NOTICE OF SPECIAL MEETING

OF THE

CHICKASHA CITY COUNCIL

In compliance with Title 25, Oklahoma Statutes, Section 301-314, the Oklahoma Open Meeting Act, including the posting of notice and agenda, be advised that the Chickasha City Council, Chickasha Municipal Authority, and Chickasha Municipal Airport Authority of the City of Chickasha, Oklahoma, will conduct a **SPECIAL MEETING ON MONDAY, JANUARY 26, 2026, AT 6:30 PM**. Said meeting will be held in the Council Chambers, City Hall, 117 North 4th Street, Chickasha, Oklahoma.

The City of Chickasha encourages participation from all its citizens. If participation is not possible due to a disability, notification to the City Clerk at least 48 hours prior to the scheduled meeting is encouraged to make the necessary accommodations. The City may waive the 48-hour rule if signing is not the necessary accommodation.

All items on this agenda, including but not limited to any agenda item concerning the adoption of any ordinance, resolution, contract, agreement, or any other item of business, are subject to amendment, including additions and/or deletions. This rule will apply to every individual agenda item without exception, and without providing this same amendment language with respect to each individual agenda item. Such amendments should be rationally related to the topic of the agenda item, or the governing body will be advised to continue the item.

The governing body may adopt, approve, ratify, deny, defer, recommend, amend, strike, or continue any agenda item. When more information is needed to act on an item, the governing body may refer the matter to its City/Trust Manager, staff, attorney or to the recommending board, commission or committee.

Agenda items are attached.

I, Susan M. McDaniel, City Clerk, posted this **Special Meeting Agenda** on the official City of Chickasha bulletin board in the Municipal Building, 117 North 4th Street Chickasha, OK, 73018, which is accessible to the public twenty-four hours each day at 11:30 a.m. on Wednesday, January 21, 2026.

Susan M. McDaniel, CMC - City Clerk

Sworn to and subscribed before me on this 21st day of January 2026.

My Commission Expires: _10-1-2026____

Notary Public, State of Oklahoma

CHICKASHA CITY COUNCIL

AGENDA
LOCATION OF MEETING
CITY HALL COUNCIL CHAMBERS
117 NORTH FOURTH STREET
CHICKASHA, OKLAHOMA 73018

TIME OF MEETING	**DATE OF MEETING**
6:30 PM	**JANUARY 26, 2026**

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1. Call to Order / Roll Call / Opening Prayer / Pledge of Allegiance.

2. Discussion and Consideration

a. Discussion, consideration and possible action to approve Ordinance No. 2026-05: an Ordinance of the City of Chickasha, Oklahoma (the "City") approving utilization of apportioned tax revenues authorized by statewide vote adopting Article 10, Section 6C of the Oklahoma Constitution and implemented by the Local Development Act, 62 O.S. §850, et seq.; approving and adopting the Chickasha Airport Industrial Park Economic Development Project Plan and expressing intent to carry out the Project Plan; ratifying and confirming the actions, recommendations and findings of the Review Committee and the Planning Commission; designating and adopting the increment district boundaries and the project area boundaries; deferring the naming and establishing the date for the creation of the increment district; adopting certain findings; reserving to the City the authority to make minor amendments to the

Project Plan; authorizing the City Council of the City to carry out and administer the Project Plan; establishing a tax apportionment fund; authorizing directions for prospective apportionment of tax increments; establishing an allocation of use for tax increments; declaring apportionment funds to be funds of the City and limiting the pledge of apportioned increments to increments actually apportioned by the City; authorizing the City Council of the City, or a public trust designated thereby, to implement the Project Plan utilizing apportioned tax increments to pay or reimburse project costs directly and/or to issue bonds or notes, if feasible and desirable, to pay project costs and to retire said bonds or notes from apportioned tax increments; establishing an effective date; providing for severability; and containing other provisions related thereto.

b. Discussion, consideration and possible action to approve Resolution No. 2026-03R: a Resolution creating, naming, and establishing the commencement date for Increment District No. 3, City of Chickasha; ratifying and confirming Ordinance No. 2026-05 of the City Council of the City of Chickasha, Oklahoma, providing for severability; and containing other provisions related thereto.

c. Discussion, consideration and possible action to award the construction contract for the Water Treatment Plant Improvements Project (CMA-2303) to the lowest, responsive, responsible bidder, Wynn Construction Co., Inc., in the amount of $71,759,090.

3. Motion to Adjourn.

Meeting Type: **Special Council Meeting 1-26-2026**

Meeting Date: 1/26/2026

Department: Administration

Agenda Item No. 2.a.

AGENDA ITEM: Discussion, consideration and possible action to approve Ordinance No. 2026-05: an Ordinance of the City of Chickasha, Oklahoma (the "City") approving utilization of apportioned tax revenues authorized by statewide vote adopting Article 10, Section 6C of the Oklahoma Constitution and implemented by the Local Development Act, 62 O.S. §850, et seq.; approving and adopting the Chickasha Airport Industrial Park Economic Development Project Plan and expressing intent to carry out the Project Plan; ratifying and confirming the actions, recommendations and findings of the Review Committee and the Planning Commission; designating and adopting the increment district boundaries and the project area boundaries; deferring the naming and establishing the date for the creation of the increment district; adopting certain findings; reserving to the City the authority to make minor amendments to the Project Plan; authorizing the City Council of the City to carry out and administer the Project Plan; establishing a tax apportionment fund; authorizing directions for prospective apportionment of tax increments; establishing an allocation of use for tax increments; declaring apportionment funds to be funds of the City and limiting the pledge of apportioned increments to increments actually apportioned by the City; authorizing the City Council of the City, or a public trust designated thereby, to implement the Project Plan utilizing apportioned tax increments to pay or reimburse project costs directly and/or to issue bonds or notes, if feasible and desirable, to pay project costs and to retire said bonds or notes from apportioned tax increments; establishing an effective date; providing for severability; and containing other provisions related thereto.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

Approve Ordinance 2026-05 as presented.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:	Fund	Account	Amount
Jim Crosby, City Manager	(To)		

	FUND	ACCOUNT	AMOUNT
Meeting Date: January 20, 2026	(From)		

V. ATTACHMENTS:

1. TIF Ordinance Exhibit A Chickasha TIF #C Project Plan (Revised Final)
2. TIF Ordinance Exhibit D Resolution 2025-31R- Passed by the Planning Commission on 12-9-2025
3. TIF Ordinance Exhibit E Resolution No. 2025-31R (TIF C 12-01-2025)
4. TIF Ordinance Exhibit F Chickasha TIF #C Project Plan (Revised Final Redline Draft to 11-26-2025)
5. Ord. 2026-05 TIF #C Ordinance 01-26-2026

Draft Project Plan Dated: 11/26/2025
Revised and Adopted: 01/26/2026

CHICKASHA AIRPORT INDUSTRIAL PARK ECONOMIC DEVELOPMENT PROJECT PLAN

Prepared by:

CITY OF CHICKASHA, OKLAHOMA

MAYOR AND CITY COUNCIL
ZACHARY GRAYSON, MAYOR
GEORGIANNE HEBBLETHWAITE, VICE MAYOR, WARD 2
KEA GINN, WARD 1
CLARK SOUTHARD, WARD 1
CHARLIE BURRUSS, WARD 2
ERICA ALEXANDER, WARD 3
KIM IRVING, WARD 3
JOHN P. SMITH, WARD 4
LISA HATCHETT, WARD 4

JIM CROSBY, CITY MANAGER

THE PUBLIC FINANCE LAW GROUP PLLC
5657 N. CLASSEN BOULEVARD, SUITE 100
OKLAHOMA CITY, OKLAHOMA 73118
(405) 235-3413

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CHICKASHA AIRPORT INDUSTRIAL PARK

ECONOMIC DEVELOPMENT PROJECT PLAN

I. DESCRIPTION OF PROJECT

This Chickasha Airport Industrial Park Economic Development Project Plan (the "**Project Plan**") describes an economic development project of the City of Chickasha, Oklahoma (the "**City**"), that brings transformative industrial and commercial development to the undeveloped area located immediately west of the Chickasha Municipal Airport located along the west side of U.S. Highway 81 north of the Washita River. The Project Plan contemplates the creation of a tax increment financing district pursuant to the Local Development Act, 62 O.S. §850, *et seq* (the "**Local Development Act**"), as authorized pursuant to Article 10, §6C of the Oklahoma Constitution. The purpose of the Increment District (as described herein) is to encourage economic development in the City by facilitating the payment of the costs of essential infrastructure improvements and remedial costs necessary to make certain property viable for development and/or redevelopment (collectively and as more thoroughly discussed herein, referred to as the "**Project**" or "**Airport Industrial Park Project**").

The City has identified potential development interests (individually and collectively referred to as the "**Developers**") that propose to entice small and medium sized industrial and commercial businesses to relocate from outside the State of Oklahoma to the Chickasha Airport Industrial Park area. The City recognizes the difficulty in development of the area due to significant costs necessary to correct current conditions at the planned Project site, including specifically the significant infrastructure and utility improvements necessary to support the development project. The goal of the Increment District (as defined herein) is to promote economic development in the City by incentivizing capital investment in undeveloped property in order to enhance the tax base and create employment opportunities within the City. The City has identified an aggregate total of $69.8 million in costs associated with the infrastructure improvements and economic incentives (collectively referred to herein as the "**TIF Projects**"). The costs of the infrastructure improvements to serve the entirety of the Project Area, inclusive of the Increment District (each as defined herein) are estimated to be $26 million (collectively, the "**Infrastructure Costs**"). Certain economic incentives are proposed in the estimated amount of $43.8 million in support of the Project (the "**Incentive Costs**"). The associated costs of the TIF Projects (inclusive of the Infrastructure Costs and the Incentive Costs), along with the Organizational Costs and the Debt Service Costs (each as further defined herein) are collectively referred to herein as the "**Project Costs**", and total the aggregate amount of $93,100,000. The City expects to phase the expenditure of Project Costs in coordination with specific development projects, and intends to apply other available funds as appropriate to offset the costs of the Increment District.

Pursuant to the terms of one or more development agreements between the City and the Developers (as required by the Local Development Act defined herein), the TIF Revenues generated by virtue of the construction sales and use tax and ad valorem tax levies by the City and the County shall be utilized as a revenue source to fund the costs of the TIF Projects. The TIF

Revenues (as defined herein) will be used to pay the costs of the TIF Projects, reimburse the Organizational Costs, and/or pay the Debt Service Costs on obligations issued to pay the same.

Based solely on the preliminary projections prepared by the City based on potential development opportunities, the commercial development within the Increment District could result in a potential total capital investment in excess of $550.3 million, with a potential total taxable capital investment of approximately $475.2 million (net taxable value subject to ad valorem taxes) and generate approximately $237.6 million in one-time taxable construction sales over the term of the Increment District. Please see Exhibit "E" for a more detailed description of projected development within the Increment District. Please see Exhibit "F" for a Preliminary Site Development Plan for certain development projects proposed as part of the Airport Industrial Park Project.

II. PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES

The Project Area is the area within which all project activities, including construction of the supporting public improvements, will take place (referred to herein as the "**Project Area**"). A map showing the Project Area is attached as Exhibit "A". The legal description of the Project Area is set forth in Exhibit "B". The Increment District is the specific geographic area within which the identified tax increments will be generated and utilized as set forth in this Project Plan (referred to herein as the "**Increment District**"). The Increment District is located entirely within the Project Area. Most of the contemplated project activities will occur within the boundaries of the Increment District, however certain project activities may occur outside the boundaries of the Increment District but within the Project Area. A Map showing the boundaries for the proposed Increment District is attached as Exhibit "C". The legal description of the Increment District is set forth in Exhibit "D". The increment district is labeled "C" in these Exhibits, and will be assigned a number (*i.e.*, "Increment District No. 3") in the order by which it becomes effective by action of the Chickasha City Council as described in Section VI(B) herein, and as required by Section 856(B)(3) of the Local Development Act (as defined herein). Increment District "C" is associated with the Airport Industrial Park Project.

III. ELIGIBILITY OF PROJECT

The Increment District is undeveloped and/or underdeveloped within the meaning of and the Local Development Act. The Project Area (including the Increment District) is located in a reinvestment area (as defined in Section 853(17) of the Local Development Act) and is therefore eligible for assistance under the Local Development Act. Additionally, the area comprising Increment District "C" is contained within a designated enterprise zone (Tract 40051000802) and therefore constitutes an enterprise area (as defined in Section 853(5) of the Local Development Act). Additionally, the Project, because it will be located within an enterprise zone, represents an eligible project as defined under the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the "**Leverage Act**"), and therefore may qualify for certain incentive matching payments made by the State of Oklahoma based on construction sales and use tax increments dedicated to the Increment District.

The Increment District comprises an area where investment, development and economic growth have not occurred, and which require significant public infrastructure improvements to serve as a catalyst to expand employment opportunities, to attract major investment in the area, and to enhance the tax base.

IV. OBJECTIVES

The purpose of the Project and the Increment District is to support the achievement of the economic development objectives of the City in order to:

A. Create significant developments within the City that will act as a catalyst for additional development within the community;

B. Attract major investment in the area;

C. Serve as a catalyst for retaining and expanding employment in the area;

D. Promote economic development to increase tax revenues, raise property values, and improve economic stability;

E. Preserve and enhance the tax base; and

F. Make possible investment, development and economic growth which would otherwise be difficult or impossible without the TIF Projects and the apportionment of ad valorem taxes and construction sales and use taxes from within the Increment District.

V. FINANCIAL IMPACTS

The proposed private development will generate tax increments necessary to pay all or a portion of the authorized costs of the TIF Projects. Without the creation of the proposed Increment District, significant development within the Project Area would be unlikely and as a result, any significant increases in ad valorem taxes and construction sales and use taxes would be extremely improbable.

The proposed development project does not create a significant increase in demand for services or costs to the affected taxing entities other than the City, whose public sector costs will be offset by apportioned tax increments as provided in this Project Plan.

The affected ad valorem taxing jurisdictions are Grady County, the Grady County Health Department, Independent School District No. 1 of Grady County (Chickasha Public Schools, and referred to herein as the "**School District**"), Canadian Valley Technology Center Vo-Tech District

No. 6, and Grady County EMS. The general and intangible impacts on the affected taxing jurisdictions from implementation of this Project Plan are positive and include the achievement of the objectives set forth in Section IV of this Project Plan.

The creation of the Increment District will allow the City to apportion the incremental increase in ad valorem tax revenues generated through construction and operation of the commercial and industrial developments within the Increment District for the purpose of paying Project Costs, either through direct payment and/or reimbursement and/or paying debt service on tax apportionment bonds or notes (collectively, the "**TIF Bonds**"), which may be issued in one or more series by a public trust created under Title 60, Oklahoma Statutes 2021, Section 176 *et seq*., and including any interest, capitalized interest and other related financing costs. The proceeds of any such TIF Bonds (if issued) shall be utilized for the Project Costs.

It is anticipated that a successful development will result in significant long-term benefits to the affected ad valorem taxing jurisdictions without causing significant (if any) negative impact on the existing tax base during the term of the Increment District. The formation of an Increment District should result in no net loss in existing ad valorem tax revenue to each of the affected ad valorem taxing jurisdictions. The formation of the Increment District will cause the affected ad valorem taxing jurisdictions to forgo any new incremental ad valorem tax revenue generated from real and personal property values during the term of the Increment District, but will not affect the existing ad valorem tax base within the Increment District. During the term of the Increment District, the 25.0% of Ad Valorem Increment Revenues (as defined herein) apportioned to the affected ad valorem taxing jurisdictions as a specific revenue source are estimated to be approximately $24.3 million (ranging from $170,000 to $1,262,000 per year and based on the proposed development of the Project), and which will be apportioned directly to the affected taxing jurisdictions. Pursuant to the State of Oklahoma School Funding Formula (the "**Funding Formula**"), certain ad valorem taxes received by the School District would be considered chargeable obligations under the Funding Formula and would serve to reduce the amount of State Aid Revenue paid to the School District annually (herein, the "**Chargeables**"). Any portion of the TIF Revenues allocated to the School District shall be for the purpose of providing a specific revenue source to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income under the Funding Formula. Based on the projections of Ad Valorem Increment Revenues, the School District is expected to receive approximately $17.0 million in net new taxing revenues over the term of the Increment District. Upon expiration of the Increment District, the affected ad valorem taxing jurisdictions could see an aggregate net gain in annual ad valorem tax revenues of approximately $4.88 million (based on an aggregate taxable capital investment of approximately $475.2 million), although it is reasonably expected that the impact of Chargeables under the Funding Formula may reduce the net benefit of such aggregate net gain for the School District following expiration of the Increment District.

Potential impacts on the ad valorem taxing jurisdictions include population growth and the demand for services created thereby. The direct impact on each ad valorem taxing jurisdiction is the loss of a portion of the new ad valorem tax increment revenues during the period of apportionment. An additional impact on the School District is that the valuation of the Increment District will not count for, and will therefore limit, the bonding capacity of the School District. However, the School District does realize additional revenue from other sources on a per pupil basis. These impacts may be mitigated by any increase in valuation of property outside the

Increment District (for example, successful development enhances the property values surrounding the Increment District), and by any increase in new housing outside the Increment District (for example, successful development results in net population gain to the City creating demand for new housing).

The proposed Project will create an increase in demand for utility services from the City, however the City reasonably expects to have sufficient capacity to handle such demand, and the proposed development within the Increment District should generate significant increases in annual water and sewer utility revenues. Any increase in public sector costs should be more than offset by apportioned tax increments as provided in this Project Plan.

The formation of an Increment District should result in new, one-time construction sales and use tax collections to the City and the County, as the affected sales tax jurisdictions. One-hundred percent (100%) of the City's construction sales or use taxes will be captured pursuant to this Project Plan. As of the date of this Project Plan, the City levies a 4.25% sales and use tax, and the County levies a 0.75% sales tax. Assuming completion of the proposed Project and no change in the respective tax levies, the City expects to contribute approximately $10.1 million to the payment of Project Costs, which contribution may be eligible for incentive matching payments from the State (i.e., Leverage Act Increment Revenues), and the County may reasonably expect to realize approximately $1.78 million in new, one-time sales and use tax from the Project, based on the assumption that 50% of the cost of taxable capital investment represents construction materials subject to sales or use tax. Additionally, the City and the County may realize significant indirect sales and use tax gains outside the Increment District, due to short term construction and long-term employment opportunities. These impacts may be mitigated by any increased costs of providing City and/or County services to the development (police, fire, etc.).

VI. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the project, including all necessary, appropriate and supportive steps, will consist of any of the following:

A. Site preparation, planning and construction of public improvements necessary to support the development project;

B. Acquisition by private developers of any additional property interests necessary for the development project including connecting public easements;

C. Negotiation, preparation, execution, and implementation of development agreements, including agreements for financing, demolition, and construction by private developers, as authorized by the Local Development Act. Such agreements may include the granting of incentives for private developers to complete certain improvements within the Project Area;

D. Issuance of tax apportionment bonds or other debt issuance necessary to provide funds for Project Costs;

E. All other actions necessary and appropriate to carry out the development project as authorized by the Local Development Act.

VII. ESTABLISHMENT OF CITY OF CHICKASHA INCREMENT DISTRICT

This Project Plan, upon adoption by Ordinance of the City of Chickasha, Oklahoma, creates the new Increment District. The Increment District shall commence as of the date determined by the City Council of the City in accordance with Section 856(B)(2) of the Local Development Act (the "**Commencement Date**"); provided however, such Commencement Date shall not be later than ten (10) years following adoption of this Project Plan. The Increment District shall be comprised of the area shown and described in Exhibits "C" and "D". In accordance with the provisions of the Local Development Act, the following incremental revenues shall be apportioned and used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan. The apportionment of the Ad Valorem Increment Revenues (as defined herein, and collectively referred to as the "**TIF Revenues**") shall continue for that period required for the payment of the Project Costs, or a period not to exceed twenty-five (25) full fiscal years following the respective Commencement Date (referred to as the "**Expiration Date**"), whichever is less:

A. One hundred percent (100.0%) of the total equalized assessed value of real and personal property within the boundaries of the Increment District. The base assessed value (as described in Section 862 of the Local Development Act) of the Increment District shall be calculated as an amount equal to one hundred percent (100.0%) of the initial equalized assessed value of real and personal property within the boundaries of the Increment District. In accordance with the provisions of the Local Development Act, one hundred percent (100%) of the increments of real and personal property ad valorem taxes generated within the Increment District, in excess of the real and personal property ad valorem taxes generated from the base assessed value of the Increment District, as such increments are determined and defined pursuant to the Local Development Act (collectively, the "**Ad Valorem Increment Revenues**", and said amount representing one hundred percent (100.0%) of the total new ad valorem tax revenues generated within the boundaries of the Increment District, as determined annually by the Grady County Assessor), shall be apportioned as follows: (i) three-quarters (75.0%) of the Ad Valorem Increment Revenues shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan; and (ii) one-quarter (25.0%) of the Ad Valorem Increment Revenues shall be apportioned to the affecting taxing jurisdictions in proportion to the allocation that the taxing jurisdictions would ordinarily receive from the increased assessed values, in the absence of the Increment District (as set forth in Sections 853(9), 853(14)(i) and 854(4) of the Local Development Act. Provided that any portion of the TIF Revenues allocated to the School District shall be for the purpose of providing a specific revenue source to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income under the Funding Formula; and

B. One hundred percent (100%) of the incremental sales and use tax revenue derived from the construction of the Project (representing an amount equivalent to a four and one-quarter percent (4.25%) sales and use tax based on a total of 4.25% sales and use tax levied by the City as of the date of this Project Plan) pursuant to Ordinance Nos. 827, 1137, 1671, and 2023-20, as codified in the Chickasha Code of Ordinances (the "**Code of Ordinances**"), as such Code of Ordinances may be amended, replaced, extended, superseded, terminated, or otherwise modified from time to time, including with regards to the total amount of applicable City sales and use tax rate (collectively, the "**Sales Tax Increment Revenues**"); provided that all such Sales Tax Increment Revenues shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan; provided, however, the Sales Tax Increment Revenues shall only pertain to construction and other capital investment related expenditures within the boundaries of the Increment District, and shall not include any sales and use tax derived from retail sales; and

C. One hundred percent (100%) of the incentive matching payments made by the State of Oklahoma pursuant to the Leverage Act, based on construction sales and use tax increments dedicated to the Increment District, as such amounts are hereinafter determined and defined (collectively, and as more specifically defined in Section X herein, the "**Leverage Act Increment Revenues**"); provided that all of the generated increment shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan.

