

Megasite Authority of West Tennessee Board of Directors

Meeting Date: May 15, 2024

Time: 10:00 a.m. – 11:02 a.m.

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

Attendees Included:

Clay Bright, CEO

Charles Tuggle, Chairman

Commissioner McWhorter

Commissioner Branscom (absent)

Commissioner Bryson

Jeff Huffman

Jim Duke

Evelyn Robertson (absent)

Michael Banks

Chris Richards

Carolyn Hardy (absent)

Christy Allen, Legal Counsel

- The Meeting was called to order at 10:00 a.m. by Chairman Tuggle.
- CEO Bright performed the roll call. A quorum was present.
- The first item of discussion was approval of the November 15, 2023 meeting minutes.
 - A motion was made by Jim Duke to approve the minutes.
 - Motion seconded by Commissioner Bryson.
 - In a voice vote, the motion passed unanimously.
 - Minutes approved.
- Update Pretreatment Program Rulemaking
 - Christy Allen provided the update. The board had previously adopted a policy substantively identical to a notice of rulemaking hearing. We are now following up with the formal notice of rulemaking hearing that will be filed in the next few days. We have a hearing date of July 18. This will be a hybrid hearing for the public to come and give comments and for the public to participate electronically. We are being assisted by the Department of Environment and Conservation. It is their enforcement program and rules, and we will need them to assist with any technical questions. The

rulemaking hearing will take place at the Brownsville Parks and Recreation Building. Once the notice is filed, CEO Bright will follow up with more information.

○ Review of Supplier PILOTs

- CEO Bright provided an update and distributed handouts to the board. We are not asking for decisions to be made today on how the money will be appropriated. The information has been developed by ECD based on the framework approved last year to give you an idea of the magnitude of the PILOT payments that could come from these suppliers over the next 20 years. We also have some items that we are going to need to help with around this site. For instance, the roads going to the treatment plant were not included in the original budget, and we may need to address this and other items financially.
- Commissioner McWhorter added these are not exact numbers, but we tried to indicate what it could look like. To continue to work with suppliers and other businesses looking to relocate in and around the area we agree with CEO Bright that some of the infrastructure will need to be addressed.
- CEO Bright added that the first payments will begin in February 2025.
- Commissioner Bryson asked other than the roads, what major item(s) need to be done sooner rather than later. CEO Bright stated the only other item he is aware of is how to protect the wellhead area. We are getting information from a consultant. We are there as far as getting the Treatment Plant up and running.
- Chris Richards asked if we could by the next meeting at least have the framework for the process we will undertake as we evaluate the things that need to be considered. It would be good for transparency to outline the process we will be following. Also, to make sure we have adequate opportunities for comments from the public and other interested parties. CEO Bright, I think the process will be similar to what we did a year and a half ago. There will be a board meeting, but we haven't identified that board meeting yet.
- Mayor Huffman asked whether the tax rate applies to the depreciated schedule and the real property value or is the figure that you receive each year set? CEO Bright stated his understanding is that these PILOTs will fluctuate from year to year like other properties.

- Mr. Johnson's Property Appraisal
 - CEO Bright stated that Mr. Johnson lives on Keeling Road. We offered to purchase the property at the appraised value last year, but he declined, and he is again interested in going through the process of selling. We have obtained another appraisal and I will let him know the value. My ask to the board today is, if he decides to sell do you approve me moving forward, and is there any wiggle room to negotiate?
 - Mayor Huffman moved that the CEO be given the authority to move forward in negotiations and he does not have to return to the board for further approval. After some discussion, Mayor Huffman amended his motion that the CEO, and board member Michael Banks, together, have the authority, to negotiate the purchase of the property with Mr. Johnson.
 - Motion seconded by Jim Duke
 - There being no further discussion in a voice vote, the motion passed unanimously.

- Eastside Property Use Discussion
 - CEO Bright, we have about 400 acres on the East side of SR222. Ford is not interested in the property.
 - Jim Duke proposed a land donation to Haywood County for future use. We can see the need for county offices and maybe a green space, and I would like to bring a concept plan to the next meeting.
 - Commissioner McWhorter added that there has not been a lot of interest, and the first question will be can we provide power and utilities to that portion of land? That is what is driving what we do with this piece of land. Dreaming about what that 400 acres could be whether it is housing, or office buildings, or whatever is ancillary to Blue Oval City is a good exercise for us.
 - CEO Bright said let's get Ford up and running in 2025 and see what the needs are, or is there somebody we need to work with now to master plan that area?
 - Michael Banks added that we don't know what the need is going to be but I can see where Haywood County could need a sheriff substation in the area for protection, but also housing and other needs, not just industry. Until it is open and fully operational, we have no clue what the true needs are going to be.

