attorney General has been obtained, (c) the certificate of public convenience and necessity for the Alliance has been obtained from the Mississippi Development Authority, if necessary, and (d) this Agreement has been filed with the Chancery Clerk of Madison County, Mississippi and the Mississippi Secretary of State.

SECTION 10: Miscellaneous.

(a) *Controlling Law.* This Agreement has been entered into under, and shall be interpreted and construed according to, the laws of the State of Mississippi.

(b) *Severability.* If any term of this Agreement is found to be void or invalid, such provision shall be fully severable from this agreement, and such invalidity shall not affect the remaining terms of this Agreement, which shall continue in full force and effect, and this Agreement shall be reformed and construed as if such invalid provision had never been contained herein, and if possible, such provision

shall be reformed to the maximum extent permitted under applicable law to render same valid, operative and enforceable to reflect the intent of the parties as expressed herein.

(c) *Counterparts.* This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument. This Agreement may also be executed by facsimile or electronic transmission, and each facsimile or electronically transmitted signature hereto shall be deemed for all purposes to be an original signatory page.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned Parties have agreed to expand the current Regional Economic Development Act Alliance Agreement (REDA) affixed hereto as Exhibit "A", and to incorporate into its current Projects, an additional Utility Project, to be known as the North Madison County Wastewater Development Project (the Wastewater Project), effective as of the Effective Date, although actually signed on the dates set forth below the respective signatures below.

MADISON COUNTY, MISSISSIPPI

By: _____
Gerald Steen,
President, Board of Supervisors

ATTEST:

Clerk, Board of Supervisors

(SEAL)

Date: _____

CITY OF CANTON, MISSISSIPPI

By: _____
Tim Scott Taylor,
Mayor

ATTEST:

City Clerk

(SEAL)

Date: _____

CANTON MUNICIPAL UTILITIES

By: _____
,
Chairman, Board Commissioners

ATTEST:

Secretary, Board Commissioners

(SEAL)

Date: _____

**MADISON COUNTY ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Joseph Deason,
Executive Director