VIII. PROJECT AND INCREMENT DISTRICT AUTHORIZATIONS

A. Upon adoption of an Ordinance of the City Council of the City approving this Project Plan, the City is hereby designated and authorized as the public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto, including, without limitation, those powers described in Section 854 of the Local Development Act.

B. The City may create a new public trust with the City named as its beneficiary, and/or designate an existing public trust with the City named as its beneficiary and/or designate an alternate public trust with Grady County, Oklahoma, named as its beneficiary (said public trust referred to herein as the "**Authority**"), and said Authority shall be the public entity designated by the City to assist in carrying out and administering the provisions of this Project Plan and authorized to exercise all powers necessary or appropriate thereto pursuant to Title 62, Section 854 of the Local Development Act, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13, and 16 of that section, which powers shall be reserved to the City.

C. The person in charge of implementation of this Project Plan in accordance with the provisions, authorizations and respective delegations of responsibilities contained herein is Mr. Jim Crosby, City Manager. Mr. Crosby, or his successor as City Manager, is authorized to empower one or more designees to exercise responsibilities in connection with project implementation.

IX. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM INCREMENT DISTRICT

Project Costs to be financed by the apportionment of tax increments from the Increment District include the planning, design, acquisition, site preparation and/or construction of the TIF Projects in an aggregate total amount of $93,100,000. Certain Project Costs may be funded though the payment of assistance in development financing (as authorized by Section 853(14)(o) of the Local Development Act) to a third party as reimbursement for the payment of such Project Costs. Additional amounts will be financed by the apportionment of tax increments from the Increment District including the following items related to Project Costs in excess of the amounts specifically identified for TIF Project Costs: (a) the direct or incidental administrative costs incurred or to be incurred by or on behalf of the City, the Authority, or other public entities (all as contemplated in Title 62, Section 853(14)(e) of the Local Development Act) in organizing, supervising, implementing and administering this Project Plan, including, but not limited to, payment and/or reimbursement of costs advanced in connection with the preparation and approval of this Project Plan, administrative costs, organizational costs, professional service costs, including those incurred for architectural, planning, engineering, legal and financial advisors and services, and costs for determining or re-determining the base assessed value of the Increment District (the "**Organizational Costs**"), and (b) interest and other financing costs and fees, including principal, interest (including capitalized interest), associated costs of issuance, reasonably required reserves, and prepayment premium paid on debt service and/or any reimbursement obligation (the "**Debt Service Costs**"). The Organizational Costs associated with the initial creation and implementation of the Increment District are preliminarily estimated to be approximately $150,000, and the ongoing Organizational Costs are estimated to be $10,000 per year. The Debt Service Costs associated with the Project Costs are preliminarily estimated to be on the order of not-in excess of $23 million.

The total estimate of Project Costs that may be made available for improvements from apportioned tax revenues shall be $69,800,000 (including all engineering, construction, planning, and contingency costs), which shall be a not-to-exceed amount. The City reserves the right to reallocate the costs described above to accommodate any cost differentials from the preliminary projections. The City anticipates that certain other funds may be available to supplement and/or offset all or a portion of certain Project Costs. The City expects to phase the expenditure of Project Costs in coordination with specific development projects. Apportioned tax revenues in excess of the amounts needed for Project Costs may be utilized as necessary to pay the Organizational Costs and the Debt Service Costs, and could total approximately $23,300,000. The estimated combined total of all eligible Project Costs is $93,100,000.

X. METHODS OF FINANCING PROJECT COSTS, EXPECTED SOURCES OF REVENUES, AND TIME WHEN COSTS OR MONETARY OBLIGATIONS ARE TO BE INCURRED

It is hereby determined that the proposed Project Costs, specifically including but not limited to the Infrastructure Costs, will generally benefit and support development throughout the Project Area, inclusive of the Increment District. It is further determined that (i) the TIF

Revenues derived from the Increment District may properly be utilized to pay any and all Project Costs within the Project Area; and (ii) it is proper and may be appropriate (at the discretion of the City) to pledge TIF Revenues from the Increment District to the repayment of TIF Bonds. Therefore, with respect to the Increment District:

A. Methods of Financing. It is expected that the Project Costs will be paid from proceeds of the Authority's TIF Bonds. Payment of principal and interest due on the TIF Bonds will be paid from available TIF Revenues. Certain Project Costs may be directly paid by a third party developer (including the Developers) or the City and reimbursed from proceeds of the TIF Bonds. Alternately, certain Project Costs may also be directly paid by a third party developer or the City and reimbursed from TIF Revenues in excess of those needed for debt service on the TIF Bonds. Certain other costs of the Project may be paid from such other funds of the City or the Authority as may be lawfully used for the purposes hereinabove stated, including proceeds of certain debt obligations issued by the Authority and secured by a pledge of general sales tax, utility, or other available revenues.

B. Expected Sources of Revenues. The payment or reimbursement of Project Costs, including any interest component on reimbursed funds and any principal, interest, and premium on any TIF Bonds, will be made from one or more of the following sources of revenues:

(i) *Ad Valorem Increment Revenues.* In accordance with the provisions of the Local Development Act, the Ad Valorem Increment Revenues are to be apportioned and set aside from all other ad valorem taxes levied within the Increment District, to be used exclusively for:

(a) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(b) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(c) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects;

(d) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid; and

(e) the establishment and payment of a specific revenue source for affected taxing entities pursuant to Sections 853(9), 853(14)(i), and 854(4) of the Local Development Act.

Pursuant to the Local Development Act, the Ad Valorem Increment Revenues apportioned hereunder shall be transferred by the Grady County Treasurer to a special fund to be known as the "Increment District No. [__] - Apportionment Fund" (hereinafter, the "**Apportionment Fund**"), which fund will be held by and be the property of the City (except that such fund may also be held by the Authority or a trustee acting on behalf of the Authority). No portion of such increments and no portion of the Apportionment Fund shall constitute a part of the general fund of the City. All Ad Valorem Increment Revenues so collected shall be apportioned as follows: (i) three-quarters (75.0%) of the Ad Valorem Increment Revenues shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan; and (ii) one-quarter (25.0%) of the Ad Valorem Increment Revenues shall be apportioned to the affecting taxing jurisdictions in proportion to the allocation that the taxing jurisdictions would ordinarily receive from the increased assessed values, in the absence of the Increment District (as set forth in Sections 853(9), 853(14)(i) and 854(4) of the Local Development Act; provided that any portion of the TIF Revenues allocated to the School District shall be for the purpose of providing a specific revenue source to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income under the Funding Formula.

The apportionment of ad valorem taxes pursuant to this section shall terminate upon the final payment of, or reimbursement for, all project costs incurred in connection with the projects listed in this Project Plan, and the payment of all outstanding principal, accrued interest, and premium due on the TIF Bonds; provided, however, that in no case shall the apportionment of revenues pursuant hereto extend beyond the Expiration Date.

In the event that any portion of the principal of or interest on the TIF Bonds, issued in connection herewith, or any amount due and owing for reimbursement under a development agreement between the City and the Company, remains unpaid as of the Expiration Date, then the Increment District shall not terminate until the increment apportioned during the term of the Increment District is actually received by the Apportionment Fund, even if the receipt of such revenues occurs subsequent to the Expiration Date.

(ii) *Sales Tax Increment Revenues.* In accordance with the provisions of the Local Development Act, the Sales Tax Increment Revenues are to be apportioned and set aside from all other sales and use taxes levied within the Increment District, to be used exclusively for:

(a) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(b) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(c) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects; and

(d) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), including any interest component (pursuant to a development agreement with the City and/or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid.

For purposes of determining the incremental portion of the sales and use taxes generated within or sourced to the Increment District, the City Sales Tax Increment Revenues shall only pertain to construction and other capital investment related expenditures within the boundaries of the Increment District, and shall not include any sales and use tax derived from retail sales. One hundred percent (100%) of the sales and use tax generated within or sourced to the Increment District and received by the City which are in excess of such base amount, net of any Transfer Adjustment, shall be considered to be the "increment" subject to apportionment by this section. The City shall establish procedures related to the calculation and determination of construction related sales and use tax revenue qualifying as Sales Tax Increment Revenues. Such procedures shall stipulate that construction related Sales Tax Increment Revenues be derived only from new construction activities occurring within the Increment District. The City shall be entitled to rely on certifications of actual construction costs provided by a third party developer(s) or related parties in connection with determining any applicable Sales Tax Increment Revenues.

Pursuant to the Local Development Act, the Sales Tax Increment Revenues apportioned hereunder and so collected shall be placed into the Apportionment Fund. No portion of such increments and no portion of the Apportionment Fund shall constitute a part of the general fund of the City. All Sales Tax Increment Revenues so collected shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan, including any interest component (pursuant to a development agreement with the City and/or the Authority).

The apportionment of sales and use taxes pursuant to this section shall terminate upon the final payment of, or reimbursement for, all Project Costs incurred in connection with the projects listed in this Project Plan, and the payment of all outstanding principal, accrued interest, and premium due on the TIF Bonds; provided, however, that in no case shall the apportionment of revenues pursuant hereto extend beyond the Expiration Date.

In the event that any portion of the principal of or interest on the TIF Bonds, issued in connection herewith, or any amount due and owing for reimbursement under a development agreement between the City and the Company, remains unpaid as of the Expiration Date, then the Increment District shall not terminate until the increment apportioned during the term of the Increment District is actually received by the Apportionment Fund, even if the receipt of such revenues occurs subsequent to the Expiration Date.

(iii) *Leverage Act Increment Revenues*. In accordance with the provisions of the Local Development Act, the Leverage Act Increment Revenues are to be apportioned and set aside from all other revenues generated within the Increment District, to be used exclusively for:

(a) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(b) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(c) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects; and

(d) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), including any interest component (pursuant to a development agreement with the City and/or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid.

The City shall establish procedures related to application under the Leverage Act for sales and use tax matching funds. It is hereby recognized that any Leverage Act Increment Revenues represent a substantial economic benefit to the City and the development of the Project, and the City and the Authority shall take all reasonable actions necessary to maximize the Leverage Act Increment Revenues.

Pursuant to the Local Development Act, the Leverage Act Increment Revenues apportioned hereunder and so collected shall be placed into the Apportionment Fund. No portion of such increments and no portion of the Apportionment Fund shall constitute a part of the general fund of the City. All Leverage Act Increment Revenues so collected shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan, including any interest component (pursuant to a development agreement with the City and/or the Authority).

The apportionment of matching incentive funds pursuant to this section shall terminate upon the final payment of, or reimbursement for, all Project Costs incurred in connection with the projects listed in this Project Plan, and the payment of all outstanding principal, accrued interest, and premium due on the TIF Bonds; provided, however, that in no case shall the apportionment of revenues pursuant hereto extend beyond the Expiration Date.

In the event that any Project Costs remain unpaid, or any portion of the principal of or interest on the TIF Bonds, issued in connection herewith, or any amount due and owing for reimbursement to the City or the Authority or pursuant to a development agreement between the City and the Developers, remains unpaid as of the Expiration Date, then the Increment District shall not terminate until the increment apportioned during the term of the Increment District is actually received by the Apportionment Fund, even if the receipt of such revenues occurs subsequent to the Expiration Date.

C. Time When Costs Or Monetary Obligations Are To Be Incurred. It is estimated that the time frame for incurring most of the Project Costs will be within ten to twelve years from the date of approval of this Project Plan; however, certain Project Costs will not be incurred until appropriate development projects within the Increment District are identified by the City. It is anticipated that most Project Costs will be paid from proceeds of TIF Bonds issued by the Authority, provided however, certain Project Costs may be directly paid or reimbursed from apportioned TIF Revenues.

D. Flow of Funds; Excess Revenues.

During the term of the Increment District, TIF Revenues shall be utilized as follows:

FIRST: The payment of principal, accrued interest, and premium, if any, due on the TIF Bonds;

SECOND: If applicable, transfers to any debt service reserve established in connection with the TIF Bonds in such amounts as may be necessary to restore the reserve to its prescribed levels;

THIRD: The payment and/or reimbursement of authorized Project Costs (including any interest component pursuant to a development agreement);

FOURTH: If applicable, the prepayment of principal on any TIF Bonds until such time as all TIF Bonds are retired; and

FIFTH: Upon retirement of all TIF Bonds (if any) and payment of all Project Costs (including any interest component pursuant to a development agreement), (a) any remaining Ad Valorem Increment Revenues shall be transferred to the various ad valorem taxing jurisdictions, in the same percentages as originally collected, as determined by reference to the millage levied by each of the various ad valorem taxing jurisdictions for the related tax year, excluding sinking fund levies, and (b) any remaining Sales Tax Increment Revenues shall be transferred to the City for deposit into the General Fund or to the appropriate special fund, in each case consistent with the provisions of the Local Development Act. Any remaining Leverage Act Increment Revenues either shall be treated appropriately as ad valorem tax revenue or sales and use tax revenue, and shall be transferred as set forth in (a) and (b) herein, or, if required by the Leverage Act, shall be returned to the State of Oklahoma.

XI. FINANCING REVENUE SOURCES

The TIF Revenues are expected to finance all or a portion of the Project Costs authorized by Section IX. Based on the initial projections of Ad Valorem Increment Revenues for the Airport Industrial Park Project, it is estimated that approximately $97.18 million could be generated by the incremental increase in ad valorem tax revenue during the term of the Increment District, with approximately $72.89 million available to be utilized for Project Costs and approximately $24.29 million apportioned to the affected ad valorem taxing jurisdictions. The initial projections of Ad Valorem Increment Revenues are based upon an estimated $475.2 million initial taxable capital investment, an 11% assessment rate for real property, an 11% assessment rate for business personal property, an approximately 10.202% millage levy within the Increment District (based on the 2025 levy rates), and assuming no annual appreciation in the taxable property values.

Based on the initial projections of Sales Tax Increment Revenues for the Airport Industrial Park Project, it is estimated that approximately $10.1 million could be generated by the incremental increase in sales and use tax revenue during the term of the Increment District, with the entire approximately $10.1 million available for allocation to Project Costs. The initial projections of incremental sales and use tax revenue are based upon the projected revenues generated within the Increment District from the levy of an aggregate total of four and one-quarter percent (4.25%) sales and use tax on new construction within the Increment District, and 50% of the total capital investment representing construction materials subject to sales and use tax.

Additional TIF Revenues may be realized through state matching incentive payments made pursuant to the Leverage Act, as set forth in Section X(B)(iv) above (i.e. the Leverage Act Increment Revenues). Based on the initial projections of revenue and the level of apportionment of construction sales and use tax to Project Costs, state matching payments could make available up to an additional $10.1 million for Project Costs, although it is expected that only a portion of the taxable transactions may qualify for state matching incentive payments.

The calculation of projected TIF Revenues will be refined based upon (i) the actual effective ad valorem tax rate and base assessed valuation, as determined from time to time by the Grady County Assessor and subject to change by voters of the applicable taxing jurisdiction at an election(s) held for such purpose, (ii) the total net capital investment resulting from development within the Increment District, and (iii) the timing of the development.

The realization of the TIF Revenues is directly dependent on the City's ability to attract development proposals on a magnitude necessary to fully develop the area within the Increment District during the term of the Increment District. The Airport Industrial Park Project assumptions represent the initial estimations of the City and the developing property owner of potential development opportunities. The anticipated development, including specifically the Airport Industrial Park Project, along with the necessary Infrastructure Costs, is more fully discussed in Exhibit "E". Preliminary site development plans for certain development projects proposed as part of the Airport Industrial Park Project are included as Exhibit "F". As appropriate, the Authority and/or the City may enter into economic development agreements with developers as required by the Local Development Act.

Certain TIF Projects may be designed and/or constructed by the City. Authorized Project Costs, or the payment of debt service on TIF Bonds issued to pay Project Costs, will be paid from TIF Revenues by the City or the Authority, and may include (i) reimbursement of the City or the Authority for certain public improvements constructed from other available funds, and (ii) assistance in development financing (as authorized by the Local Development Act) to a third party developer(s) for certain public infrastructure and/or other site improvements constructed on behalf of the City in furtherance of the purposes of this Project Plan. The financing of the projected private development in the area may be provided by private equity and private mortgage financing, secured by the private developments.

XII. PUBLIC REVENUE ESTIMATED TO ACCRUE FROM THE PROJECT AND OTHER ECONOMIC IMPACTS

The Ad Valorem Increment Revenues and the Sales Tax Increment Revenues (estimated at a total of approximately $82.99 million over the term of the Increment District based on the projected development of the Project, but not including potential Leverage Act matching incentive funds from the State), of which portions will serve as all or a portion of the revenue source for financing the Project Costs authorized by Section IX of this Project Plan, are the public revenues directly attributable to the project defined by establishment of the Increment District. Additionally, the various taxing jurisdictions may realize additional ad valorem tax and/or sales and use tax revenue from additional development outside the boundaries of the Increment District.

Construction of the improvements and subsequent development should have a positive impact on total employment in the City's metropolitan area, including temporary construction jobs and permanent positions at the Project facilities. Indirect impacts (associated with the employment and income which result from the provision of inputs in support of the primary activity), and induced impacts (associated with the wages and jobs resulting from changes in household expenditures which come about through direct and indirect employment) will also result in additional growth in the City's metropolitan area.

This Project Plan includes certain projections and estimates, which are based on the current expectations or beliefs of third party developer(s) and are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to changes in economic conditions, market demand and other factors affecting the development of the Project.

XIII. PRIVATE AND PUBLIC INVESTMENTS EXPECTED FOR THE PROJECT

The publicly financed Project Costs in the amount of $69.8 million, as authorized by this Project Plan, represent approximately 11.25% of the projected total public and private investment for the Project, which including anticipated expenditures by or on behalf of commercial or governmental entities within the Increment District, could exceed $620 million.

XIV. MISCELLANEOUS PROVISIONS

A. Zoning Conditions. The property within the boundaries of Increment District "C" is zoned general commercial (Chickasha Municipal Airport) and heavy industrial (area west of the airport). It is reasonably anticipated that minor zoning changes may be proposed in connection with the Airport Industrial Park Project. Other than zoning adjustments to accommodate the proposed Project, no changes in the ordinances of the City of Chickasha are contemplated under this Project Plan. Development is anticipated to occur in accordance with current zoning requirements, with appropriate adjustments as approved by the City. The proposed project conforms to the comprehensive plan for the City of Chickasha, as amended. A map showing the existing uses and conditions of the real property is included as Exhibit "G".

B. Annual Reports. In accordance with Section 867 of the Local Development Act, following the end of each fiscal year, the City shall prepare and submit a report to the chief executive officer of each taxing entity that levies ad valorem taxes on property within the Increment District. At the time of submitting the report, the City shall also publish a notice and summary of the report in a newspaper of general circulation.

XV. SEVERABILITY OF INVALID PROVISIONS

If any part, term, or provision of this Project Plan is held by a court of competent jurisdiction to be illegal, in conflict with any law or otherwise invalid, the remaining parts, terms, and/or provisions shall be considered severable and not be affected by such determination, and the rights and obligations of any parties to development agreements (as described herein and pursuant to the Local Development Act) shall be construed and enforced as if the Project Plan did not contain the particular part, term or provision held to be illegal or invalid.

EXHIBIT "A"

MAP OF ECONOMIC DEVELOPMENT PROJECT AREA

The boundaries of the Project Area associated with the Increment District contain an area comprising all of Sections 4 through 9, and 16 through 21, Township 7 North, Range 7 West, Grady County, Oklahoma. The Project Area is bordered on the south by Frisco Avenue, on the west by County Road 2810, on the north by County Road 1310 (4 Mile), and on the east by County Road 2840 (N. 4th Street). The Project Area is outlined by red border. Increment District "C" boundaries contained within the blue border.