- CEO Bright recapped that the board consensus is to wait and see what the needs are.

- Treatment Plant Operator & Plant Update
 - CEO Bright reported that we started furnishing water to Ford last November based on their needs. We had a temporary operator on board and went through procurement this spring. Clear Water Solutions will be our permanent operator for five years, with five one-year options to extend that for 10 total years. Along with a consultant, and F&A, we are working on what the costs of running the plant will be so we can present that contract to Ford. Two weeks ago, we furnished an updated MOU to Ford and in that, it updated the dates for permanent water coming online June 30 of this year, wastewater coming online June 31, and by the end of the year we will basically complete the treatment plant work. This schedule stays ahead of what Ford's needs are.

- SR222 Utility Service Update
 - CEO Bright reported that the process has been put in place. It has been a good effort working with Mayor Sterbinsky and the town of Stanton on the process and USDA funding. Those lines are in, and I believe they are making the water line connection today to the TCAT. The TCAT will open on time, and I think the sewer is just a week behind. This will serve the TCAT, the Fire Station at the Megasite, so they can operate 24-7, and also the YMCA. The YMCA will be built as a childcare facility and can accommodate up to 1400 people and will become the third major user. We hope this line will promote growth outside the Megasite property.
 - Mayor Huffman asked if Fayette County could connect to that line on that side for whatever retail or development may come. Mayor Taylor is here, and I believe there is some type of agreement of gallons per day between him and Mayor Sterbinsky.

- TDOT Update
 - CEO Bright reported that they started work on the northern side of SR222 extending that up toward the town of Stanton. There are conversations to improve signals at Exit 42 headed east from Memphis. The overall

improvements by TDOT for interchange 42 work will start in the latter part of this year extending the on/off ramps. Mayor Huffman asked if there had been any talk about railroad crossings with the increased traffic. CEO Bright will follow up with TDOT.

- Public Comments

- Chairman Tuggle opened the floor for comments.
- Theeda Murphy, Middle TN Organizer for Statewide Organizing for Community eMpowerment, otherwise known as SOCM. SOCM has a chapter in Jackson and members throughout West TN. She stated her purpose today is representing Blue Oval Good Neighbors a coalition of residents from West TN. We are formally calling on Ford to come to the table and negotiate a CBA that gives West TN a voice in Ford's Blue Oval project. We know the Megasite Authority does want to do right by the community and we are grateful for the investment Ford has made in the community. We are here to ask that the Megasite Authority of West TN encourage Ford to come to the table to ensure our community shares in the benefits of this project, ensure environmental protections for the impacted communities, and overall make sure that residents have a meaningful seat at the table for development.

- Other Business

- Michael Banks stated that the SR222 project wasn't easy. Clay needs a pat on the back for making this happen. It took a lot of moving parts and getting it done on time is a miracle.
- Mayor Huffman brought up the TVA substation, and if Haywood County or the State of Tennessee, was due any PILOT monies from TVA. And, if so, how much, and who would set that up, if not, then why not. Secondly, if Haywood received some in lieu of money last year, is that on the regular state distribution formula, and will those regular distributions increase over time? Is there money out that there needs to be considered? The other question is what about the substations being built by the cooperatives? Will there be payments from those?
- CEO Bright acknowledged receipt of the email and advised we are still going through some final negotiations with TVA. My understanding, and we have shared this with Real Estate/General Services, is that when we did a quitclaim on that property, it became county property so It will not be the Megasite

negotiating with TVA, it will be the County. CEO Bright will ask the question to TVA.

- Chairman Tuggle asked if there was any other business any member wanted to bring before the Board today. Being none, the Chairman called for a motion to adjourn.
 - A motion was made by Michael Banks to adjourn.
 - Seconded by Commissioner Bryson.
 - In a voice vote, the motion passed unanimously.
 - The meeting Adjourned at 11:02 a.m.

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