

Megasite Authority of West Tennessee Board of Directors Meeting

Meeting Date: November 17, 2022

Time: 10:00 a.m. – 12:15 p.m.

Location: William R. Snodgrass, Tennessee Tower, Nashville, Tennessee

Attendees:

Clay Bright, CEO

Chairman Charles Tuggle

Evelyn Robertson

Carolyn Hardy

Chris Richards

Mayor Jeff Huffman

Michael Banks

Jim Duke

Commissioner Christi Branscom

Commissioner McWhorter – Designee Sharon Kolb

Christy Allen, Legal Counsel

- The Meeting was called to order at 10:10 am by Chairman Tuggle
- Clay Bright performed the roll call
- The first item of discussion was approving the minutes from the last meeting.
  - A motion was made by Mayor Huffman to approve the minutes.
  - The motion was seconded by Ms. Richards.
  - There being no discussion, in a voice vote, the motion passed.
- The next item up for discussion was the PILOT distribution. The document entitled Exhibit B shows the total PILOT schedule from the accountability agreements for the vehicle and battery plants. The Megasite resides in both Haywood County (2973 acres) and Fayette County (206 acres). Discussed the PILOT program and the distribution that would occur over the next 30 years. CEO Bright asked whether the Board agrees with 20% being set aside for a to-be-established regional authority and asked for approval of the process. CEO Bright provided a document showing proposed PILOT payments apportioned for Haywood County and Fayette County by calendar year. CEO Bright explained that the process is that in the 11<sup>th</sup> year, 2032, that \$2 million will start going to the Regional Development Authority Infrastructure

for the remaining time in that PILOT agreement, and what is left over will be prorated.

- Mr. Banks made a motion to approve a PILOT payment plan: “to where Haywood County would get 94% of the PILOT dollars and Fayette County would get 6% of the PILOT dollars for years 1 through 10. In years 11 through 30, we would deduct \$2 million for those years and that \$2 million would, the \$2M that comes out would also be prorated accordingly - 94% and 6% respectively - and that Haywood County’s portion would be paid to the Joint Industrial Development Board of Haywood County and Brownsville, TN, and Fayette County’s portion be paid to their Industrial Development Board, and the Regional Development money be paid to a Regional Authority to be formed at some point in time in the future.”
  - In response to a question from CEO Bright asking whether instead of stating percentages he could use the acreage, based against the total of what Ford has in the lease, Mr. Banks amended the motion to apportion by acreage.
  - Mayor Huffman seconded the motion.
  - After further discussion, Mr. Banks further amended the motion to state that that \$2M per year, starting in year 11, would go to the regional wastewater authority to be established.
  - Mayor Huffman seconded the motion, as amended.
  - Chairman Tuggle recognized the motion and second and asked whether there was further discussion. Seeing none, Chairman Tuggle asked for a vote.
  - In a roll call vote, the motion passed unanimously.
- The next item of business was zoning regulations. Mickey Sullivan with Gresham Smith reviewed the updated zoning document.
    - Mayor Huffman asked if the Board could adopt the document as presented except for landscaping. CEO Bright confirmed that the plan is to come back with a landscaping section to be completed in the next six months.
    - Jim Duke made a motion made to approve the document with the exception of landscaping.
    - The motion was seconded by Mr. Robertson.
    - Chairman Tuggle asked if there was further discussion and seeing none, asked for a voice vote. The motion passed.

- The next item of business was the Sunset Hearing. Christy Allen stated that under the law this Board will Sunset on June 30, 2023. Every entity goes through a Sunset process. A Sunset hearing before the Joint Government Operations Committee of the General Assembly will be held on November 29, 2022. In addition to the Board CEO, the Committee likes to have the Board Chair appear and Chairman Tuggle may have a conflict and not be available. We are here to ask the Board to appoint a Board member as a designee to serve as the representative.
  - Mayor Huffman nominated Mr. Banks to serve as the designee.
  - The motion was seconded by Mr. Duke.
  - Chairman Tuggle asked whether there was further discussion and seeing none, called for a voice vote. The motion passed.
  
- The next order of business was obtaining the Board's approval for CEO Bright to give written consent to Ford and Verizon to locate a 250' cell tower on the west side of the property in the upper portion as long as they pass the zoning ordinances. The Tower will be there for the Ford project and its operations but would also serve the surrounding community.
  - Mayor Huffman made a motion to give CEO Bright the authority to give the written consent.
  - The motion was seconded by Mr. Robertson.
  - Chairman Tuggle asked if there was further discussion and seeing none, asked for a voice vote. The motion passed.
  
- The next item for Board approval concerned the farmland. All the property on the Megasite, before Ford came, had been farmed. CEO Bright asked for the Board's approval to go through procurement within State government to advertise for farmers to bid on that property so they can farm it from year to year and the State would make money on that. This amounts to about 400-500 acres.
  - Mayor Huffman made a motion to proceed with procurement.
  - The motion was seconded by Mr. Banks.
  - Chairman Tuggle asked if there was further discussion and seeing none, asked for a voice vote. The motion passed.
  
- CEO Bright stated that the next item for approval from the Board is both the Chickasaw Electric and Southeast Electric substations that have to be built. These are not substations within Blue Oval City - those are separate. The item was tabled until the December meeting pending receipt of additional information.

- CEO Bright proposed a new meeting schedule beginning in January 2023 whereby the Board meets 6 times per year rather than 12. For any critical items that come up, a meeting could be called. Chairman Tuggle stated a motion was not needed and recognized the Board's agreement. CEO Bright will continue scheduling meetings the third week of the month and possibly on Wednesdays.
- Adjournment
  - A motion was made and seconded. There being no discussion, in a voice vote, the motion passes unanimously.
  - Meeting Adjourned at 12:05 p.m.
- Chairman Tuggle asked if the group could reconvene to cover one remaining item on the agenda and called the meeting to order for a second time at 12:12 p.m.
- CEO Bright provided information relative to the Southwest Tennessee Electric (STEMC) substation that will be on Blue Oval City. The land will be carved out of Ford's lease and deeded to STEMC based on the investment they are making. CEO Bright asked for the Board's approval to transfer that ownership to STEMC.
  - Mayor Huffman so moved.
  - Commissioner Branscom seconded.
  - Chairman Tuggle asked if there was further discussion and seeing none, called for a vote. In a roll call vote, the motion passed.
- Adjournment
  - A motion was made and seconded. There being no discussion, in a voice vote, the motion passed.
  - Meeting Adjourned at 12:15 p.m.

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