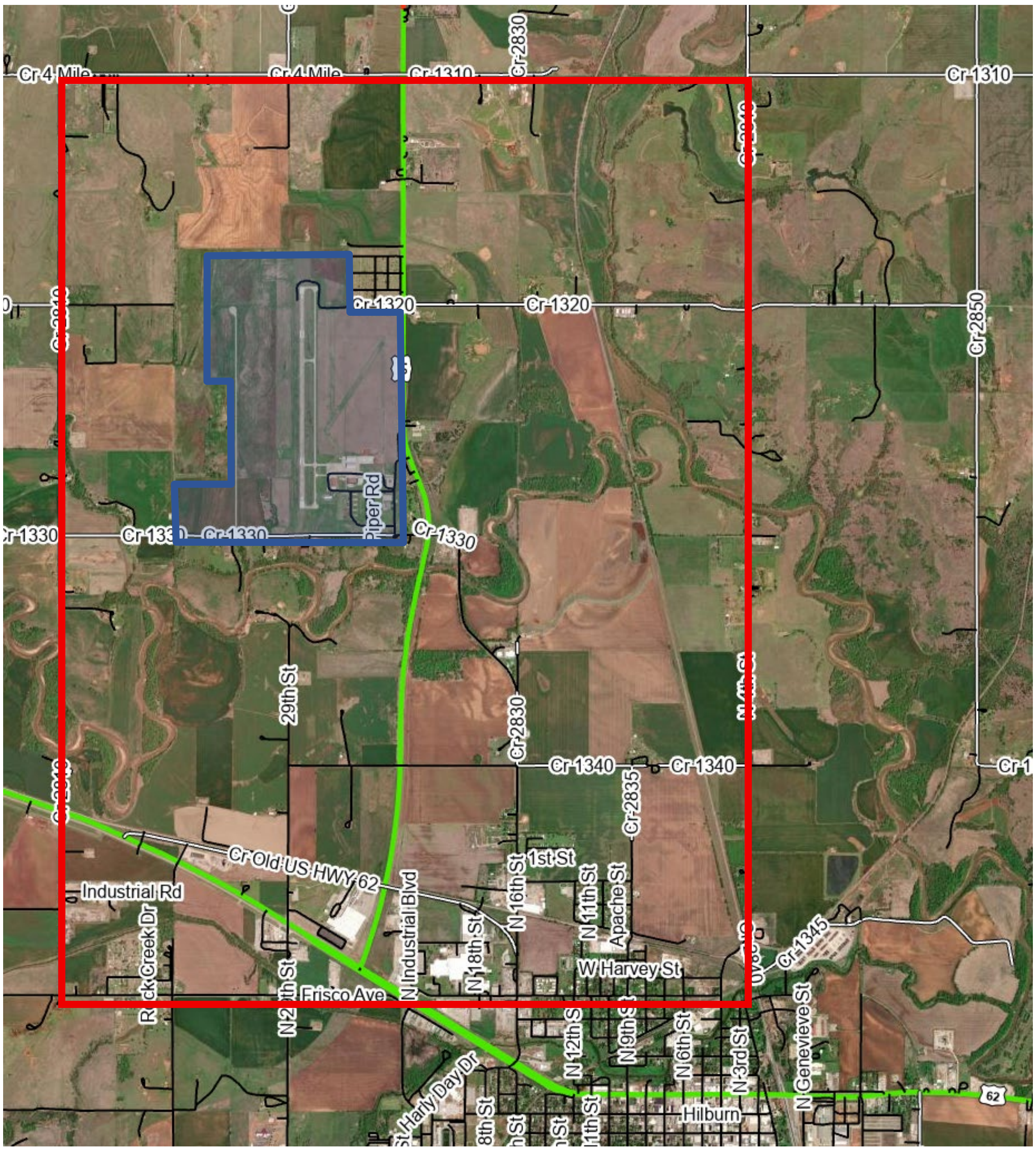


EXHIBIT "B"

PROJECT AREA LEGAL DESCRIPTION

INCREMENT DISTRICT PROJECT AREA

An area located entirely in Grady County, Oklahoma, more particularly described as follows:

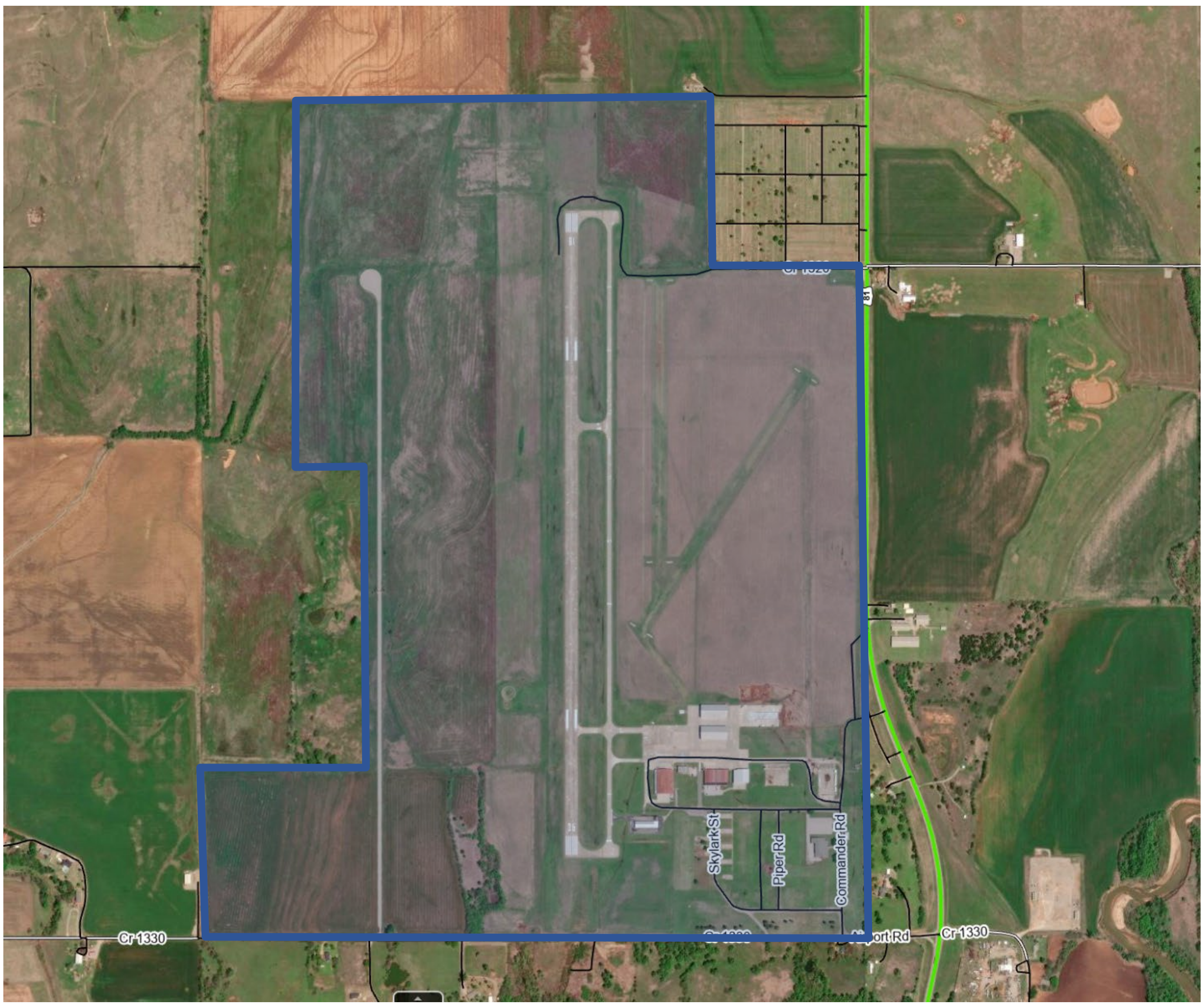
> All of Sections 4 through 9, and 16 through 21, Township 7 North, Range 7 West, Grady County, Oklahoma.

EXHIBIT "C"

MAP OF INCREMENT DISTRICT

INCREMENT DISTRICT "C"

The boundaries of Increment District "C" contain an area generally described as the Chickasha Municipal Airport located along U.S. Highway 81 north of the Washita River, plus a portion of the Chickasha Airport Industrial Park property immediately west of the airport, bounded on the south by Airport Road (E 1330 Road) and on the north by one quarter mile north of E 1320 Road.



* Increment District "C" boundaries contained within the blue border.

EXHIBIT "D"

INCREMENT DISTRICT LEGAL DESCRIPTIONS

INCREMENT DISTRICT "C"

Tract 1

A part of Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, to the City of Chickasha, Grady County, Oklahoma, according to the recorded plat thereof at Book 6 Page 33 at the Office of the Grady County Clerk and a part of the Southeast Quarter (SE/4) of Section Six (6), and a part of the Southeast Quarter (SE/4) of Section Seven (7), and a part of the Northeast Quarter (NE/4) of Section Seven (7), all in Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma, being more particularly described as follows:

COMMENCING at the southwest corner of the Southeast Quarter (SE/4) of said Section Seven (7);

THENCE North 89°53'56" East along the south line of the Southeast Quarter (SE/4) of said Section Seven (7), a distance of 1400.13 feet;

THENCE North 00°02'27" West a distance of 1321.26 to the point of beginning of said CHICKASHA AIRPORT INDUSTRIAL PARK, also being the POINT OF BEGINNING of subject tract;

THENCE North 00°02'27" West along the west right of way of Stanley Levine Drive as shown within said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, a distance of 2356.92 feet;

THENCE South 89°54'59" West a distance of 498.96 feet;

THENCE North 00°02'27" West a distance of 2925.00 feet to the north line of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK;

THENCE North 89°54'59" East a distance of 1450.00 feet, passing at a distance of 1058.96 feet the northeast corner of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK;

THENCE South 00°01'19" East a distance of 5170.85 feet;

THENCE South 41°25'53" West a distance of 148.36 feet;

THENCE South 89°55'04" West a distance of 851.09 feet, passing at 291.10 feet the southeast corner of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, to the POINT OF BEGINNING.

Containing 6,472,747 square feet or 148.594 acres, more or less.

Tract 2

All of the East 400 feet of the South Half (S/2) of the Southeast Quarter (SE/4) of Section Six (6), and all of the East 400 feet of the Northeast Quarter (NE/4) and the North Half (N/2) of the Southeast Quarter (SE/4) of Section 7, all in Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma, less and except that portion contained within Tract 1.

Tract 3

Southwest Quarter (SW/4) of the Southwest Quarter (SW/4) of Section 5, Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

Tract 4

South Half (S/2) of the Southeast Quarter (SE/4) Section Seven (7), Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

Tract 5

West Half (W/2) of Section 8, Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

The following Parcels 1-9 are approximately representative of the Increment District “C” boundaries shown on the map in Exhibit “C”.

[See following page]

INCREMENT DISTRICT AREA "C" An area located entirely in Grady County, Oklahoma, more particularly described as follows:

102.02 mills

	Parcel ID	Shorthand Legal Description	Record Owner	Acres	Notes	2025 Market Value	2025 Assessed Value	Estimated 2025 Taxes
1	0000-07-07N-07W-4-001-00	07-07-07-00250 S/2 SE/4 LESS HWY & LESS TR BG SE/C SE/4 TH N 1320' TH W 400' TH S 1320' TH E 400' TO POB 66.81 Acres	SMITH, THAD III & MELINDA M. SMITH TRUST	66.81	Within Tract 4	12,209	1,343	137
2	0000-07-07N-07W-1-002-00	07-07N-07W LOT 1 BLOCK 1 CHICKASHA AIRPORT INDUSTRIAL PARK AND COMM SE/C SE/4 TH S 89DEG 53'56"W 690.10'; TH N 00DEG 02'27"W 1321.08' TO SW/C LOT 1 BLOCK 1 CHICKASHA AIRPORT INDUSTRIAL PARK BEING POB; TH N 00DEG 02'27"W 5281.93'; TH N 89DEG 54'59"E 391.05'; TH S 00DEG 01'19"e 5170.85'; TH S 41DEG 25'53"W 149.36'; TH S 89DEG 55'04"W 291.10' TO POB 215.50 Acres	OH HITT CORP	215.50	Within Tract 1 - Partial (excluding western portion) - total included acreage of 148.59 combined	98,936	10,883	1,110
3	0000-06-07N-07W-4-003-00	06-07N-07W COMM SE/C SE/4 TH S 89DEG 53'56"W 690.10'; TH N 00DEG 02'27"W 1321.08' TO SW/C LOT 1 BLOCK 1 CHICKASHA AIRPORT INDUSTRIAL PARK BEING POB; TH N 00DEG 02'27"W 5281.93'; TH N 89DEG 54'59"E 391.05'; TH S 00DEG 01'19"e 5170.85'; TH S 41DEG 25'53"W 149.36'; TH S 89DEG 55'04"W 291.10' TO POB 71.65 Acres	OH HITT CORP	71.65	Within Tract 1 - Partial (excluding western portion) - total included acreage of 148.59 combined	33,836	3,722	380
4	0000-06-07N-07W-4-002-00	06-07-07-00850 S/2 SE/4 LESS OFF COMM SE/C SE/4 TH S 89DEG 53'56"W 690.10'; TH N 00DEG 02'27"W 1321.08' TO SW/C LOT 1 BLOCK 1 CHICKASHA AIRPORT INDUSTRIAL PARK BEING POB; TH N 00DEG 02'27"W 5281.93'; TH N 89DEG 54'59"E 391.05'; TH S 00DEG 01'19"e 5170.85'; TH S 41DEG 25'53"W 149.36'; TH S 89DEG 55'04"W 291.10' TO POB 8.35 Acres	CHICKASHA MUNICIPAL AIRPORT AUTHORITY	8.35	Within Tract 2	-	-	-
5	0000-07-07N-07W-1-001-00	07-07-07-00050 NE/4 & N/2 SE/4 LESS COMM SE/C SE/4 TH S 89DEG 53'56"W 690.10'; TH N 00DEG 02'27"W 1321.08' TO SW/C LOT 1 BLOCK 1 CHICKASHA AIRPORT INDUSTRIAL PARK BEING POB; TH N 00DEG 02'27"W 5281.93'; TH N 89DEG 54'59"E 391.05'; TH S 00DEG 01'19"e 5170.85'; TH S 41DEG 25'53"W 149.36'; TH S 89DEG 55'04"W 291.10' TO POB 24.50 Acres	CHICKASHA MUNICIPAL AIRPORT AUTHORITY	24.50	Within Tract 2	-	-	-
6	0000-07-07N-07W-4-002-00	07-07-07-00260 BG SE/C SE/4 TH N 1320' W 400' TH S 1320' TH E 400' TO POB 12.12 Acres	CITY OF CHICKASHA	12.12	Within Tract 4	-	-	-
7	0000-05-07N-07W-3-003-00	05-07-07-00650 SW/4 SW/4 (19 & 23) & SE/4 SW/4 LESS 1.52 AC SEE FILE 78.48 Acres	CITY OF CHICKASHA	78.48	Within Tract 3 - Partial (excluding Cemetary) - total parcel acreage of approximately 40	-	-	-
8	0000-08-07N-07W-2-001-00	08-07-07-00150 W/2 LESS HWY & 3.98 AC (AIRPORT M.H.P.) LESS - COMM. AT SE/C SW/4 SAID POINT BEING IN THE CENTERLINE OF AIRPORT RD R/O/W TH S 90 00'00"W ALONG THE S LINE OF SW/4 & ALONG THE CENTERLINE OF AIRPORT RD R/O/W 240' TO A POINT, N 00 00'00"W 50' TO A POINT ON THE PRESENT N R/O/W LINE AIRPORT RD SAID POINT BEING THE PLACE OR POB. TH S 90 00' 00"W ALONG THE N R/O/W LINE 9 30', N 00 00'00"W 450', N 90 00'00"E 930', S 00 00'00"E 450' BACK TO THE PLACE OR POB. 305.94 Acres	CITY OF CHICKASHA	305.94	Within Tract 5	-	-	-
9	0000-08-07N-07W-3-001-00	08-07N-07W COMM. AT SE/C SW/4 SAID POINT BEING IN THE CENTERLINE OF AIRPORT ROAD R/O/W TH S 90 00'00"W ALONG THE S LINE OF SAID S W/4 & ALONG THE CENTER- LINE OF AIRPORT ROAD R/O/W 240', N 00 00'00"W 50' TO A POINT ON THE PRESENT N R/O/W LINE OF AIRPORT ROAD, SAID POINT THE PLACE OR POB. TH S 90 00'00"W ALONG SAID N R/O/W LINE 930', N 00 00'00"W 450', N 90 00'00"E 930', S 00 0 0'00"E 450' BACK TO THE PLACE OR POB. 9.60 Acres	CITY OF CHICKASHA MUNICIPAL CORPORATION	9.60	Within Tract 5	-	-	-
10						-	-	-
			TOTALS:	**792.95**		**144,982**	**15,948**	**1,627**

	NAV	TIF %
Chickasha Schools	148,834,209	
TIF A	3,386,703	2.275%
TIF B	656,888	0.441%
TIF C	15,948	0.011%

	NAV	TIF %
City of Chickasha	127,709,654	
TIF A	3,386,703	2.652%
TIF B	656,888	0.514%
TIF C	15,948	0.012%

	Acreage	TIF %
City of Chickasha	14,383.00	
TIF A	92.70	0.645%
TIF B	749.24	5.209%
TIF C	792.95	5.513%

EXHIBIT "E"

PROPOSED DEVELOPMENT IN THE PROJECT AREA AND INCREMENT DISTRICT

This Chickasha Airport Industrial Park Economic Development Project Plan describes an economic development project of the City of Chickasha, Oklahoma, that brings transformative industrial and commercial development to the undeveloped area located immediately west of the Chickasha Municipal Airport located along the west side of U.S. Highway 81 north of the Washita River. The purpose of the Increment District (as described herein) is to encourage economic development in the City by facilitating the payment of the costs of essential infrastructure improvements and remedial costs necessary to make certain property viable for development and/or redevelopment.

The City has identified potential development interests (i.e., the Developers) that propose to entice small and medium sized industrial and commercial businesses to relocate from outside the State of Oklahoma to the Chickasha Airport Industrial Park area. The City recognizes the difficulty in development of the area due to significant costs necessary to correct current conditions at the planned Project site, including specifically the significant infrastructure and utility improvements necessary to support the development project. The goal of the Increment District (as defined herein) is to promote economic development in the City by incentivizing capital investment in undeveloped property in order to enhance the tax base and create employment opportunities within the City. The City has identified an aggregate total of $69.8 million in costs associated with the infrastructure improvements and economic incentives (i.e., the TIF Projects). The costs of the infrastructure improvements to serve the Increment District (each as defined herein) are estimated to be $26 million (i.e., the Infrastructure Costs). Certain economic incentives are proposed in the estimated amount of $43.8 million in support of the Project (i.e., the Incentive Costs). The associated costs of the TIF Projects (inclusive of the Infrastructure Costs and the Incentive Costs), along with the Organizational Costs and the Debt Service Costs, represent the Project Costs. The City expects to phase the expenditure of Project Costs in coordination with specific development projects, and intends to apply other available funds as appropriate to offset the costs of the Increment District.

The following specific Infrastructure Costs have been identified by the City as necessary to support the full development of the Project. Project costs may include the actual costs of the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including streets, bridges, drainage facilities, and any similar public improvements, common utility or service facilities, related landscaping; the actual cost of the clearing and grading of the streets within the Project Area and any environmental remediation related thereto; utility relocation costs; professional service costs, including those incurred for architectural, planning, engineering and legal.

A. **<u>Water System Improvements</u>**: Installation and extension of the City's water distribution system within the Project Area to serve the various project features within the Airport Industrial Park Project. Project costs under this category include assistance in the financing of the actual material and labor costs associated with the acquisition of land and the installation, relocation, reconstruction and/or removal of new or existing water lines, and distribution structures and fixtures, similar public improvements, related common utility or service facilities, related landscaping; utility relocation costs; and professional service costs, including those incurred for architectural, planning, engineering and legal. **$4,000,000**

B. **<u>Sanitary Sewer Improvements</u>**: Relocation or modification of one or more sanitary sewer lines, lift stations, and wastewater treatment plan facilities within the Project Area. Project costs under this category include the actual costs of the acquisition of land and the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including sanitary sewers, similar public improvements, related common utility or service facilities, related landscaping, clearing and grading of the project site and any environmental remediation related thereto; utility relocation costs; and professional service costs, including those incurred for architectural, planning, engineering and legal. **$6,000,000**

C. **<u>Airpark Improvements</u>**: Installation of street and road infrastructure within the Project Area to accommodate the heavy traffic flows generated by this project along with airport security enhancements, taxiway construction, and runway extension. Project costs under this category may include assistance in the financing of the costs of these street and roadway improvements. Project costs under this category include the actual costs of the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including streets, bridges and any similar public improvements, common utility or service facilities, related landscaping; the actual cost of the clearing and grading of the streets and runways within the Project Area and any environmental remediation related thereto; utility relocation costs; stormwater drainage improvements, professional service costs, including those incurred for architectural, planning, engineering and legal . **$10,000,000**

D. **<u>Contingency</u>**: Approximately thirty percent (30%) contingency to reflect probable inflationary costs for the above listed projects over the next decade. **$6,000,000**

The Incentive Costs are estimated to be $43.8 million and will be used for the purpose of providing assistance in development financing (as authorized by Section 853(14)(o) of the Local Development Act) necessary to accomplish the Project. Said assistance in development financing will be approved by the City Council pursuant to an economic development agreement with the prospective development that sets forth appropriate performance requirements to qualify for the incentive(s). Certain of the Infrastructure Costs, along with additional infrastructure improvements, may also be accomplished through the use of assistance in development financing.

Additional amounts will be financed by the apportionment of tax increments from the Increment District including the Organizational Costs and the Debt Service Costs, all related to Project Costs in excess of the amounts specifically identified as Incentive Costs and City Infrastructure Project Costs. The Organizational Costs associated with the initial creation and implementation of the Increment District are preliminarily estimated to be approximately $150,000, and the ongoing Organizational Costs are estimated to be $10,000 per year over the term of the Increment District. The Debt Service Costs associated with the Project Costs are preliminarily estimated to be not in excess of approximately $23 million.

The total estimate of Infrastructure Costs and Incentive Costs that may be made available for improvements and assistance in development financing from apportioned tax revenues shall be $69.8 million (including all engineering, construction, planning, and contingency costs), which shall be a not-to-exceed amount. The City reserves the right to reallocate the costs described above to accommodate any cost differentials from the preliminary projections. The City anticipates that certain other funds may be available to supplement and/or offset all or a portion of certain Project Costs. The City expects to phase the expenditure of certain Project Costs in coordination with specific development projects. Apportioned tax revenues may be utilized as necessary to pay the Organizational Costs and the Debt Service Costs, and could total approximately $23.3 million. The estimated combined total of all Project Costs is $93,100,000.

The estimated $550.3 million capital investment ($475.2 million in net taxable value) and $237.6 million in total taxable construction sales over the term of the Increment District is based on the following preliminary assumptions:

- Airport Industrial Park Project (Increment District "C")
    - Approximately 2,157,000 square foot of industrial and commercial office space at an average buildout cost of $225 per square foot, with an estimated $500.26 million in real property project investment ($425.22 million taxable value), with initial building completion(s) by the end of 2027 and continuing through 2036
    - Approximately $50.02 million in business personal property investment (based on an average factor of 10% of the real property investment for each building ($50.02 million taxable value)
    - Taxable value of real property is estimated at 85% of project investment, with future value held steady
    - Taxable value of business personal property is estimated at 100% of project investment, depreciated over 10 years to an average residual value of 20%
    - Construction sales tax is estimated based on 50% of the combined real property and personal property investment.

Please see Exhibit "F" for a Preliminary Site Development Plans for certain development projects proposed as part of the Airport Industrial Park Project.

