

Megasite Authority of West Tennessee Board of Directors

Meeting Date: March 15, 2023

Time: 10:00 a.m. – 11:08 a.m.

Location: Fire Station, Stanton, Tennessee

Attendees Included:

Clay Bright, CEO

Charles Tuggle

Commissioner McWhorter (absent)

Commissioner Branscom (via WebEx)

Commissioner Bryson (via WebEx )

Jeff Huffman

Jim Duke

Evelyn Robertson

Michael Banks

Chris Richards

Carolyn Hardy (via WebEx)

Christy Allen, Legal Counsel

- The Meeting was called to order at 10:05 a.m. by Chairman Tuggle.
- Chairman Tuggle performed the roll call. A physical quorum was present. Three members participated using electronic means.
- The first item of discussion was approving the January meeting minutes.
  - A motion was made by Mayor Huffman to approve the minutes.
  - Motion was seconded by Mr. Robertson.
  - Discussion – Ms. Richards asked for a few minor typographical edits to be corrected that she will submit.
  - In a roll call vote, the motion passed unanimously.
- The second item of discussion was the approval of the PILOT resolution and funding agreement. CEO Bright noted that this was discussed in the January meeting and the resolution and agreement were shared with the Board last week.
  - Ms. Richards was recognized and noted that while Haywood County was mentioned in the resolution, Fayette County was not and asked outside counsel Chris Bowles to speak to that. Mr. Bowles stated there will need to be, and presumably will be, a parallel agreement with Fayette County. It was felt that it was important to get one approved and then move to the parallel

agreement. Ms. Richards asked for an update on both resolutions and funding agreements at the May meeting.

- CEO Bright noted that on or about March 13, 2023, it was approved for the resolution and the agreement to be on the docket for the March 20 County Commission meeting, so he would like to move forward with approving it today. County Commissioner and Chairman of the IDB David Prince spoke to the resolution and their process for vetting these types of projects.
- Mr. Banks made a motion to postpone this matter until the next meeting to make sure that it goes through the Haywood County Commission and is approved by the Haywood County Commission before the Board takes action.
- Motion was seconded by Jim Duke.
- Ms. Richards asked for an amendment to the motion that the approval for Fayette County would also be included.
- There was a parliamentary discussion, and Mr. Banks stated he would prefer to handle the matter in two separate motions. Ms. Richards consented.
- Chairman Tuggle stated that there was a motion made and seconded.
- Discussion - Chairman Tuggle questioned if the document would not become effective until signed by Haywood County. If approved today, and Haywood County does not approve it, Chairman Tuggle assumes there is no agreement. Christy Allen responded that was correct. Another possibility would be that the Board approves it conditioned on Haywood County's approval, and if Haywood County does not approve, then there is an understanding it has to come back to the Board. Chairman Tuggle asked Mr. Banks whether he was comfortable with that.
- Mr. Banks amended the motion to approve being conditioned upon Haywood County Commission approving the resolution and funding agreement.
- Amended motion was seconded by Mr. Duke.
- With no further discussion, Chairman Tuggle stated that the motion before the Board is a conditional approval of the document subject to Haywood County Commission approval.
- In a roll call vote, the motion passed unanimously.
- In response to a question, Mr. Bowles described generally how the funds may be used and does not prohibit the payment of fees.
- Ms. Richards made a motion to also extend conditional approval to Fayette County, conditioned on Fayette County's approval. Ms. Richards asked that

the documents be clarified to show the payments allocated to each of the entities.

- Mr. Bowles stated that Exhibit A is intended to provide the columns that would be a reference. Mr. Bowles suggested making the approval here conditional on a more specific reference to the payments that would then be made, making it clear that the column that says Haywood would mean the payments to the Haywood County IDB only. And it would be clearly spelled out in the parallel agreement that will be prepared with Ford and Blue Oval SK as well.
  - Ms. Richards asked to clarify that these documents represent the Haywood County and Regional Authority payments. Ms. Richards stated they can handle the Fayette situation through a separate agreement if it is clear and suggested a sentence stating that any such PILOT payments be directed to Haywood County or the Regional Authority directly to the IDB.
  - Chris Bowles offered some proposed modified language if that will help for the purposes of the minutes. In that first sentence of Section One, we can say pursuant to Tenn. Code Ann. § 64-9-104(10) and furtherance of the Authority's purposes set forth in the Act that it is necessary and desirable for the pilot lessees to make their respective pilot payments under the heading "Haywood" on Exhibit A directly to the County.
  - Chairman Tuggle noted that this is amended, and the resolution applies to the agreement as amended in this discussion. Chairman asked if CEO Bright accepted that addition to the resolution. CEO Bright stated it is acceptable.
  - Mayor Huffman made a motion that the proper amendment as presented by counsel be made to the funding agreement.
  - The motion was seconded by Ms. Richards.
  - No further discussion.
  - In a roll call vote, the motion passed unanimously.
- Chairman Tuggle stated the next item for discussion is the pretreatment program.
    - Christy Allen stated that the Board is asked to adopt a motion to authorize her office to file the notice of rulemaking hearing for the pretreatment program rules for a future board meeting where there would be a hearing, subject to any non-substantive changes that may need to be made before filing. Ms. Allen described minor language and grammar changes a few instances where CEO Bright's name would be inserted in place of