EXHIBIT "F"

PRELIMINARY SITE DEVELOPMENT PLANS*

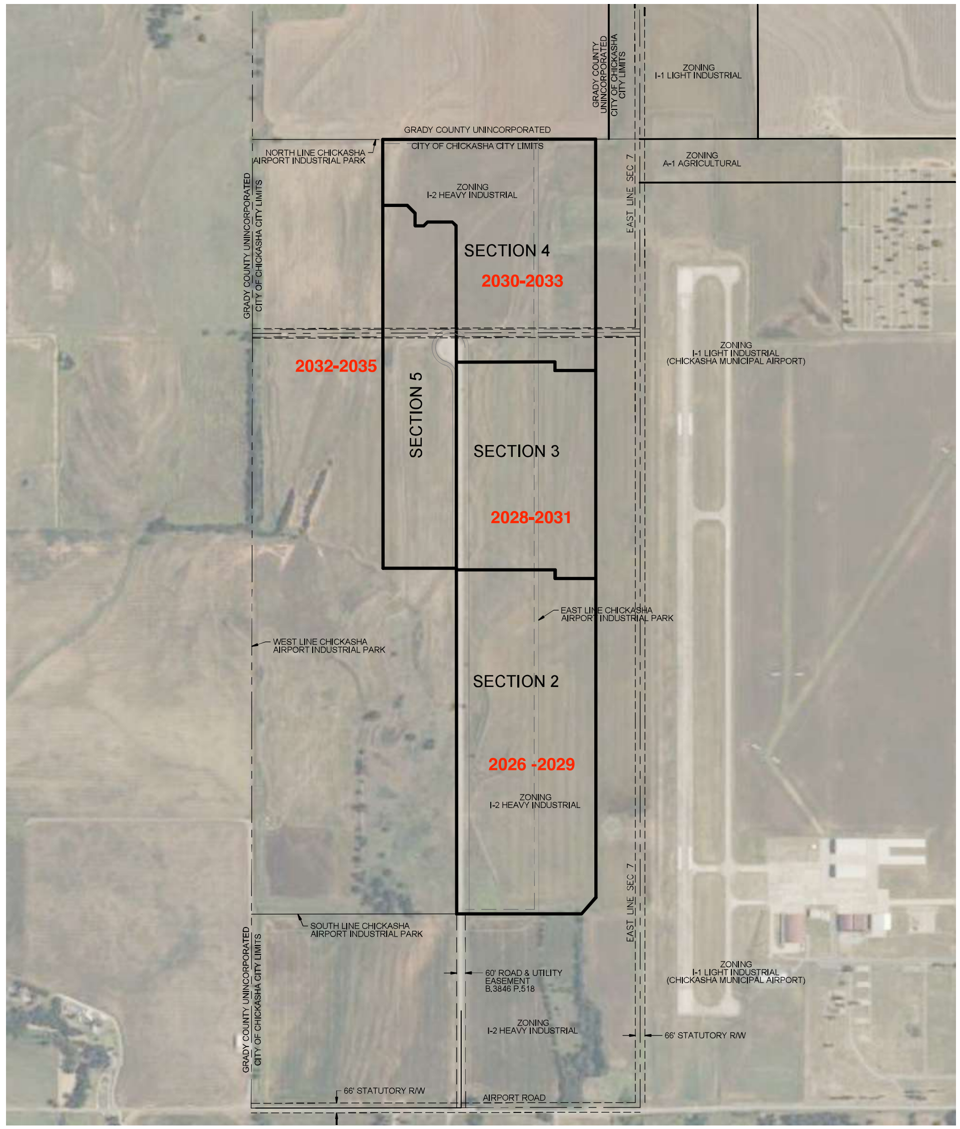
AIRPORT INDUSTRIAL PARK PROJECT

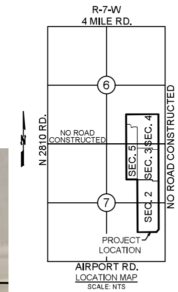
* See following pages for Preliminary Conceptual Layout, which is subject to change.

PRELIMINARY PLAT

CHICKASHA AIRPORT INDUSTRIAL PARK
SECTIONS 2, 3, 4, & 5

BEING A REPLAT OF A PORTION OF LOT ONE (1), BLOCK ONE (1), CHICKASHA AIRPORT INDUSTRIAL PARK
AND BEING A PART OF THE SE/4 OF SEC. 6 AND NE/4 & SE/4 OF SEC. 7, T.7N., R.7W., I.M.
CITY OF CHICKASHA, GRADY COUNTY, OKLAHOMA





PRELIMINARY FOR REVIEW ONLY

400 0 200 400
1" = 400'

SUBDIVISION STATISTICS

SUBDIVISION CONTAINS FOUR (4) SECTIONS CONTAINING ONE HUNDRED AND FIVE (105) LOTS IN TEN (10) BLOCKS
GROSS AREA: 6,472,747 S.F (148,594 AC.)

SECTION TWO (2) CONTAINS:
THIRTY-FOUR (34) LOTS IN TWO (2) BLOCKS
2,205,831 SF (50,639 ACRES)
EXISTING R/W 140,757 SF (3,231 ACRES)
R/W DEDICATED BY PLAT 145,359 SF (3,337 ACRES)
ZONING: I-2

SECTION THREE (3) CONTAINS:
TWENTY-FIVE (25) LOTS IN FOUR (4) BLOCKS
1,346,330 SF (30,908 ACRES)
EXISTING R/W 84,981 SF (1,951 ACRES)
R/W DEDICATED BY PLAT 136,666 SF (3,137 ACRES)
ZONING: I-2

SECTION FOUR (4) CONTAINS:
TWENTY-THREE (23) LOTS IN TWO (2) BLOCKS
1,721,164 SF (39,512 ACRES)
EXISTING R/W 9,905 SF (0,227 ACRES)
R/W DEDICATED BY PLAT 164,619 SF (3,779 ACRES)
ZONING: I-2

SECTION FIVE (5) CONTAINS:
TWENTY-THREE (23) LOTS IN TWO (2) BLOCKS
1,199,424 SF (27,535 ACRES)
R/W DEDICATED BY PLAT 139,750 SF (3,208 ACRES)
ZONING: I-2

UTILITY & SITE INFORMATION

- ALL PROPOSED WATER MAINS TO BE 6" MIN. PVC
- ALL PROPOSED SEWER MAINS TO BE 8" MIN. PVC
- ALL PROPOSED STORM LINES TO BE 18" MIN. RCP
- NO PUBLIC SIDEWALKS PROPOSED
- SUBJECT PROPERTY LIES WHOLLY WITHIN ZONE X, AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN PER FEMA FIRM MAP 40051C0280E, HAVING AN EFFECTIVE DATE OF APRIL 3, 2023.
- ROAD RIGHTS OF WAYS TO BE 60 FEET.
- ROADWAY WIDTH TO BE 32 FEET BACK OF CURB TO BACK OF CURB MINIMUM. SEE SEPARATE EXHIBITS FOR INTERSECTION DETAILS AND WIDTHS.

OWNER/DEVELOPER:
OH HITT CORP, AN OKLAHOMA CORPORATION
C/O CHESTER HITT, PRESIDENT
210 W CHICKASHA AVE.
CHICKASHA, OK 73018

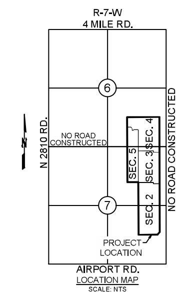
ENGINEER/SURVEYOR:
WALLACE DESIGN COLLECTIVE, PC
410 N. WALNUT ST., SUITE 200
OKLAHOMA CITY, OK 73104
PATRICK ALTENDORF, PE
patrick.altendorf@wallace.design
405-536-2026
LEE MARTIN, LS
lee.martin@wallace.design
405-536-2016

PRELIMINARY PLAT
CHICKASHA AIRPORT INDUSTRIAL PARK
SECTIONS 2,3,4,&5
OCTOBER 17, 2025
PAGE 1 OF 3

PRELIMINARY PLAT

CHICKASHA AIRPORT INDUSTRIAL PARK
SECTIONS 2, 3, 4, & 5

BEING A REPLAT OF A PORTION OF LOT ONE (1), BLOCK ONE (1), CHICKASHA AIRPORT INDUSTRIAL PARK
AND BEING A PART OF THE SE/4 OF SEC. 6 AND NE/4 & SE/4 OF SEC. 7, T.7N., R.7W., I.M.
CITY OF CHICKASHA, GRADY COUNTY,OKLAHOMA



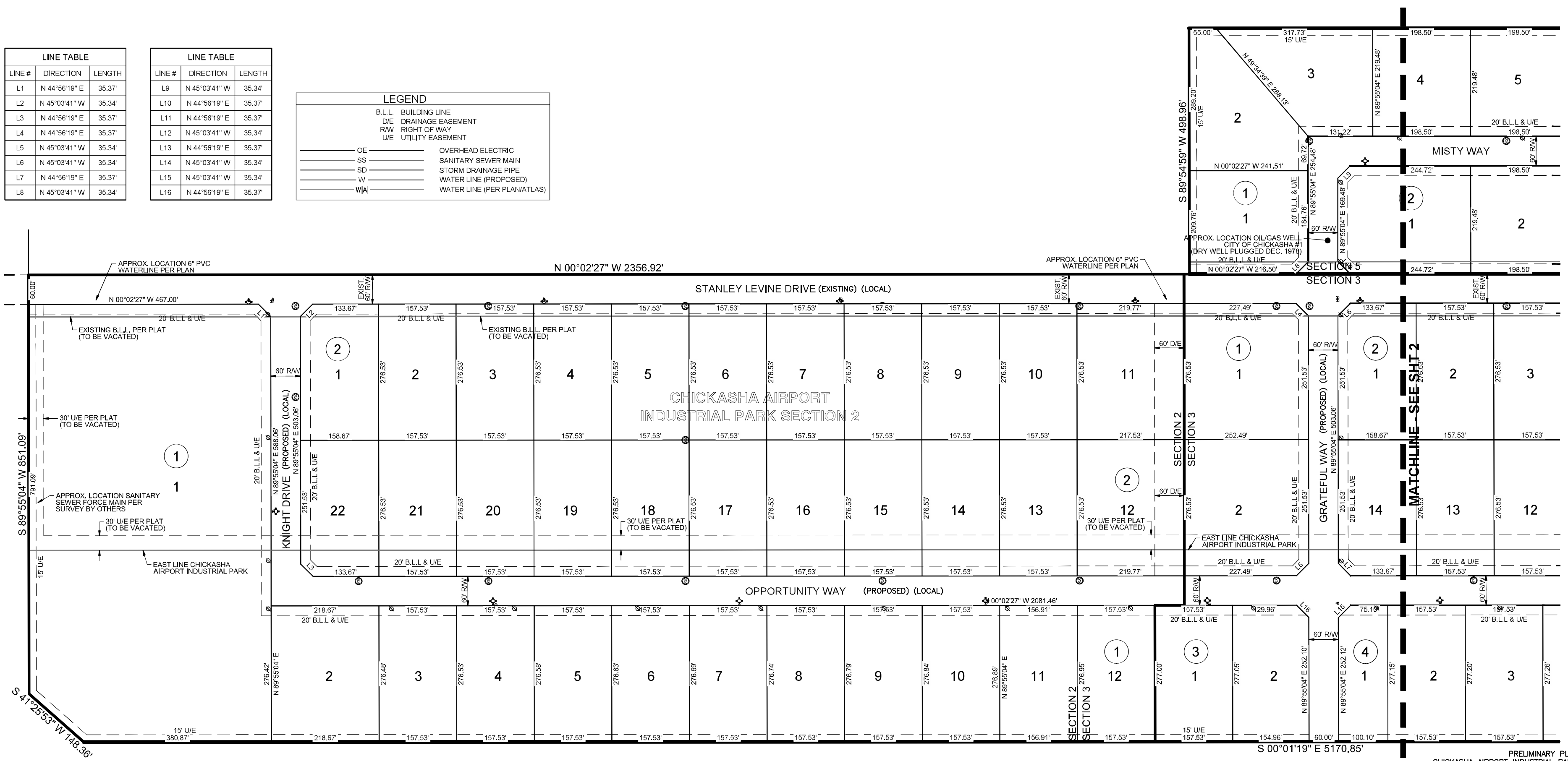
PRELIMINARY
FOR REVIEW ONLY

100 0 50 100
1" = 100'

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	N 44°56'19" E	35.37'
L2	N 45°03'41" W	35.34'
L3	N 44°56'19" E	35.37'
L4	N 44°56'19" E	35.37'
L5	N 45°03'41" W	35.34'
L6	N 45°03'41" W	35.34'
L7	N 44°56'19" E	35.37'
L8	N 45°03'41" W	35.34'

LINE TABLE		
LINE #	DIRECTION	LENGTH
L9	N 45°03'41" W	35.34'
L10	N 44°56'19" E	35.37'
L11	N 44°56'19" E	35.37'
L12	N 45°03'41" W	35.34'
L13	N 44°56'19" E	35.37'
L14	N 45°03'41" W	35.34'
L15	N 45°03'41" W	35.34'
L16	N 44°56'19" E	35.37'

LEGEND	
B.L.L.	BUILDING LINE
D/E	DRAINAGE EASEMENT
R/W	RIGHT OF WAY
U/E	UTILITY EASEMENT
OE	OVERHEAD ELECTRIC
SS	SANITARY SEWER MAIN
SD	STORM DRAINAGE PIPE
W	WATER LINE (PROPOSED)
W(A)	WATER LINE (PER PLAN/ATLAS)



PRELIMINARY PLAT
CHICKASHA AIRPORT INDUSTRIAL PARK
SECTIONS 2,3,4,&5
OCTOBER 17, 2025
PAGE 2 OF 3

PRELIMINARY PLAT
CHICKASHA AIRPORT INDUSTRIAL PARK
SECTIONS 2, 3, 4, & 5

BEING A REPLAT OF A PORTION OF LOT ONE (1), BLOCK ONE (1), CHICKASHA AIRPORT INDUSTRIAL PARK
AND BEING A PART OF THE SE/4 OF SEC. 6 AND NE/4 & SE/4 OF SEC. 7, T.7N., R.7W., I.M.
CITY OF CHICKASHA, GRADY COUNTY,OKLAHOMA

PRELIMINARY
FOR REVIEW ONLY

LINE TABLE

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L1	N 44°56'19" E	35.37'
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L6	N 45°03'41" W	35.34'
L7	N 44°56'19" E	35.37'
L8	N 45°03'41" W	35.34'

LINE TABLE

LINE #	DIRECTION	LENGTH
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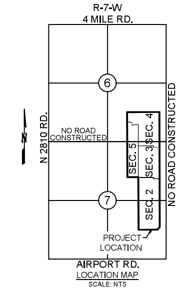
L10	N 44°56'19" E	35.37'
L11	N 44°56'19" E	35.37'
L12	N 45°03'41" W	35.34'
L13	N 44°56'19" E	35.37'
L14	N 45°03'41" W	35.34'
L15	N 44°56'19" E	35.37'
L16	N 44°56'19" E	35.37'

LEGEND

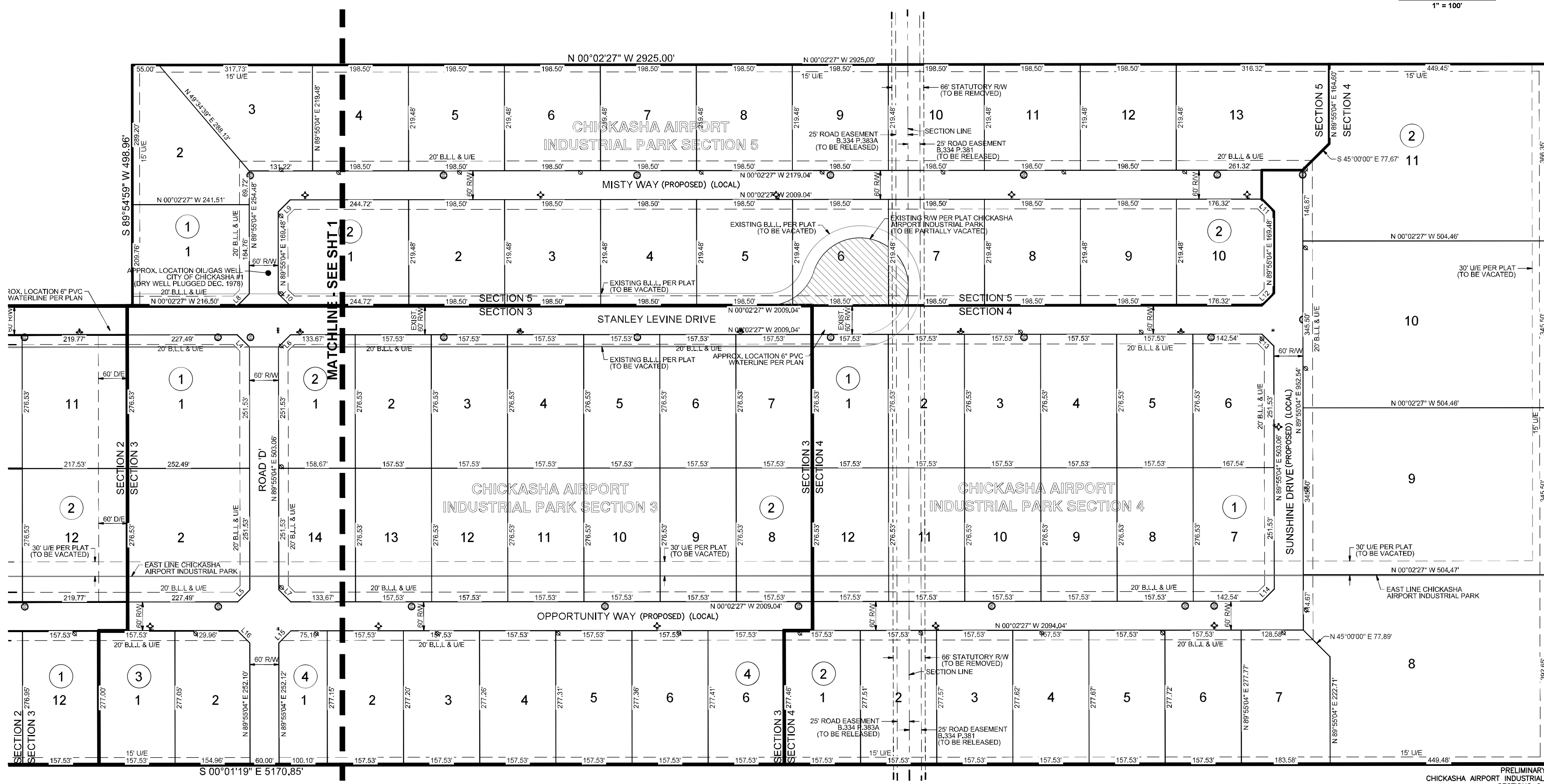
B.L.L. BUILDING LINE
D/E DRAINAGE EASEMENT
R/W RIGHT OF WAY
U/E UTILITY EASEMENT

OE — OVERHEAD ELECTRIC
SS — SANITARY SEWER MAIN
SD — STORM DRAINAGE PIPE
W — WATER LINE (PROPOSED)
W(A) — WATER LINE (PER PLAN/ATLAS)



LOCATION MAP
SCALE: NTS

1" = 100'



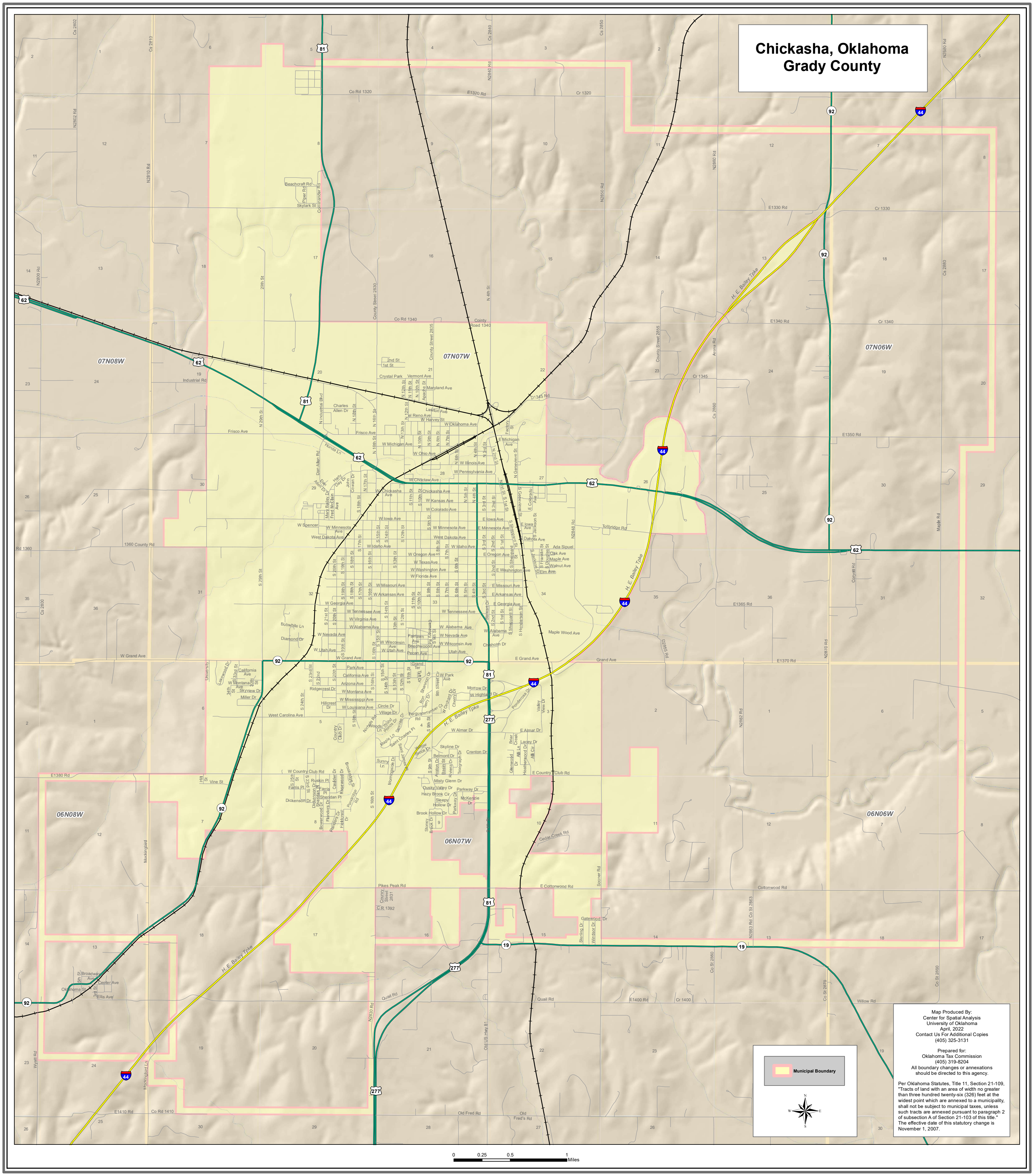
PRELIMINARY PLAT
CHICKASHA AIRPORT INDUSTRIAL PARK
SECTIONS 2,3,4,&5
OCTOBER 17, 2025
PAGE 3 OF 3

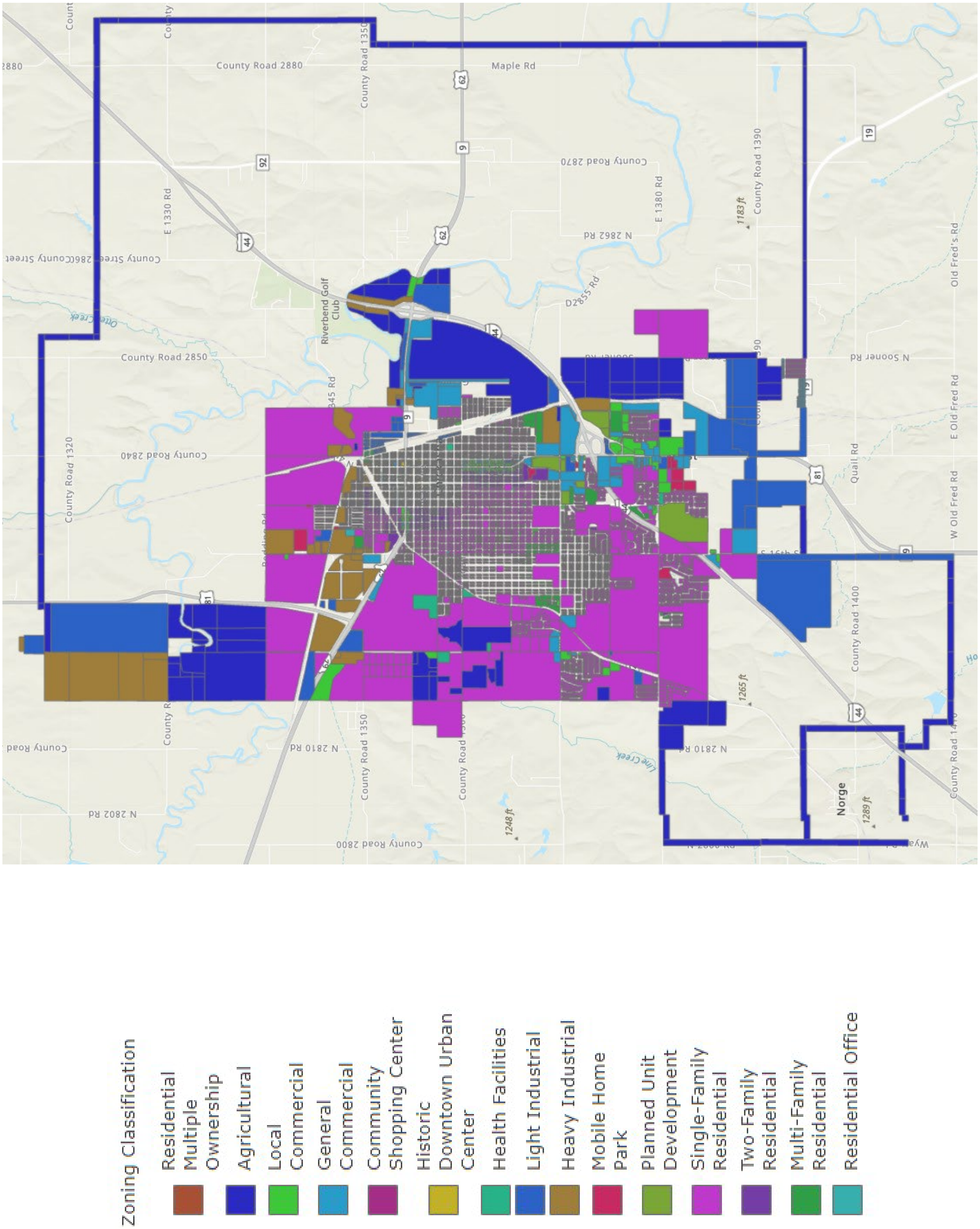
EXHIBIT "G"

EXISTING USES AND CONDITIONS OF REAL PROPERTY

Aereal view of Increment District area:

The following pages include a municipal boundary map showing the corporate limits of the City, and the most recent city-wide zoning map.


Chickasha, Oklahoma
Grady County
Municipal Boundary
Map Produced By:
Center for Spatial Analysis
University of Oklahoma
April, 2022
Contact Us For Additional Copies
(405) 325-3131
Prepared for:
Oklahoma Tax Commission
(405) 319-8204
All boundary changes or annexations
should be directed to this agency.
Per Oklahoma Statutes, Title 11, Section 21-109, "Tracts of land with an area of width no greater than three hundred twenty-six (326) feet at the widest point which are annexed to a municipality, shall not be subject to municipal taxes, unless such tracts are annexed pursuant to paragraph 2 of subsection A of Section 21-103 of this title." The effective date of this statutory change is November 1, 2007.
0 0.25 0.5 1
Miles
07N08W
07N07W
07N06W
06N08W
06N07W
06N06W
H. E. Bailey Tpke


Zoning Classification
Residential Multiple Ownership
Agricultural
Local Commercial
General Commercial
Community Shopping Center
Historic Downtown Urban Center
Health Facilities
Light Industrial
Heavy Industrial
Mobile Home Park
Planned Unit Development
Single-Family Residential
Two-Family Residential
Multi-Family Residential
Residential Office

PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE PLANNING COMMISSION OF THE CITY OF CHICKASHA, OKLAHOMA, MET IN REGULAR SESSION IN THE COUNCIL CHAMBERS AT CHICKASHA CITY HALL, 117 NORTH 4TH STREET, CHICKASHA, OKLAHOMA, 73018, ON THE 9TH DAY OF DECEMBER, 2025, AT 4:00 O'CLOCK P.M.

PRESENT: Chairman Mike Mosley, Eric Anderson, Tammy Watts, and Julie Allred.

ABSENT: Nita Ladd

(OTHER PROCEEDINGS)

Thereupon, the following resolution was introduced and caused to be read by the City Clerk. Commissioner Anderson moved passage of the Resolution and Commissioner Watts seconded the motion. The motion carrying with it the approval of said Resolution was approved by the following vote:

AYE: Anderson, Watts, Allred, and Mosley

NAY: None.

The Resolution so approved is as follows:

RESOLUTION 2025-31R

A RESOLUTION RECOMMENDING THAT THE CITY OF CHICKASHA, OKLAHOMA THROUGH ITS CITY COUNCIL CREATE A TAX INCREMENT DISTRICT AND APPROVE THE CHICKASHA AIRPORT INDUSTRIAL PARK ECONOMIC DEVELOPMENT PROJECT PLAN.

WHEREAS, the City of Chickasha, Oklahoma (the "City") is working to promote economic development in the area, in order to provide increased opportunity for residents of the area and to improve the overall standard of living; and

WHEREAS, the City aspires to attract and retain business interests with the potential to invest in commercial and industrial facilities at or near the Chickasha Airport Industrial Park within the City, subject to certain conditions including economic development incentives and financing; and

WHEREAS, the Local Development Act, Title 62, Oklahoma Statutes Section 850 *et seq.* (the "Local Development Act"), was passed by the Oklahoma Legislature to implement Section towns, and counties to apportion tax increments to help finance the public costs of economic development; and

WHEREAS, the proposed project depends upon the utilization of tax increment financing to help finance the project costs; and

WHEREAS, at the direction of the City Council of the City, this Planning Commission has reviewed the Chickasha Airport Industrial Park Economic Development Project Plan (the "Project Plan"); and

WHEREAS, the creation of new opportunities for investment in commercial and industrial facilities and the further development of the project area (all as described in the Project Plan) are in the best interests of the City; and

WHEREAS, this Planning Commission finds that the proposed Project Plan is consistent with the comprehensive plan of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF CHICKASHA, OKLAHOMA:

Section 1. The Planning Commission recommends to the City Council of the City the creation of a tax increment district and approval of the Chickasha Airport Industrial Park Economic Development Project Plan.

PASSED AND APPROVED THIS 9TH DAY OF DECEMBER, 2025.

CITY OF CHICKASHA SEAL STATE OF OKLAHOMA

(SEAL)

By: Mike Moxley
Chairman

ATTEST:

By: Susan M. McDaniel
City Clerk

STATE OF OKLAHOMA)
)SS
COUNTY OF GRADY)

I, the undersigned, City Clerk of the City of Chickasha, Oklahoma, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the Planning Commission of said City held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 9TH DAY OF DECEMBER, 2025.

CITY OF CHICKASHA SEAL STATE OF OKLAHOMA

(SEAL)

Susan M. McDaniel

City Clerk

PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE TAX INCREMENT DISTRICT REVIEW COMMITTEE OF THE CITY OF CHICKASHA, OKLAHOMA, MET IN SPECIAL SESSION IN THE CITY COUNCIL CHAMBERS AT CHICKASHA CITY HALL, 117 NORTH 4TH STREET, CHICKASHA, OKLAHOMA, 73018, ON THE 1ST DAY OF DECEMBER, 2025, AT 1:30 O'CLOCK P.M.

PRESENT: Chairman Zachary Grayson (City of Chickasha), Eric Anderson (Chickasha Planning Commission), Dr. Gayla Lutts (Canadian Valley Technology Center), Daryn Kirkpatrick (Grady County Health Department), Rick Croslin (Chickasha Public Schools), Chloe Berry (Grady County EMS), Cooper Mosley (At-Large), Brandi Winters (At-Large), and Christy Martin (At-Large)

ABSENT: Ruth Bingham (Grady County)

(OTHER PROCEEDINGS)

Thereupon, the following resolution was introduced and caused to be read by title by the City Clerk. Committee Member Daryn Kirkpatrick moved passage of the Resolution and Committee Member Brandi Winters seconded the motion. The motion carrying with it the approval of said Resolution was approved by the following vote:

AYE: Chairman Zachary Grayson, Eric Anderson, Dr. Gayla Lutts, Daryn Kirkpatrick, Rick Croslin, Chloe Berry, Cooper Mosley, Brandi Winters, and Christy Martin

NAY: None

The Resolution so approved is as follows:

[RESOLUTION ON FOLLOWING PAGE]

RESOLUTION NO. 2025-31R

A RESOLUTION RECOMMENDING THAT THE CITY OF CHICKASHA, OKLAHOMA THROUGH ITS CITY COUNCIL CREATE A TAX INCREMENT DISTRICT AND APPROVE THE CHICKASHA AIRPORT INDUSTRIAL PARK ECONOMIC DEVELOPMENT PROJECT PLAN; AND MAKING CERTAIN FINDINGS IN REGARDS THERETO.

WHEREAS, pursuant to the provisions of the Local Development Act, 62 O.S. 2021, Section 851 *et seq.* (the "Local Development Act"), as amended, the City Council of the City of Chickasha, Oklahoma (the "City") appointed the Tax Increment District Review Committee (the "Review Committee") to review and make recommendations concerning proposed tax increment district(s) within the City; and

WHEREAS, the membership of this Review Committee is comprised of the following individuals: a representative of the City, a representative of the Planning Commission of the City, representatives of each taxing jurisdiction within the proposed district(s) whose taxes might be impacted by virtue of the adoption of a project plan, and three representatives of the public at large, all as required pursuant to Section 855(A) of the Local Development Act; and

WHEREAS, the Review Committee has the statutory duty to consider and make its findings and recommendations to the City with respect to the conditions establishing the eligibility of the proposed district(s) and the appropriateness of the approval of the proposed plan and project, as well as to report its findings to the City in regard to the financial impact on the taxing jurisdictions and business activities within the proposed district(s); and

WHEREAS, Article 10, Section 6C of the Oklahoma Constitution and its enabling legislation known as the Local Development Act provide that the City may use local taxes and local fees, in whole or in part, for specific public investments, assistance in development financing, or as a specific revenue source for other public entities in the area for which the improvements take place and may direct the apportionment of the taxes and fees for historic preservation, reinvestment, or enterprise areas that are exhibiting economic stagnation or decline; and

WHEREAS, the Review Committee has been presented with the "Chickasha Airport Industrial Park Economic Development Project Plan" (the "Project Plan"), providing for the creation of a tax increment district within the City of Chickasha, Oklahoma (the "Increment District"), wherein certain projects are contemplated to be financed from a combination of public and private sources, including apportionment of ad valorem taxes and construction sales and use taxes, along with qualifying Leverage Act revenues, all derived from the proposed Increment District, to be established in connection with the project; and

WHEREAS, the Project Plan contemplates the funding of essential public improvements and economic incentives; and

WHEREAS, it is more likely than not that the private investment referenced in the Project Plan would not occur within the proposed Increment District without the public improvements and economic incentives specified in such plan.

NOW, THEREFORE, BE IT RESOLVED BY THE REVIEW COMMITTEE THAT THE FOLLOWING RECOMMENDATIONS AND FINDINGS BE MADE TO THE CITY COUNCIL OF THE CITY OF CHICKASHA, OKLAHOMA, IN REGARD TO THE PROPOSED INCREMENT DISTRICT AND THE PROJECT PLAN:

SECTION 1. ELIGIBILITY AND CREATION OF INCREMENT DISTRICT. The Review Committee hereby finds that the boundaries of the proposed Increment District, as set forth in Exhibit "D" of the Project Plan, are within a reinvestment area (as defined in Section 853(17) of the Local Development Act), and therefore, meets the requirements of Section 856(B)(4)(a)(1) of the Local Development Act. Additionally, the area comprising proposed Increment District "C" is contained within designated enterprise zones (Tract 40051000802) and therefore constitutes an enterprise area (as defined in Section 853(5) of the Local Development Act).

SECTION 2. APPROVAL AND RECOMMENDATIONS IN REGARD TO THE PROJECT PLAN.

(A) The Review Committee has considered the Project Plan, and hereby finds that the provisions of the Project Plan do meet the following legislative guidelines set forth in Section 852 of the Local Development Act:

(1) Investment, development, and economic growth are difficult within the boundaries of the proposed Increment District, but possible if the tax increment financing provisions of the Local Development Act are available;

(2) That the proposed Increment District does not encompass an area where investment, development and economic growth would occur without the assistance of public funds;

(3) That the undertaking of the projects described in the Project Plan will not supplant or replace normal public functions and services;

(4) That the purpose set forth in the Project Plan for the proposed Increment District works in conjunction with the City's locally implemented economic development plans;

(5) That the proposed Increment District does not have boundaries that dissect a similar area and does not create an unfair competitive advantage;

(6) That the project contemplates the need for residential and neighborhood treatments, and capital improvements to neighborhood public schools, as well as commercial/industrial development;

(7) That where possible, partial credits or credits that do not utilize the full time frame allowed have been incorporated into the Project Plan;

(8) That the maximum effort has been made to allow full public knowledge and participation in the use of the Local Development Act in connection with the preparation and adoption of the Project Plan;

(9) That the Project Plan contemplates the conservation, preservation and rehabilitation of existing improvements within the proposed Increment District; that demolition, clearance and relocation is minimized except for structures necessary for the undertaking of the projects referenced in the Project Plan; and

(10) That the Project Plan, upon adoption by the City, develops and applies clear standards, criteria and threshold limits that are applicable to all similar property and areas that the Project Plan contains protection against nearby relocations to utilize incentives.

(B) The Review Committee further finds that contemplated private and public projects described in the Project Plan will likely enhance the value of other real property located within the proposed Increment District and the Project Area and will promote the general public interest.

(C) The Review Committee further finds that the aggregate net assessed value of all taxable property in all increment districts, as determined pursuant to Section 856(B)(4)(d) of the Local Development Act, within the City does not exceed 35% of the total net assessed value of taxable property within the City.

(D) The Review Committee further finds that the aggregate net assessed value of the taxable property in all increment districts, as determined pursuant to Section 856(B)(4)(f) of the Local Development Act, within the City does not exceed 25% of the total assessed net value of any affected school districts located within the City.

(E) The Review Committee further finds that the land area of all increment districts within the City does not exceed 25% of the total land area of the City.

(F) Based on the foregoing, the Review Committee finds that the Project Plan and the projects therein are appropriate under the provisions of the Local Development Act, and the approval of the Project Plan by the City is hereby recommended.

SECTION 3. REPORT OF FINANCIAL IMPACT.

(A) The Review Committee finds that the current ad valorem tax revenues collected within the proposed Increment District will continue to be apportioned to the taxing entities. The Committee also finds that dedicating incremental ad valorem tax and construction sales and use tax revenues, along with qualifying Leverage Act revenues (the "TIF Revenues" as described in the Project Plan) to the Increment District apportionment fund beginning on a date determined by the City Council of the City, in accordance with Section 856(B)(2) of the Local Development Act (the "Commencement Date") until such time as all project costs are paid or twenty-five (25) full fiscal years following the Commencement Date (referred to as the "Expiration Date"), whichever is less, is desirable to serve as a catalyst for retaining or expanding employment, to attract major investment in the area, and to enhance the tax base. These investments will benefit the proposed Increment District and thereby eventually result in substantial increased ad valorem tax revenues and construction sales and use tax revenues to the taxing jurisdictions through implementation of the Project Plan. Furthermore, the Project Plan provides that excess ad valorem and sales and use revenues collected within the proposed Increment District that are not required for Project Costs and/or debt service on the TIF Bonds (as defined in the Project Plan) shall be returned to the respective taxing jurisdiction. As used herein, the phrase "payment of project costs" is deemed to include any interest component of any reimbursement offered pursuant to a development agreement.

(B) The Project as represented to the Review Committee contemplates the creation of a tax increment district that brings transformative industrial and commercial development to the undeveloped area located immediately west of the Chickasha Municipal Airport located along the west side of U.S. Highway 81 north of the Washita River. The City has identified potential development interests that propose to entice small and medium sized industrial and commercial businesses to relocate from outside the State of Oklahoma to the Chickasha Airport Industrial Park area (referred to herein as "Project"). The proposed Project Costs (as described in the Project Plan) total approximately $69.8 million, including necessary public infrastructure and economic incentives to fully develop the area within the Increment District. The City expects to phase the expenditure of Project Costs in coordination with specific development projects, and intends apply other available funds as appropriate to offset the costs of the Increment District. The City also expects to pay Organizational Costs in the amount of approximately $150,000, interest and related financing costs, in amounts preliminarily determined to be $23 million, along with annual administration costs associated with each increment district not in excess of $10,000 per year, all to be paid from available TIF Revenues in addition to the specifically identified Project Costs. Based on the preliminary development projections assuming an estimated total taxable capital investment of approximately $475.2 million within the Increment District, it is anticipated that approximately $97.18 million in ad valorem tax TIF Revenues will be generated during the term of the Increment District, with approximately $72.89 million available for the payment of Project Costs, and the balance of approximately $24.29 million apportioned to the affected taxing entities. With respect to the ad valorem tax TIF Revenues, the Project Plan contemplates the capture of 100% of such revenues during the term of the Increment District, but 25.0% of such revenues will be apportioned to the affected taxing jurisdictions. Additionally, it is projected that approximately $237.6 million in taxable construction related sales will generate approximately $10.1 million in City sales tax revenues and $1.78 million in County sales tax revenues, with all of such City sales tax apportioned to the payment of Project Costs. None of the County sales tax revenues will be captured by the proposed increment district. The apportionment of City construction sales and use tax is also reasonably expected to qualify for State of Oklahoma matching funds of approximately $10.1 million, pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the "Leverage Act"). All revenue projections are based on an estimated $550.3 million initial capital investment, an estimated $457.2 million aggregate taxable capital investment, an 11.0% assessment rate for real property and a 11.0% assessment rate for personal property, an average 102.02 mill levy within the Increment District (based on 2025 tax rates), and a four and one-quarter percent (4.25%) City sales tax rate and three-quarters of one percent (0.75%) County sales tax rate.

(C) The Review Committee hereby finds that the likely financial impact on each of the taxing jurisdictions within the proposed Increment District to be as follows:

(1) <u>CITY OF CHICKASHA</u>. The City currently levies sales and use taxes equal to four and one-quarter percent (4.25%) pursuant to Ordinance Nos. 827, 1137, 1671, and 2023-20, as codified in the Chickasha Code of Ordinances (referred to within this subsection as the "Sales Tax Revenue"). The stated purposes of the Sales Tax Revenue under the Chickasha Code of Ordinances are: (i) two (2.0%) is designated for general

municipal functions of the City (Ordinance No. 827, as amended by Ordinance No. 1137); (ii) one percent (1.0%) of is designated for transfer to the Chickasha Municipal Authority in support of the operation and maintenance of all facility and functions of the Authority (Ordinance No. 1671); and (iii) one and on-quarter percent (1.25%) is designated for funding of capital expenditures (Ordinance No. 2023-20). Furthermore, the City may levy ad valorem taxes (at varying rates from year to year) to pay principal and interest on the City's outstanding General Obligation indebtedness (if any) and/or judgment rolls (referred to within this subsection as the "Sinking Fund Revenue")

Sales Tax Revenue. There is currently no Sales Tax Revenue generated within the proposed Increment District. The City reasonably expects that the Project will result in significant, one-time construction related expenditures that are subject to the City's sales tax. With regard to future incremental Sales Tax Revenue, the maximum annual and total incremental revenues which are expected to be generated within the proposed Increment District from the City's 4.25% sales and use tax levy and apportioned under the Project Plan for project costs and/or debt service on the TIF Bonds are estimated as set forth on Exhibit "A" hereto. Because substantially all of the incremental Sales Tax Revenue which would be generated from new private investment would not have occurred without the construction of the projects listed in the Project Plan, no adverse financial impact to the City's Sales Tax Revenue is expected.

Sinking Fund Revenue. The establishment of the proposed Increment District does not alter the City's legal obligation under its General Obligation Bonds and/or judgment rolls, and will likely not affect the City's ability to raise sufficient Sinking Fund Revenue to repay such obligations. Thus, no adverse financial impact to the City's Sinking Fund Revenue is expected.

(2) GRADY COUNTY. Grady County, Oklahoma (the "County") currently levies: (a) ad valorem taxes equal to 10.30 mills to support the general governmental activities of the County (referred to within this subsection as the "General Fund Revenue"), and (b) ad valorem taxes (at varying rates from year to year) to pay principal and interest on the County's outstanding General Obligation indebtedness, if any (referred to within this subsection as the "Sinking Fund Revenue").