“Administrator.” CEO Bright stated that Ford will be responsible for the pre-treatment.

- Mayor Huffman made the motion as asked.
  - The motion was seconded by Mr. Robertson.
  - No questions or discussion.
  - In a roll call vote, the motion passed unanimously.
- The next item is a review of the land conveyance policy.
    - CEO Bright stated that in the January meeting, the Board made the decision to move forward as far as property within the Megasite for SW Tennessee Electric and Chickasaw sub-stations that will be serving the treatment plant and the power to the TCAT to transfer that property to them at zero cost since they are providing service for this. Ms. Richards and Ms. Hardy had asked about having a policy in place in case any future requests come before the Board. Staff, along with Chris Bowles, has created a draft policy for consideration.
    - Ms. Richards made a motion to approve.
    - The motion was seconded by Mr. Duke.
    - Chairman Tuggle opened the floor open for questions and discussion.
    - Ms. Richards commented that she had reviewed it in advance and believed Ms. Hardy also did and that the draft policy fully effectuates the concerns that she had raised at the January meeting and thus supported its adoption. Ms. Hardy concurred.
    - Mayor Huffman asked if the TVA sub-station, Chickasaw, and SW Tennessee Electric deeds are going to be transferred to the names of those three utilities that stand alone. CEO Bright responded that was correct.
    - In a roll call vote, the motion passed unanimously.
  - CEO Bright gave an update that the RFP for the Treatment Plant Operator is going out today to be advertised. Any questions should be directed to Nicholas with the Central Procurement Office. CEO Bright will provide his contact information.
  - Mr. Banks gave an update on ambulance service that should begin on April 1. They are waiting on the agreement to be signed. The program will continue to be taught at the TCAT. On the fire side, Chief David Smith of the city and county fire department has priced all the items that Ford requires, and it is roughly about \$4.5 million. As for personnel cost, Ford would like 15 firemen; 9 could get it taken care of, for \$826,000 and \$496,000 respectively.

- CEO Bright gave an update on the SR222 Utility Service Update that will provide water and waste. He had two meetings with USDA which will be funding this \$12 million project. Mayor Sterbinsky has received the initial grants. USDA is now in the environmental phase, which is about a 60-day process.
- CEO Bright presented a supplier update. In recent conversations with Ford, they have released the contractor to start the building pads. He stated it was his understanding that Ford is talking to 5 suppliers, and they want to start foundations on those building pads on June 1.
- CEO Bright will pick a date for an April Board meeting and hold it on everyone's calendars.
- CEO Bright gave a TDOT update. The improvements along SR222 into the Megasite and Blue Oval City construction will start in July 2024 and be complete by November 2025, which ties in with Ford opening their plant with mass production. The work on Exit 42 and the improvements on that existing interchange will start in October 2024 and will finish in the fourth quarter of 2025. Then the new Exit 39 will start in the spring of 2024 and finish in May 2027. And the other work tied to Exit 39 which is G2 will start in July 2025 and finish in November 2028. Ms. Richards asked if TDOT was still coming to the May meeting to give a full update. Ms. Richards also asked specifically for a discussion of what it would take to get together a plan to put a third lane on I-40 between Jackson and Memphis; even with today's truck traffic, it is not unusual for it to be bumper-to-bumper.
- CEO Bright reported on the treatment plant. About 70% of the pipeline to the river is in place and is supposed to be complete in October-November of this year. On schedule as far as the water treatment plant and the wastewater treatment plant.
- Christy Allen spoke to the board's conflict of interest policy and the blank acknowledgment form.
- Chairman Tuggle asked if there was any other business.
- Adjournment
  - A motion was made by Chairman Tuggle to Adjourn.
  - The motion was seconded.
  - Discussion – None.
  - Meeting Adjourned at 11:08 a.m.

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