General Fund Revenue. As all of the existing General Fund Revenue that is currently generated within the proposed Increment District will continue to accrue to the County, no diminishment of the County's General Fund Revenue will likely result from the establishment of the proposed Increment District. With regard to future incremental General Fund Revenue, the maximum annual and total incremental revenues which are expected to be generated within the proposed Increment District from the County's 10.33 mill levy and apportioned under the Project Plan for project costs and/or debt service on the TIF Bonds are estimated as set forth on Exhibit "B" hereto. However, because substantially all of the incremental General Fund Revenue which would be generated from new private investment would not have occurred without the construction of the projects listed in the Project Plan, no adverse financial impact to the County's General Fund Revenue is expected.

Sinking Fund Revenue. The establishment of the proposed Increment District does not alter the County's legal obligation under its General Obligation Bonds, and will likely not affect the County's ability to raise sufficient Sinking Fund Revenue to repay such debt. Thus, no adverse financial impact to the County's Sinking Fund Revenue is expected.

Other Considerations. The apportionment of the County's portion of the TIF Revenues not required for payment of the Project Costs, represents a significant source of revenue for the duration of the Increment District that will also be available to offset any adverse financial impacts to the County. Additionally, the County levies sales and use tax equal to 0.75%. The proposed development will result in a significant source of revenue for the duration of the Increment District that will also be available to offset any adverse financial impacts to the County.

(3) CANADIAN VALLEY TECHNOLOGY CENTER. Canadian Valley Technology Center Vo-Tech District No. 6 ("Technology Center") currently levies: (a) ad valorem taxes equal to 10.31 mills to support the educational activities of the Technology Center (referred to within this subsection as the "General Fund Revenue"), (b) ad valorem taxes equal to 5.15 mills to finance a portion of the capital needs of the Technology Center (referred to within this subsection as the "Building Fund Revenue"), and (c) ad valorem taxes (at varying rates from year to year) to pay principal and interest on the Technology Center's outstanding General Obligation indebtedness, if any (referred to within this subsection as the "Sinking Fund Revenue").

General Fund Revenue. As all of the existing General Fund Revenue that is currently being generated within the proposed Increment District will continue to accrue to Technology Center, no diminishment of Technology Center's General Fund Revenue will likely result from the establishment of the proposed Increment District. With regard to future incremental General Fund Revenue, the maximum annual and total incremental revenues which are expected to be generated within the proposed Increment District from the Technology Center's 10.31 mill levy and apportioned under the Project Plan for project costs and/or debt service on the TIF Bonds are estimated as set forth on Exhibit "B" hereto. However, because substantially all of the incremental General Fund Revenue which would be generated from new private investment would not have occurred without the construction of the projects listed in the Project Plan, no adverse financial impact to the Technology Center's General Fund Revenue is expected.

Building Fund Revenue: As all of the existing Building Fund Revenue that is currently generated within the proposed Increment District will continue to accrue to Technology Center, no diminishment of Technology Center's Building Fund Revenue will likely result from the establishment of the proposed Increment District. With regard to future incremental Building Fund Revenue, the maximum annual and total incremental revenues which are expected to be generated within the proposed Increment District from the Technology Center's 5.15 mill levy and apportioned under the Project Plan for project costs and/or debt service on the TIF Bonds are estimated as set forth on Exhibit "B" hereto. However, because substantially all of the incremental Building Fund Revenue which would be generated from new private investment would not have occurred without the construction of the projects listed in the Project Plan, no adverse financial impact to the Technology Center's Building Fund Revenue is expected.

Sinking Fund Revenue. The establishment of the proposed Increment District does not alter the Technology Center's legal obligation under its General Obligation Bonds, and will likely not affect the Technology Center's ability to raise sufficient Sinking Fund Revenue to repay such debt. Thus, no adverse financial impact to the Technology Center's Sinking Fund Revenue is expected.

Other Considerations. The apportionment of the Technology Center's portion of the TIF Revenues not required for payment of the Project Costs, represents a significant source of revenue for the duration of the Increment District that will also be available to offset any adverse financial impacts to the Technology Center.

(4) GRADY COUNTY HEALTH DEPARTMENT. The Grady County Health Department (the "Health Department") currently levies ad valorem taxes equal to 1.55 mills to support the operational activities of the Health Department (referred to within this subsection as the "General Fund Revenue").

General Fund Revenue. As all of the existing General Fund Revenue that is currently being generated within the proposed Increment District will continue to accrue to the Health Department, no diminishment of the Health Department's General Fund Revenue will likely result from the establishment of the proposed Increment District. With regard to future incremental General Fund Revenue, the maximum annual and total incremental revenues which may be generated within the proposed Increment District from the Health Department's 1.55 mill levy and apportioned under the Project Plan for project costs and/or debt service on the TIF Bonds are estimated as set forth on Exhibit "B" hereto. However, because substantially all of the incremental General Fund Revenue which would be generated from new private investment would not have occurred without the construction of the projects listed in the Project Plan, no adverse financial impact to the Health Department's General Fund Revenue is expected.

Other Considerations. The apportionment of the Health Department's portion of the TIF Revenues not required for payment of the Project Costs, represents a significant source of revenue for the duration of the Increment District that will also be available to offset any adverse financial impacts to the Health Department.

(5) GRADY COUNTY EMS DISTRICT. The Grady County Emergency Medical Services District (the "EMS District") currently levies ad valorem taxes equal to 3.10 mills to support the operational activities of the EMS District (referred to within this subsection as the "General Fund Revenue").

General Fund Revenue. As all of the existing General Fund Revenue that is currently being generated within the proposed Increment District will continue to accrue to EMS District, no diminishment of EMS District's General Fund Revenue will likely result from the establishment of the proposed Increment District. With regard to future incremental General Fund Revenue, the maximum annual and total incremental revenues which are expected to be generated within the proposed Increment District from EMS District's 3.10 mill levy and apportioned under the Project Plan for (a) payment of project costs and/or debt service on the TIF Bonds or (b) allocated to the EMS District, are estimated as set forth on Exhibit "B" hereto. However, because substantially all of the incremental General Fund Revenue which would be generated from new private investment would not have occurred without the construction of the projects listed in the Project Plan, no adverse financial impact to the EMS District's General Fund Revenue is expected.

Other Considerations. The apportionment of the EMS District's portion of the TIF Revenues not required for payment of the Project Costs, represents a significant source of revenue for the duration of the Increment District that will also be available to offset any adverse financial impacts to the EMS District.

(6) CHICKASHA PUBLIC SCHOOLS. The Chickasha Independent School District #1 of Grady County, Oklahoma (the "School District") currently levies: (a) ad valorem taxes (at varying rates from year to year) to pay principal and interest on the School District's outstanding General Obligation indebtedness, if any (referred to within this subsection as the "Sinking Fund Revenue"); (b) ad valorem taxes equal to 35.78 mills to support the operational activities of the School District (referred to within this subsection as the "General Fund Revenue"); and (c) ad valorem taxes equal to 5.11 mills to finance a portion of the capital needs of the school district (referred to within this subsection as the "Building Fund Revenue"). Also, additional ad valorem taxes equal to 4.13 mills are levied county-wide to support the operational activities of all public schools within Grady County, and distributed on the basis of the legal average daily attendance for the preceding school year as certified by the State Board of Education (referred to within this subsection as the "County Levy Revenue").

Sinking Fund Revenue. The establishment of the proposed Increment District does not alter the School District's legal obligation under its General Obligation Bonds, and will likely not affect the School District's ability to raise sufficient Sinking Fund Revenue to repay such debt. Thus, no adverse financial impact to the School District's Sinking Fund Revenue is expected.

Building Fund Revenue. As all of the existing Building Fund Revenue that is currently being generated within the proposed Increment District will continue to accrue to the School District, no diminishment of the School District's Building Fund Revenue will likely result from the establishment of the proposed Increment District. With regard to future incremental Building Fund Revenue, the maximum annual and total incremental revenues which may be generated within the proposed Increment District from the School District's 5.11 mill levy and apportioned under the Project Plan for (a) payment of project costs and/or debt service on the TIF

Bonds or (b) allocated to the School District, are estimated as set forth on Exhibit "A" hereto. However, because substantially all of the incremental Building Fund Revenue which would be generated from new private investment would not have occurred without the construction of the projects listed in the Project Plan, no adverse financial impact to the School District's Building Fund Revenue is expected.

General Fund Revenue and County Levy Revenue. As all of the existing General Fund Revenue and County Levy Revenue that are currently being generated within the proposed Increment District (and allocated to the School District) will continue to accrue to the School District, no significant diminishment of the School District's General Fund Revenue or County Levy Revenue will likely occur. With regard to future incremental General Fund Revenue, these revenues are predominantly impacted by changes in funding from the State of Oklahoma's "State Aid Fund", as provided in Title 70, Sections 118-101 *et seq*. of the Oklahoma Statutes (such revenues being referred to herein as the "State Aid Revenue"). Under these provisions, increases in the net assessed valuation of a school district are offset by reductions in the amount of State Aid Revenue contributed by the State of Oklahoma. Therefore, the inclusion or omission of the net assessed valuation of the new private investment generated within the Increment District would not substantially increase or decrease the net amount of General Fund Revenue available to the School District. Furthermore, the apportionment of an allocable portion of the TIF Revenue, as described in Other Considerations below, will accrue for purpose of providing a specific revenue source for capital expenditures (and any related financing costs) for the benefit of the School District, and will not be considered an offset against State Aid Revenue. The impacts of State Aid Revenue notwithstanding, the maximum annual and total incremental revenues which may be generated within the proposed Increment District from the School District's 35.78 mill levy and apportioned under the Project Plan for project costs and/or debt service on the TIF Bonds are estimated as set forth on Exhibit "A" hereto.

Moreover, under current provisions of Oklahoma law, if new students are attracted to the School District due to the construction of the projects described in the Project Plan, then the School District will likely receive additional State Aid Revenue and County Levy Revenue by virtue of those students. However, cost increases to service these new students are expected to be commensurate with any additional funding. Therefore, the net impact of these factors yields no adverse or beneficial financial impact on the General Fund Revenue or the County Levy Revenue by virtue of the implementation of the Project Plan.

Other Considerations. The apportionment of the School District's portion of the TIF Revenues not required for payment of the Project Costs, represents a significant source of revenue for the duration of the Increment District that, pursuant to the Project Plan, will be dedicated for the purpose of providing a specific revenue source for the benefit of the School District to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income against the State Aid Revenue under the State of Oklahoma School Funding Formula.

(D) The Review Committee hereby finds that the creation of employment opportunities within the City, and the resulting increase in net population working and/or residing within the City, will likely attract new commercial traffic to Chickasha, which will have a net positive impact on existing businesses within the Increment District and surrounding businesses outside the proposed Increment District. It is acknowledged that certain new retail businesses may create additional competition for existing commercial traffic within the City.

[Remainder of Page Left Blank Intentionally]

ADOPTED THIS 1ST DAY OF DECEMBER, 2025.

(SEAL)
ATTEST:

By: ______________________
Chairman

By: ______________________
City Clerk

CITY OF CHICKASHA
SEAL
STATE OF OKLAHOMA

Susan M. McDaniel

STATE OF OKLAHOMA)
)SS
COUNTY OF GRADY)

I, the undersigned, City Clerk of the City of Chickasha, Oklahoma, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the Tax Increment District Review Committee of said City held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 1ST DAY OF DECEMBER, 2025.

(SEAL)

CITY OF CHICKASHA SEAL STATE OF OKLAHOMA

Susan M. McLaurin

City Clerk

EXHIBIT A
Estimated Potential Impact on Certain Sales Tax Collections

		TIF Revenues Captured (2)				
Taxing Purpose	Tax Rate (1)	Allocation to City (3)	Allocation to Project Costs (4)	Allocation to County (3)	Allocation to State	Total Sales Tax Revenue
City of Chickasha Sales Tax	4.250%	0.00	10,099,049.22	0.00	0.00	10,099,049.22
Grady County Sales Tax	0.750%	0.00	0.00	1,782,185.16	0.00	1,782,185.16
State of Oklahoma Sales Tax	4.500%	0.00	0.00	0.00	10,693,110.94	10,693,110.94
TOTALS:	**9.500%**	**0.00**	**10,099,049.22**	**1,782,185.16**	**10,693,110.94**	**22,574,345.31**

(1) Assumes continued levy through expiration of Increment District (June 30, 2051)
(2) Based on estimated $237.624 million in total taxable sales (construction only)
(3) 0% allocation of Sales Tax Increment Revenues allocated to City; 100% of County sales tax allocated to County
(4) 100% allocation of Sales Tax Increment Revenues; excess revenues not needed for Project Costs and related financing costs will be returned to the City

EXHIBIT B
Estimated Potential Impact on Certain Ad Valorem Collections (City of Chickasha TIF)

Ad Valorem Taxing Entity	Mill Levy [1]	TIF Revenues Captured [2] Maximum Year	TIF Revenues Captured [2] 25 Year Total	Allocation to Taxing Entities [2] Maximum Year	Allocation to Taxing Entities [2] 25 Year Total
Grady County - General Fund	10.330	511,508.55	9,840,378.42	127,877.14	2,460,094.61
Grady County - Sinking Fund	0.000	0.00	0.00	0.00	0.00
Grady County - 4 Mill School Levy	4.130	204,504.39	3,934,246.17	51,126.10	983,561.54
Grady County Health Dept. - General Fund	1.550	76,751.04	1,476,533.06	19,187.76	369,133.27
Chickasha ISD #6 - General Fund	35.780	1,771,711.13	34,084,098.74	442,927.78	8,521,024.69
Chickasha ISD #6 - Building Fund	5.110	253,030.85	4,867,796.10	63,257.71	1,216,949.03
Chickasha ISD #6 - Sinking Fund	26.560	1,315,166.23	25,301,108.51	328,791.56	6,325,277.13
Canadian Valley Technology Center #6 - General Fund	10.310	510,518.22	9,821,326.38	127,629.55	2,455,331.60
Canadian Valley Technology Center #6 - Building Fund	5.150	255,011.52	4,905,900.18	63,752.88	1,226,475.05
Canadian Valley Technology Center #6 - Sinking Fund	0.000	0.00	0.00	0.00	0.00
Grady County EMS - EMS Fund	3.100	153,502.08	2,953,066.13	38,375.52	738,266.53
Grady County EMS - Sinking Fund	0.000	0.00	0.00	0.00	0.00
City of Chickasha - Sinking Fund	0.000	0.00	0.00	0.00	0.00
TOTALS:	**102.020**	**5,051,704.02**	**97,184,453.71**	**1,262,926.01**	**24,296,113.43**

City of Chickasha Hotel Tax

TIF Projects	75.00%	3,788,778.02	72,888,340.28
Grady County	2.53%	127,877.14	2,460,094.61
Grady County Health Dept.	0.38%	19,187.76	369,133.27
Chickasha ISD #6	17.54%	886,103.15	17,046,812.38
Canadian Valley Technology Center #6	3.79%	191,382.44	3,681,806.64
Grady County EMS	0.76%	38,375.52	738,266.53
City of Chickasha	0.00%	0.00	0.00
TOTAL ALLOCATION	**100.00%**	**5,051,704.02**	**97,184,453.71**

(1) Based on 2025 millage rate (102.02 mills total)

(2) 75.0% of Ad Valorem Tax Increment Revenues allocated to Project Costs; 25.0% allocated to Taxing Entities; excess revenues not needed for Project Costs and related financing costs will be returned to the respective taxing jurisdiction

12/01/2025

Draft Project Plan Dated: 11/26/2025
Revised and Adopted: 01/26/2026

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CHICKASHA AIRPORT INDUSTRIAL PARK ECONOMIC DEVELOPMENT PROJECT PLAN

Prepared by:

CITY OF CHICKASHA, OKLAHOMA

MAYOR AND CITY COUNCIL
ZACHARY GRAYSON, MAYOR
GEORGIANNE HEBBLETHWAITE, VICE MAYOR, WARD 2
KEA GINN, WARD 1
CLARK SOUTHARD, WARD 1
CHARLIE BURRUSS, WARD 2
ERICA ALEXANDER, WARD 3
KIM IRVING, WARD 3
JOHN P. SMITH, WARD 4
LISA HATCHETT, WARD 4

JIM CROSBY, CITY MANAGER

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THE PUBLIC FINANCE LAW GROUP PLLC
5657 N. CLASSEN BOULEVARD, SUITE 100
OKLAHOMA CITY, OKLAHOMA 73118
(405) 235-3413

Draft Project Plan Dated: 11/26/2025
Revised and Adopted: 01/26/2026

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Draft Project Plan Dated: 11/26/2025
Revised and Adopted: 01/26/2026

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CHICKASHA AIRPORT INDUSTRIAL PARK

ECONOMIC DEVELOPMENT PROJECT PLAN

I. DESCRIPTION OF PROJECT

This Chickasha Airport Industrial Park Economic Development Project Plan (the "**Project Plan**") describes an economic development project of the City of Chickasha, Oklahoma (the "**City**"), that brings transformative industrial and commercial development to the undeveloped area located immediately west of the Chickasha Municipal Airport located along the west side of U.S. Highway 81 north of the Washita River. The Project Plan contemplates the creation of a tax increment financing district pursuant to the Local Development Act, 62 O.S. §850, *et seq* (the "**Local Development Act**"), as authorized pursuant to Article 10, §6C of the Oklahoma Constitution. The purpose of the Increment District (as described herein) is to encourage economic development in the City by facilitating the payment of the costs of essential infrastructure improvements and remedial costs necessary to make certain property viable for development and/or redevelopment (collectively and as more thoroughly discussed herein, referred to as the "**Project**" or "**Airport Industrial Park Project**").

The City has identified potential development interests (individually and collectively referred to as the "**Developers**") that propose to entice small and medium sized industrial and commercial businesses to relocate from outside the State of Oklahoma to the Chickasha Airport Industrial Park area. The City recognizes the difficulty in development of the area due to significant costs necessary to correct current conditions at the planned Project site, including specifically the significant infrastructure and utility improvements necessary to support the development project. The goal of the Increment District (as defined herein) is to promote economic development in the City by incentivizing capital investment in undeveloped property in order to enhance the tax base and create employment opportunities within the City. The City has identified an aggregate total of $69.8 million in costs associated with the infrastructure improvements and economic incentives (collectively referred to herein as the "**TIF Projects**"). The costs of the infrastructure improvements to serve the entirety of the Project Area, inclusive of the Increment District (each as defined herein) are estimated to be $26 million (collectively, the "**Infrastructure Costs**"). Certain economic incentives are proposed in the estimated amount of $43.8 million in support of the Project (the "**Incentive Costs**"). The associated costs of the TIF Projects (inclusive of the Infrastructure Costs and the Incentive Costs), along with the Organizational Costs and the Debt Service Costs (each as further defined herein) are collectively referred to herein as the "**Project Costs**", and total the aggregate amount of $93,100,000. The City expects to phase the expenditure of Project Costs in coordination with specific development projects, and intends to apply other available funds as appropriate to offset the costs of the Increment District.

Pursuant to the terms of one or more development agreements between the City and the Developers (as required by the Local Development Act defined herein), the TIF Revenues generated by virtue of the construction sales and use tax and ad valorem tax levies by the City and the County shall be utilized as a revenue source to fund the costs of the TIF Projects. The TIF

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Revenues (as defined herein) will be used to pay the costs of the TIF Projects, reimburse the Organizational Costs, and/or pay the Debt Service Costs on obligations issued to pay the same.

Based solely on the preliminary projections prepared by the City based on potential development opportunities, the commercial development within the Increment District could result in a potential total capital investment in excess of $550.3 million, with a potential total taxable capital investment of approximately $475.2 million (net taxable value subject to ad valorem taxes) and generate approximately $237.6 million in one-time taxable construction sales over the term of the Increment District. Please see Exhibit "E" for a more detailed description of projected development within the Increment District. Please see Exhibit "F" for a Preliminary Site Development Plan for certain development projects proposed as part of the Airport Industrial Park Project.

II. PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES

The Project Area is the area within which all project activities, including construction of the supporting public improvements, will take place (referred to herein as the "**Project Area**"). A map showing the Project Area is attached as Exhibit "A". The legal description of the Project Area is set forth in Exhibit "B". The Increment District is the specific geographic area within which the identified tax increments will be generated and utilized as set forth in this Project Plan (referred to herein as the "**Increment District**"). The Increment District is located entirely within the Project Area. Most of the contemplated project activities will occur within the boundaries of the Increment District, however certain project activities may occur outside the boundaries of the Increment District but within the Project Area. A Map showing the boundaries for the proposed Increment District is attached as Exhibit "C". The legal description of the Increment District is set forth in Exhibit "D". The increment district is labeled "C" in these Exhibits, and will be assigned a number (*i.e.*, "Increment District No. 3") in the order by which it becomes effective by action of the Chickasha City Council as described in Section VI(B) herein, and as required by Section 856(B)(3) of the Local Development Act (as defined herein). Increment District "C" is associated with the Airport Industrial Park Project.

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III. ELIGIBILITY OF PROJECT

The Increment District is undeveloped and/or underdeveloped within the meaning of and the Local Development Act. The Project Area (including the Increment District) is located in a reinvestment area (as defined in Section 853(17) of the Local Development Act) and is therefore eligible for assistance under the Local Development Act. Additionally, the area comprising Increment District "C" is contained within a designated enterprise zone (Tract 40051000802) and therefore constitutes an enterprise area (as defined in Section 853(5) of the Local Development Act). Additionally, the Project, because it will be located within an enterprise zone, represents an eligible project as defined under the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the "**Leverage Act**"), and therefore may qualify for certain

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incentive matching payments made by the State of Oklahoma based on construction sales and use tax increments dedicated to the Increment District.

The Increment District comprises an area where investment, development and economic growth have not occurred, and which require significant public infrastructure improvements to serve as a catalyst to expand employment opportunities, to attract major investment in the area, and to enhance the tax base.

IV. OBJECTIVES

The purpose of the Project and the Increment District is to support the achievement of the economic development objectives of the City in order to:

A. Create significant developments within the City that will act as a catalyst for additional development within the community;

B. Attract major investment in the area;

C. Serve as a catalyst for retaining and expanding employment in the area;

D. Promote economic development to increase tax revenues, raise property values, and improve economic stability;

E. Preserve and enhance the tax base; and

F. Make possible investment, development and economic growth which would otherwise be difficult or impossible without the TIF Projects and the apportionment of ad valorem taxes and construction sales and use taxes from within the Increment District.

V. FINANCIAL IMPACTS

The proposed private development will generate tax increments necessary to pay all or a portion of the authorized costs of the TIF Projects. Without the creation of the proposed Increment District, significant development within the Project Area would be unlikely and as a result, any significant increases in ad valorem taxes and construction sales and use taxes would be extremely improbable.

The proposed development project does not create a significant increase in demand for services or costs to the affected taxing entities other than the City, whose public sector costs will be offset by apportioned tax increments as provided in this Project Plan.

The affected ad valorem taxing jurisdictions are Grady County, the Grady County Health Department, Independent School District No. 1 of Grady County (Chickasha Public Schools, and referred to herein as the "**School District**"), Canadian Valley Technology Center Vo-Tech District

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No. 6, and Grady County EMS. The general and intangible impacts on the affected taxing jurisdictions from implementation of this Project Plan are positive and include the achievement of the objectives set forth in Section IV of this Project Plan.

The creation of the Increment District will allow the City to apportion the incremental increase in ad valorem tax revenues generated through construction and operation of the commercial and industrial developments within the Increment District for the purpose of paying Project Costs, either through direct payment and/or reimbursement and/or paying debt service on tax apportionment bonds or notes (collectively, the "**TIF Bonds**"), which may be issued in one or more series by a public trust created under Title 60, Oklahoma Statutes 2021, Section 176 *et seq*., and including any interest, capitalized interest and other related financing costs. The proceeds of any such TIF Bonds (if issued) shall be utilized for the Project Costs.

It is anticipated that a successful development will result in significant long-term benefits to the affected ad valorem taxing jurisdictions without causing significant (if any) negative impact on the existing tax base during the term of the Increment District. The formation of an Increment District should result in no net loss in existing ad valorem tax revenue to each of the affected ad valorem taxing jurisdictions. The formation of the Increment District will cause the affected ad valorem taxing jurisdictions to forgo any new incremental ad valorem tax revenue generated from real and personal property values during the term of the Increment District, but will not affect the existing ad valorem tax base within the Increment District. During the term of the Increment District, the 25.0% of Ad Valorem Increment Revenues (as defined herein) apportioned to the affected ad valorem taxing jurisdictions as a specific revenue source are estimated to be approximately $24.3 million (ranging from $170,000 to $1,262,000 per year and based on the proposed development of the Project), and which will be apportioned directly to the affected taxing jurisdictions. Pursuant to the State of Oklahoma School Funding Formula (the "**Funding Formula**"), certain ad valorem taxes received by the School District would be considered chargeable obligations under the Funding Formula and would serve to reduce the amount of State Aid Revenue paid to the School District annually (herein, the "**Chargeables**"). Any portion of the TIF Revenues allocated to the School District shall be for the purpose of providing a specific revenue source to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income under the Funding Formula. Based on the projections of Ad Valorem Increment Revenues, the School District is expected to receive approximately $17.0 million in net new taxing revenues over the term of the Increment District. Upon expiration of the Increment District, the affected ad valorem taxing jurisdictions could see an aggregate net gain in annual ad valorem tax revenues of approximately $4.88 million (based on an aggregate taxable capital investment of approximately $475.2 million), although it is reasonably expected that the impact of Chargeables under the Funding Formula may reduce the net benefit of such aggregate net gain for the School District following expiration of the Increment District.

Potential impacts on the ad valorem taxing jurisdictions include population growth and the demand for services created thereby. The direct impact on each ad valorem taxing jurisdiction is the loss of a portion of the new ad valorem tax increment revenues during the period of apportionment. An additional impact on the School District is that the valuation of the Increment District will not count for, and will therefore limit, the bonding capacity of the School District. However, the School District does realize additional revenue from other sources on a per pupil basis. These impacts may be mitigated by any increase in valuation of property outside the

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Increment District (for example, successful development enhances the property values surrounding the Increment District), and by any increase in new housing outside the Increment District (for example, successful development results in net population gain to the City creating demand for new housing).

The proposed Project will create an increase in demand for utility services from the City, however the City reasonably expects to have sufficient capacity to handle such demand, and the proposed development within the Increment District should generate significant increases in annual water and sewer utility revenues. Any increase in public sector costs should be more than offset by apportioned tax increments as provided in this Project Plan.

The formation of an Increment District should result in new, one-time construction sales and use tax collections to the City and the County, as the affected sales tax jurisdictions. One-hundred percent (100%) of the City's construction sales or use taxes will be captured pursuant to this Project Plan. As of the date of this Project Plan, the City levies a 4.25% sales and use tax, and the County levies a 0.75% sales tax. Assuming completion of the proposed Project and no change in the respective tax levies, the City expects to contribute approximately $10.1 million to the payment of Project Costs, which contribution may be eligible for incentive matching payments from the State (i.e., Leverage Act Increment Revenues), and the County may reasonably expect to realize approximately $1.78 million in new, one-time sales and use tax from the Project, based on the assumption that 50% of the cost of taxable capital investment represents construction materials subject to sales or use tax. Additionally, the City and the County may realize significant indirect sales and use tax gains outside the Increment District, due to short term construction and long-term employment opportunities. These impacts may be mitigated by any increased costs of providing City and/or County services to the development (police, fire, etc.).

VI. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the project, including all necessary, appropriate and supportive steps, will consist of any of the following:

A. Site preparation, planning and construction of public improvements necessary to support the development project;

B. Acquisition by private developers of any additional property interests necessary for the development project including connecting public easements;

C. Negotiation, preparation, execution, and implementation of development agreements, including agreements for financing, demolition, and construction by private developers, as authorized by the Local Development Act. Such agreements may include the granting of incentives for private developers to complete certain improvements within the Project Area;

D. Issuance of tax apportionment bonds or other debt issuance necessary to provide funds for Project Costs;

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E. All other actions necessary and appropriate to carry out the development project as authorized by the Local Development Act.

VII. ESTABLISHMENT OF CITY OF CHICKASHA INCREMENT DISTRICT

This Project Plan, upon adoption by Ordinance of the City of Chickasha, Oklahoma, creates the new Increment District. The Increment District shall commence as of the date determined by the City Council of the City in accordance with Section 856(B)(2) of the Local Development Act (the "**Commencement Date**"); provided however, such Commencement Date shall not be later than ten (10) years following adoption of this Project Plan. The Increment District shall be comprised of the area shown and described in Exhibits "C" and "D". In accordance with the provisions of the Local Development Act, the following incremental revenues shall be apportioned and used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan. The apportionment of the Ad Valorem Increment Revenues (as defined herein, and collectively referred to as the "**TIF Revenues**") shall continue for that period required for the payment of the Project Costs, or a period not to exceed twenty-five (25) full fiscal years following the respective Commencement Date (referred to as the "**Expiration Date**"), whichever is less:

A. One hundred percent (100.0%) of the total equalized assessed value of real and personal property within the boundaries of the Increment District. The base assessed value (as described in Section 862 of the Local Development Act) of the Increment District shall be calculated as an amount equal to one hundred percent (100.0%) of the initial equalized assessed value of real and personal property within the boundaries of the Increment District. In accordance with the provisions of the Local Development Act, one hundred percent (100%) of the increments of real and personal property ad valorem taxes generated within the Increment District, in excess of the real and personal property ad valorem taxes generated from the base assessed value of the Increment District, as such increments are determined and defined pursuant to the Local Development Act (collectively, the "**Ad Valorem Increment Revenues**", and said amount representing one hundred percent (100.0%) of the total new ad valorem tax revenues generated within the boundaries of the Increment District, as determined annually by the Grady County Assessor), shall be apportioned as follows: (i) three-quarters (75.0%) of the Ad Valorem Increment Revenues shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan; and (ii) one-quarter (25.0%) of the Ad Valorem Increment Revenues shall be apportioned to the affecting taxing jurisdictions in proportion to the allocation that the taxing jurisdictions would ordinarily receive from the increased assessed values, in the absence of the Increment District (as set forth in Sections 853(9), 853(14)(i) and 854(4) of the Local Development Act. Provided that any portion of the TIF Revenues allocated to the School District shall be for the purpose of providing a specific revenue source to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income under the Funding Formula; and

B. One hundred percent (100%) of the incremental sales and use tax revenue derived from the construction of the Project (representing an amount equivalent to a four and one-quarter percent (4.25%) sales and use tax based on a total of 4.25% sales and use tax levied by the City

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as of the date of this Project Plan) pursuant to Ordinance Nos. 827, 1137, 1671, and 2023-20, as codified in the Chickasha Code of Ordinances (the "**Code of Ordinances**"), as such Code of Ordinances may be amended, replaced, extended, superseded, terminated, or otherwise modified from time to time, including with regards to the total amount of applicable City sales and use tax rate (collectively, the "**Sales Tax Increment Revenues**"); provided that all such Sales Tax Increment Revenues shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan; provided, however, the Sales Tax Increment Revenues shall only pertain to construction and other capital investment related expenditures within the boundaries of the Increment District, and shall not include any sales and use tax derived from retail sales; and

C. One hundred percent (100%) of the incentive matching payments made by the State of Oklahoma pursuant to the Leverage Act, based on construction sales and use tax increments dedicated to the Increment District, as such amounts are hereinafter determined and defined (collectively, and as more specifically defined in Section X herein, the "**Leverage Act Increment Revenues**"); provided that all of the generated increment shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan.

VIII. PROJECT AND INCREMENT DISTRICT AUTHORIZATIONS

A. Upon adoption of an Ordinance of the City Council of the City approving this Project Plan, the City is hereby designated and authorized as the public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto, including, without limitation, those powers described in Section 854 of the Local Development Act.

B. The City may create a new public trust with the City named as its beneficiary, and/or designate an existing public trust with the City named as its beneficiary and/or designate an alternate public trust with Grady County, Oklahoma, named as its beneficiary (said public trust referred to herein as the "**Authority**"), and said Authority shall be the public entity designated by the City to assist in carrying out and administering the provisions of this Project Plan and authorized to exercise all powers necessary or appropriate thereto pursuant to Title 62, Section 854 of the Local Development Act, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13, and 16 of that section, which powers shall be reserved to the City.

C. The person in charge of implementation of this Project Plan in accordance with the provisions, authorizations and respective delegations of responsibilities contained herein is Mr. Jim Crosby, City Manager. Mr. Crosby, or his successor as City Manager, is authorized to empower one or more designees to exercise responsibilities in connection with project implementation.

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IX. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM INCREMENT DISTRICT

Project Costs to be financed by the apportionment of tax increments from the Increment District include the planning, design, acquisition, site preparation and/or construction of the TIF Projects in an aggregate total amount of $93,100,000. Certain Project Costs may be funded though the payment of assistance in development financing (as authorized by Section 853(14)(o) of the Local Development Act) to a third party as reimbursement for the payment of such Project Costs. Additional amounts will be financed by the apportionment of tax increments from the Increment District including the following items related to Project Costs in excess of the amounts specifically identified for TIF Project Costs: (a) the direct or incidental administrative costs incurred or to be incurred by or on behalf of the City, the Authority, or other public entities (all as contemplated in Title 62, Section 853(14)(e) of the Local Development Act) in organizing, supervising, implementing and administering this Project Plan, including, but not limited to, payment and/or reimbursement of costs advanced in connection with the preparation and approval of this Project Plan, administrative costs, organizational costs, professional service costs, including those incurred for architectural, planning, engineering, legal and financial advisors and services, and costs for determining or re-determining the base assessed value of the Increment District (the "**Organizational Costs**"), and (b) interest and other financing costs and fees, including principal, interest (including capitalized interest), associated costs of issuance, reasonably required reserves, and prepayment premium paid on debt service and/or any reimbursement obligation (the "**Debt Service Costs**"). The Organizational Costs associated with the initial creation and implementation of the Increment District are preliminarily estimated to be approximately $150,000, and the ongoing Organizational Costs are estimated to be $10,000 per year. The Debt Service Costs associated with the Project Costs are preliminarily estimated to be on the order of not-in excess of $23 million.

The total estimate of Project Costs that may be made available for improvements from apportioned tax revenues shall be $69,800,000 (including all engineering, construction, planning, and contingency costs), which shall be a not-to-exceed amount. The City reserves the right to reallocate the costs described above to accommodate any cost differentials from the preliminary projections. The City anticipates that certain other funds may be available to supplement and/or offset all or a portion of certain Project Costs. The City expects to phase the expenditure of Project Costs in coordination with specific development projects. Apportioned tax revenues in excess of the amounts needed for Project Costs may be utilized as necessary to pay the Organizational Costs and the Debt Service Costs, and could total approximately $23,300,000. The estimated combined total of all eligible Project Costs is $93,100,000.

X. METHODS OF FINANCING PROJECT COSTS, EXPECTED SOURCES OF REVENUES, AND TIME WHEN COSTS OR MONETARY OBLIGATIONS ARE TO BE INCURRED

It is hereby determined that the proposed Project Costs, specifically including but not limited to the Infrastructure Costs, will generally benefit and support development throughout the Project Area, inclusive of the Increment District. It is further determined that (i) the TIF

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Revenues derived from the Increment District may properly be utilized to pay any and all Project Costs within the Project Area; and (ii) it is proper and may be appropriate (at the discretion of the City) to pledge TIF Revenues from the Increment District to the repayment of TIF Bonds. Therefore, with respect to the Increment District:

A. Methods of Financing. It is expected that the Project Costs will be paid from proceeds of the Authority's TIF Bonds. Payment of principal and interest due on the TIF Bonds will be paid from available TIF Revenues. Certain Project Costs may be directly paid by a third party developer (including the Developers) or the City and reimbursed from proceeds of the TIF Bonds. Alternately, certain Project Costs may also be directly paid by a third party developer or the City and reimbursed from TIF Revenues in excess of those needed for debt service on the TIF Bonds. Certain other costs of the Project may be paid from such other funds of the City or the Authority as may be lawfully used for the purposes hereinabove stated, including proceeds of certain debt obligations issued by the Authority and secured by a pledge of general sales tax, utility, or other available revenues.

B. Expected Sources of Revenues. The payment or reimbursement of Project Costs, including any interest component on reimbursed funds and any principal, interest, and premium on any TIF Bonds, will be made from one or more of the following sources of revenues:

(i) *Ad Valorem Increment Revenues.* In accordance with the provisions of the Local Development Act, the Ad Valorem Increment Revenues are to be apportioned and set aside from all other ad valorem taxes levied within the Increment District, to be used exclusively for:

(a) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(b) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(c) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects;

(d) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid; and

(e) the establishment and payment of a specific revenue source for affected taxing entities pursuant to Sections 853(9), 853(14)(i), and 854(4) of the Local Development Act.

Pursuant to the Local Development Act, the Ad Valorem Increment Revenues apportioned hereunder shall be transferred by the Grady County Treasurer to a special fund to be known

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as the "Increment District No. [__] - Apportionment Fund" (hereinafter, the "**Apportionment Fund**"), which fund will be held by and be the property of the City (except that such fund may also be held by the Authority or a trustee acting on behalf of the Authority). No portion of such increments and no portion of the Apportionment Fund shall constitute a part of the general fund of the City. All Ad Valorem Increment Revenues so collected shall be apportioned as follows: (i) three-quarters (75.0%) of the Ad Valorem Increment Revenues shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan; and (ii) one-quarter (25.0%) of the Ad Valorem Increment Revenues shall be apportioned to the affecting taxing jurisdictions in proportion to the allocation that the taxing jurisdictions would ordinarily receive from the increased assessed values, in the absence of the Increment District (as set forth in Sections 853(9), 853(14)(i) and 854(4) of the Local Development Act; provided that any portion of the TIF Revenues allocated to the School District shall be for the purpose of providing a specific revenue source to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income under the Funding Formula.

The apportionment of ad valorem taxes pursuant to this section shall terminate upon the final payment of, or reimbursement for, all project costs incurred in connection with the projects listed in this Project Plan, and the payment of all outstanding principal, accrued interest, and premium due on the TIF Bonds; provided, however, that in no case shall the apportionment of revenues pursuant hereto extend beyond the Expiration Date.

In the event that any portion of the principal of or interest on the TIF Bonds, issued in connection herewith, or any amount due and owing for reimbursement under a development agreement between the City and the Company, remains unpaid as of the Expiration Date, then the Increment District shall not terminate until the increment apportioned during the term of the Increment District is actually received by the Apportionment Fund, even if the receipt of such revenues occurs subsequent to the Expiration Date.

(ii) *Sales Tax Increment Revenues.* In accordance with the provisions of the Local Development Act, the Sales Tax Increment Revenues are to be apportioned and set aside from all other sales and use taxes levied within the Increment District, to be used exclusively for:

(a) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(b) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(c) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects; and

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(d) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), including any interest component (pursuant to a development agreement with the City and/or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid.

For purposes of determining the incremental portion of the sales and use taxes generated within or sourced to the Increment District, the City Sales Tax Increment Revenues shall only pertain to construction and other capital investment related expenditures within the boundaries of the Increment District, and shall not include any sales and use tax derived from retail sales. One hundred percent (100%) of the sales and use tax generated within or sourced to the Increment District and received by the City which are in excess of such base amount, net of any Transfer Adjustment, shall be considered to be the "increment" subject to apportionment by this section. The City shall establish procedures related to the calculation and determination of construction related sales and use tax revenue qualifying as Sales Tax Increment Revenues. Such procedures shall stipulate that construction related Sales Tax Increment Revenues be derived only from new construction activities occurring within the Increment District. The City shall be entitled to rely on certifications of actual construction costs provided by a third party developer(s) or related parties in connection with determining any applicable Sales Tax Increment Revenues.

Pursuant to the Local Development Act, the Sales Tax Increment Revenues apportioned hereunder and so collected shall be placed into the Apportionment Fund. No portion of such increments and no portion of the Apportionment Fund shall constitute a part of the general fund of the City. All Sales Tax Increment Revenues so collected shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan, including any interest component (pursuant to a development agreement with the City and/or the Authority).

The apportionment of sales and use taxes pursuant to this section shall terminate upon the final payment of, or reimbursement for, all Project Costs incurred in connection with the projects listed in this Project Plan, and the payment of all outstanding principal, accrued interest, and premium due on the TIF Bonds; provided, however, that in no case shall the apportionment of revenues pursuant hereto extend beyond the Expiration Date.

In the event that any portion of the principal of or interest on the TIF Bonds, issued in connection herewith, or any amount due and owing for reimbursement under a development agreement between the City and the Company, remains unpaid as of the Expiration Date, then the Increment District shall not terminate until the increment apportioned during the term of the Increment District is actually received by the Apportionment Fund, even if the receipt of such revenues occurs subsequent to the Expiration Date.

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(iii) *Leverage Act Increment Revenues*. In accordance with the provisions of the Local Development Act, the Leverage Act Increment Revenues are to be apportioned and set aside from all other revenues generated within the Increment District, to be used exclusively for:

(a) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(b) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(c) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects; and

(d) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), including any interest component (pursuant to a development agreement with the City and/or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid.

The City shall establish procedures related to application under the Leverage Act for sales and use tax matching funds. It is hereby recognized that any Leverage Act Increment Revenues represent a substantial economic benefit to the City and the development of the Project, and the City and the Authority shall take all reasonable actions necessary to maximize the Leverage Act Increment Revenues.

Pursuant to the Local Development Act, the Leverage Act Increment Revenues apportioned hereunder and so collected shall be placed into the Apportionment Fund. No portion of such increments and no portion of the Apportionment Fund shall constitute a part of the general fund of the City. All Leverage Act Increment Revenues so collected shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan, including any interest component (pursuant to a development agreement with the City and/or the Authority).

The apportionment of matching incentive funds pursuant to this section shall terminate upon the final payment of, or reimbursement for, all Project Costs incurred in connection with the projects listed in this Project Plan, and the payment of all outstanding principal, accrued interest, and premium due on the TIF Bonds; provided, however, that in no case shall the apportionment of revenues pursuant hereto extend beyond the Expiration Date.

In the event that any Project Costs remain unpaid, or any portion of the principal of or interest on the TIF Bonds, issued in connection herewith, or any amount due and owing for reimbursement to the City or the Authority or pursuant to a development agreement

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between the City and the Developers, remains unpaid as of the Expiration Date, then the Increment District shall not terminate until the increment apportioned during the term of the Increment District is actually received by the Apportionment Fund, even if the receipt of such revenues occurs subsequent to the Expiration Date.

C. Time When Costs Or Monetary Obligations Are To Be Incurred. It is estimated that the time frame for incurring most of the Project Costs will be within ten to twelve years from the date of approval of this Project Plan; however, certain Project Costs will not be incurred until appropriate development projects within the Increment District are identified by the City. It is anticipated that most Project Costs will be paid from proceeds of TIF Bonds issued by the Authority, provided however, certain Project Costs may be directly paid or reimbursed from apportioned TIF Revenues.

D. Flow of Funds; Excess Revenues.

During the term of the Increment District, TIF Revenues shall be utilized as follows:

FIRST: The payment of principal, accrued interest, and premium, if any, due on the TIF Bonds;

SECOND: If applicable, transfers to any debt service reserve established in connection with the TIF Bonds in such amounts as may be necessary to restore the reserve to its prescribed levels;

THIRD: The payment and/or reimbursement of authorized Project Costs (including any interest component pursuant to a development agreement);

FOURTH: If applicable, the prepayment of principal on any TIF Bonds until such time as all TIF Bonds are retired; and

FIFTH: Upon retirement of all TIF Bonds (if any) and payment of all Project Costs (including any interest component pursuant to a development agreement), (a) any remaining Ad Valorem Increment Revenues shall be transferred to the various ad valorem taxing jurisdictions, in the same percentages as originally collected, as determined by reference to the millage levied by each of the various ad valorem taxing jurisdictions for the related tax year, excluding sinking fund levies, and (b) any remaining Sales Tax Increment Revenues shall be transferred to the City for deposit into the General Fund or to the appropriate special fund, in each case consistent with the provisions of the Local Development Act. Any remaining Leverage Act Increment Revenues either shall be treated appropriately as ad valorem tax revenue or sales and use tax revenue, and shall be transferred as set forth in (a) and (b) herein, or, if required by the Leverage Act, shall be returned to the State of Oklahoma.

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XI. FINANCING REVENUE SOURCES

The TIF Revenues are expected to finance all or a portion of the Project Costs authorized by Section IX. Based on the initial projections of Ad Valorem Increment Revenues for the Airport Industrial Park Project, it is estimated that approximately $97.18 million could be generated by the incremental increase in ad valorem tax revenue during the term of the Increment District, with approximately $72.89 million available to be utilized for Project Costs and approximately $24.29 million apportioned to the affected ad valorem taxing jurisdictions. The initial projections of Ad Valorem Increment Revenues are based upon an estimated $475.2 million initial taxable capital investment, an 11% assessment rate for real property, an 11% assessment rate for business personal property, an approximately 10.202% millage levy within the Increment District (based on the 2025 levy rates), and assuming no annual appreciation in the taxable property values.

Based on the initial projections of Sales Tax Increment Revenues for the Airport Industrial Park Project, it is estimated that approximately $10.1 million could be generated by the incremental increase in sales and use tax revenue during the term of the Increment District, with the entire approximately $10.1 million available for allocation to Project Costs. The initial projections of incremental sales and use tax revenue are based upon the projected revenues generated within the Increment District from the levy of an aggregate total of four and one-quarter percent (4.25%) sales and use tax on new construction within the Increment District, and 50% of the total capital investment representing construction materials subject to sales and use tax.

Additional TIF Revenues may be realized through state matching incentive payments made pursuant to the Leverage Act, as set forth in Section X(B)(iv) above (i.e. the Leverage Act Increment Revenues). Based on the initial projections of revenue and the level of apportionment of construction sales and use tax to Project Costs, state matching payments could make available up to an additional $10.1 million for Project Costs, although it is expected that only a portion of the taxable transactions may qualify for state matching incentive payments.

The calculation of projected TIF Revenues will be refined based upon (i) the actual effective ad valorem tax rate and base assessed valuation, as determined from time to time by the Grady County Assessor and subject to change by voters of the applicable taxing jurisdiction at an election(s) held for such purpose, (ii) the total net capital investment resulting from development within the Increment District, and (iii) the timing of the development.

The realization of the TIF Revenues is directly dependent on the City's ability to attract development proposals on a magnitude necessary to fully develop the area within the Increment District during the term of the Increment District. The Airport Industrial Park Project assumptions represent the initial estimations of the City and the developing property owner of potential development opportunities. The anticipated development, including specifically the Airport Industrial Park Project, along with the necessary Infrastructure Costs, is more fully discussed in Exhibit "E". Preliminary site development plans for certain development projects proposed as part of the Airport Industrial Park Project are included as Exhibit "F". As appropriate, the Authority and/or the City may enter into economic development agreements with developers as required by the Local Development Act.

Certain TIF Projects may be designed and/or constructed by the City. Authorized Project Costs, or the payment of debt service on TIF Bonds issued to pay Project Costs, will be paid from TIF Revenues by the City or the Authority, and may include (i) reimbursement of the City or the Authority for certain public improvements constructed from other available funds, and (ii) assistance in development financing (as authorized by the Local Development Act) to a third party developer(s) for certain public infrastructure and/or other site improvements constructed on behalf of the City in furtherance of the purposes of this Project Plan. The financing of the projected private development in the area may be provided by private equity and private mortgage financing, secured by the private developments.

XII. PUBLIC REVENUE ESTIMATED TO ACCRUE FROM THE PROJECT AND OTHER ECONOMIC IMPACTS

The Ad Valorem Increment Revenues and the Sales Tax Increment Revenues (estimated at a total of approximately $82.99 million over the term of the Increment District based on the projected development of the Project, but not including potential Leverage Act matching incentive funds from the State), of which portions will serve as all or a portion of the revenue source for financing the Project Costs authorized by Section IX of this Project Plan, are the public revenues directly attributable to the project defined by establishment of the Increment District. Additionally, the various taxing jurisdictions may realize additional ad valorem tax and/or sales and use tax revenue from additional development outside the boundaries of the Increment District.

Construction of the improvements and subsequent development should have a positive impact on total employment in the City's metropolitan area, including temporary construction jobs and permanent positions at the Project facilities. Indirect impacts (associated with the employment and income which result from the provision of inputs in support of the primary activity), and induced impacts (associated with the wages and jobs resulting from changes in household expenditures which come about through direct and indirect employment) will also result in additional growth in the City's metropolitan area.

This Project Plan includes certain projections and estimates, which are based on the current expectations or beliefs of third party developer(s) and are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to changes in economic conditions, market demand and other factors affecting the development of the Project.

XIII. PRIVATE AND PUBLIC INVESTMENTS EXPECTED FOR THE PROJECT

The publicly financed Project Costs in the amount of $69.8 million, as authorized by this Project Plan, represent approximately 11.25% of the projected total public and private investment for the Project, which including anticipated expenditures by or on behalf of commercial or governmental entities within the Increment District, could exceed $620 million.

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XIV. MISCELLANEOUS PROVISIONS

A. Zoning Conditions. The property within the boundaries of Increment District "C" is zoned general commercial (Chickasha Municipal Airport) and heavy industrial (area west of the airport). It is reasonably anticipated that minor zoning changes may be proposed in connection with the Airport Industrial Park Project. Other than zoning adjustments to accommodate the proposed Project, no changes in the ordinances of the City of Chickasha are contemplated under this Project Plan. Development is anticipated to occur in accordance with current zoning requirements, with appropriate adjustments as approved by the City. The proposed project conforms to the comprehensive plan for the City of Chickasha, as amended. A map showing the existing uses and conditions of the real property is included as Exhibit "G".

B. Annual Reports. In accordance with Section 867 of the Local Development Act, following the end of each fiscal year, the City shall prepare and submit a report to the chief executive officer of each taxing entity that levies ad valorem taxes on property within the Increment District. At the time of submitting the report, the City shall also publish a notice and summary of the report in a newspaper of general circulation.

XV. SEVERABILITY OF INVALID PROVISIONS

If any part, term, or provision of this Project Plan is held by a court of competent jurisdiction to be illegal, in conflict with any law or otherwise invalid, the remaining parts, terms, and/or provisions shall be considered severable and not be affected by such determination, and the rights and obligations of any parties to development agreements (as described herein and pursuant to the Local Development Act) shall be construed and enforced as if the Project Plan did not contain the particular part, term or provision held to be illegal or invalid.

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EXHIBIT "A"

MAP OF ECONOMIC DEVELOPMENT PROJECT AREA

The boundaries of the Project Area associated with the Increment District contain an area comprising all of Sections 4 through 9, and 16 through 21, Township 7 North, Range 7 West, Grady County, Oklahoma. The Project Area is bordered on the south by Frisco Avenue, on the west by County Road 2810, on the north by County Road 1310 (4 Mile), and on the east by County Road 2840 (N. 4th Street). The Project Area is outlined by red border. Increment District "C" boundaries contained within the blue border.

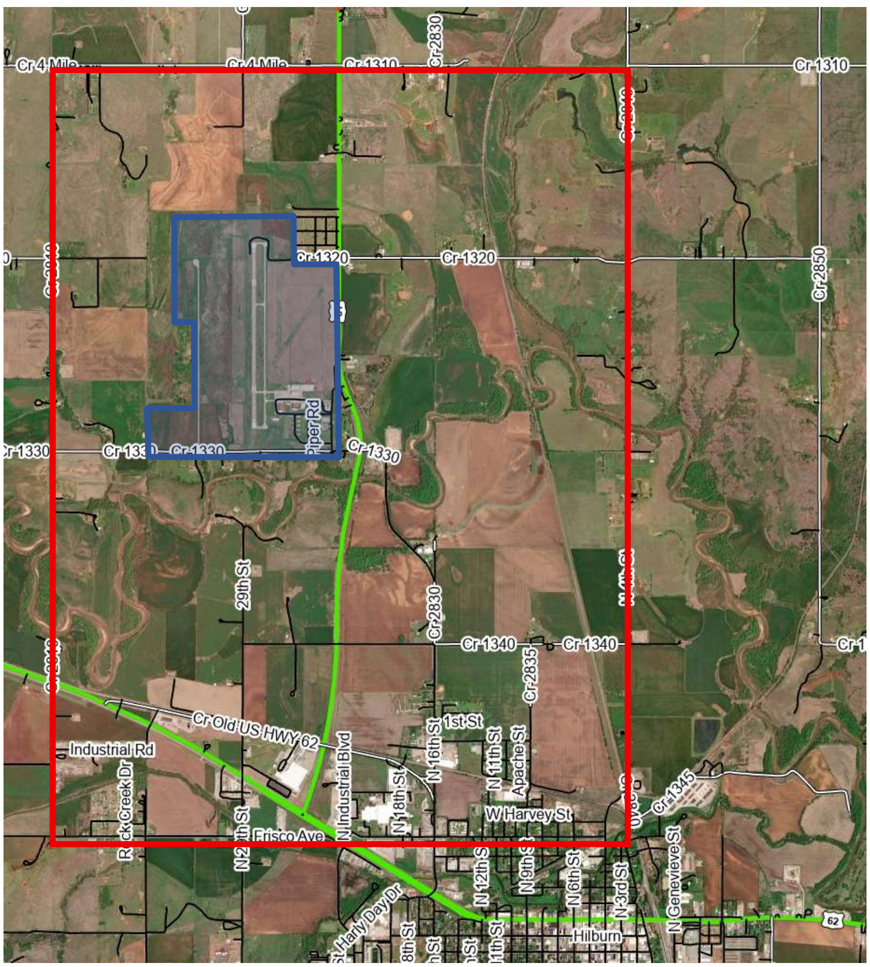

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EXHIBIT "B"

PROJECT AREA LEGAL DESCRIPTION

INCREMENT DISTRICT PROJECT AREA

An area located entirely in Grady County, Oklahoma, more particularly described as follows:

All of Sections 4 through 9, and 16 through 21, Township 7 North, Range 7 West, Grady County, Oklahoma.

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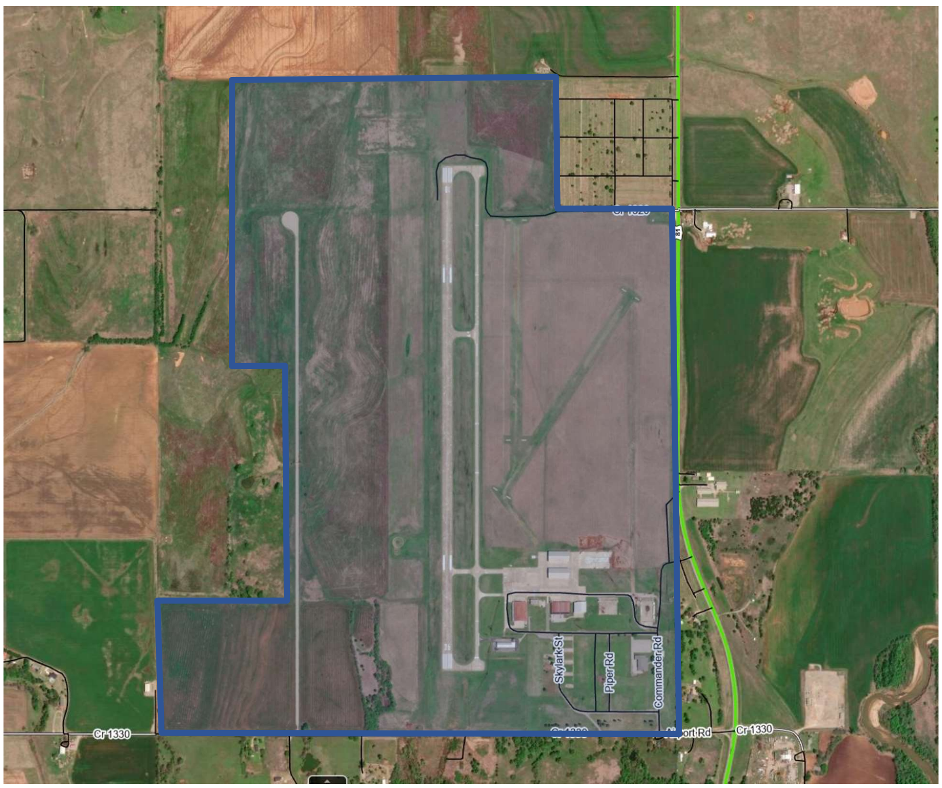
EXHIBIT "C"

MAP OF INCREMENT DISTRICT

INCREMENT DISTRICT "C"

The boundaries of Increment District "C" contain an area generally described as the Chickasha Municipal Airport located along U.S. Highway 81 north of the Washita River, plus a portion of the Chickasha Airport Industrial Park property immediately west of the airport, bounded on the south by Airport Road (E 1330 Road) and on the north by one quarter mile north of E 1320 Road.



* Increment District "C" boundaries contained within the blue border.

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EXHIBIT "D"

INCREMENT DISTRICT LEGAL DESCRIPTIONS

INCREMENT DISTRICT "C"

Tract 1

A part of Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, to the City of Chickasha, Grady County, Oklahoma, according to the recorded plat thereof at Book 6 Page 33 at the Office of the Grady County Clerk and a part of the Southeast Quarter (SE/4) of Section Six (6), and a part of the Southeast Quarter (SE/4) of Section Seven (7), and a part of the Northeast Quarter (NE/4) of Section Seven (7), all in Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma, being more particularly described as follows:

COMMENCING at the southwest corner of the Southeast Quarter (SE/4) of said Section Seven (7);

THENCE North 89°53'56" East along the south line of the Southeast Quarter (SE/4) of said Section Seven (7), a distance of 1400.13 feet;

THENCE North 00°02'27" West a distance of 1321.26 to the point of beginning of said CHICKASHA AIRPORT INDUSTRIAL PARK, also being the POINT OF BEGINNING of subject tract;

THENCE North 00°02'27" West along the west right of way of Stanley Levine Drive as shown within said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, a distance of 2356.92 feet;

THENCE South 89°54'59" West a distance of 498.96 feet;

THENCE North 00°02'27" West a distance of 2925.00 feet to the north line of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK;

THENCE North 89°54'59" East a distance of 1450.00 feet, passing at a distance of 1058.96 feet the northeast corner of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK;

THENCE South 00°01'19" East a distance of 5170.85 feet;

THENCE South 41°25'53" West a distance of 148.36 feet;

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THENCE South 89°55'04" West a distance of 851.09 feet, passing at 291.10 feet the southeast corner of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, to the POINT OF BEGINNING.

Containing 6,472,747 square feet or 148.594 acres, more or less.

Tract 2

All of the East 400 feet of the South Half (S/2) of the Southeast Quarter (SE/4) of Section Six (6), and all of the East 400 feet of the Northeast Quarter (NE/4) and the North Half (N/2) of the Southeast Quarter (SE/4) of Section 7, all in Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma, less and except that portion contained within Tract 1.

Tract 3

Southwest Quarter (SW/4) of the Southwest Quarter (SW/4) of Section 5, Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

Tract 4

South Half (S/2) of the Southeast Quarter (SE/4) Section Seven (7), Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

Tract 5

West Half (W/2) of Section 8, Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

The following Parcels 1-9 are approximately representative of the Increment District "C" boundaries shown on the map in Exhibit "C".

Deleted: The composite legal description for Increment District "C" is an area located entirely in Grady County, Oklahoma, more particularly described as follows:¶
[To be provided]¶

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[See following page]

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EXHIBIT "E"

PROPOSED DEVELOPMENT IN THE PROJECT AREA AND INCREMENT DISTRICT

This Chickasha Airport Industrial Park Economic Development Project Plan describes an economic development project of the City of Chickasha, Oklahoma, that brings transformative industrial and commercial development to the undeveloped area located immediately west of the Chickasha Municipal Airport located along the west side of U.S. Highway 81 north of the Washita River. The purpose of the Increment District (as described herein) is to encourage economic development in the City by facilitating the payment of the costs of essential infrastructure improvements and remedial costs necessary to make certain property viable for development and/or redevelopment.

The City has identified potential development interests (i.e., the Developers) that propose to entice small and medium sized industrial and commercial businesses to relocate from outside the State of Oklahoma to the Chickasha Airport Industrial Park area. The City recognizes the difficulty in development of the area due to significant costs necessary to correct current conditions at the planned Project site, including specifically the significant infrastructure and utility improvements necessary to support the development project. The goal of the Increment District (as defined herein) is to promote economic development in the City by incentivizing capital investment in undeveloped property in order to enhance the tax base and create employment opportunities within the City. The City has identified an aggregate total of $69.8 million in costs associated with the infrastructure improvements and economic incentives (i.e., the TIF Projects). The costs of the infrastructure improvements to serve the Increment District (each as defined herein) are estimated to be $26 million (i.e., the Infrastructure Costs). Certain economic incentives are proposed in the estimated amount of $43.8 million in support of the Project (i.e., the Incentive Costs). The associated costs of the TIF Projects (inclusive of the Infrastructure Costs and the Incentive Costs), along with the Organizational Costs and the Debt Service Costs, represent the Project Costs. The City expects to phase the expenditure of Project Costs in coordination with specific development projects, and intends to apply other available funds as appropriate to offset the costs of the Increment District.

The following specific Infrastructure Costs have been identified by the City as necessary to support the full development of the Project. Project costs may include the actual costs of the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including streets, bridges, drainage facilities, and any similar public improvements, common utility or service facilities, related landscaping; the actual cost of the clearing and grading of the streets within the Project Area and any environmental remediation related thereto; utility relocation costs; professional service costs, including those incurred for architectural, planning, engineering and legal.

Deleted: Pursuant to the terms of one or more development agreements between the City and the Developers (as required by the Local Development Act defined herein), the TIF Revenues generated by virtue of the construction sales and use tax and ad valorem tax levies by the City and the County shall be utilized as a revenue source to fund the costs of the TIF Projects. The TIF Revenues (as defined herein) will be used to pay the costs of the TIF Projects, reimburse the ¶

A. **Water System Improvements**: Installation and extension of the City's water distribution system within the Project Area to serve the various project features within the Airport Industrial Park Project. Project costs under this category include assistance in the financing of the actual material and labor costs

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associated with the acquisition of land and the installation, relocation, reconstruction and/or removal of new or existing water lines, and distribution structures and fixtures, similar public improvements, related common utility or service facilities, related landscaping; utility relocation costs; and professional service costs, including those incurred for architectural, planning, engineering and legal. **$4,000,000**

B. **<u>Sanitary Sewer Improvements</u>**: Relocation or modification of one or more sanitary sewer lines, lift stations, and wastewater treatment plan facilities within the Project Area. Project costs under this category include the actual costs of the acquisition of land and the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including sanitary sewers, similar public improvements, related common utility or service facilities, related landscaping, clearing and grading of the project site and any environmental remediation related thereto; utility relocation costs; and professional service costs, including those incurred for architectural, planning, engineering and legal. **$6,000,000**

C. **<u>Airpark Improvements</u>**: Installation of street and road infrastructure within the Project Area to accommodate the heavy traffic flows generated by this project along with airport security enhancements, taxiway construction, and runway extension. Project costs under this category may include assistance in the financing of the costs of these street and roadway improvements. Project costs under this category include the actual costs of the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including streets, bridges and any similar public improvements, common utility or service facilities, related landscaping; the actual cost of the clearing and grading of the streets and runways within the Project Area and any environmental remediation related thereto; utility relocation costs; stormwater drainage improvements, professional service costs, including those incurred for architectural, planning, engineering and legal . **$10,000,000**

D. **<u>Contingency</u>**: Approximately thirty percent (30%) contingency to reflect probable inflationary costs for the above listed projects over the next decade. **$6,000,000**

The Incentive Costs are estimated to be $43.8 million and will be used for the purpose of providing assistance in development financing (as authorized by Section 853(14)(o) of the Local Development Act) necessary to accomplish the Project. Said assistance in development financing will be approved by the City Council pursuant to an economic development agreement with the prospective development that sets forth appropriate performance requirements to qualify for the incentive(s). Certain of the Infrastructure Costs, along with additional infrastructure improvements, may also be accomplished through the use of assistance in development financing.

Additional amounts will be financed by the apportionment of tax increments from the Increment District including the Organizational Costs and the Debt Service Costs, all related to Project Costs in excess of the amounts specifically identified as Incentive Costs and City Infrastructure Project Costs. The Organizational Costs associated with the initial creation and implementation of the Increment District are preliminarily estimated to be approximately $150,000, and the ongoing Organizational Costs are estimated to be $10,000 per year over the term of the Increment District. The Debt Service Costs associated with the Project Costs are preliminarily estimated to be not in excess of approximately $23 million.

The total estimate of Infrastructure Costs and Incentive Costs that may be made available for improvements and assistance in development financing from apportioned tax revenues shall be $69.8 million (including all engineering, construction, planning, and contingency costs), which shall be a not-to-exceed amount. The City reserves the right to reallocate the costs described above to accommodate any cost differentials from the preliminary projections. The City anticipates that certain other funds may be available to supplement and/or offset all or a portion of certain Project Costs. The City expects to phase the expenditure of certain Project Costs in coordination with specific development projects. Apportioned tax revenues may be utilized as necessary to pay the Organizational Costs and the Debt Service Costs, and could total approximately $23.3 million. The estimated combined total of all Project Costs is $93,100,000.

The estimated $550.3 million capital investment ($475.2 million in net taxable value) and $237.6 million in total taxable construction sales over the term of the Increment District is based on the following preliminary assumptions:

- Airport Industrial Park Project (Increment District "C")
    - Approximately 2,157,000 square foot of industrial and commercial office space at an average buildout cost of $225 per square foot, with an estimated $500.26 million in real property project investment ($425.22 million taxable value), with initial building completion(s) by the end of 2027 and continuing through 2036
    - Approximately $50.02 million in business personal property investment (based on an average factor of 10% of the real property investment for each building ($50.02 million taxable value)
    - Taxable value of real property is estimated at 85% of project investment, with future value held steady
    - Taxable value of business personal property is estimated at 100% of project investment, depreciated over 10 years to an average residual value of 20%
    - Construction sales tax is estimated based on 50% of the combined real property and personal property investment.

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Please see Exhibit "F" for a Preliminary Site Development Plans for certain development projects proposed as part of the Airport Industrial Park Project.

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EXHIBIT "F"

PRELIMINARY SITE DEVELOPMENT PLANS*

AIRPORT INDUSTRIAL PARK PROJECT

* See following pages for Preliminary Conceptual Layout, which is subject to change.

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EXHIBIT "G"

EXISTING USES AND CONDITIONS OF REAL PROPERTY

Aereal view of Increment District area:

The following pages include a municipal boundary map showing the corporate limits of the City, and the most recent city-wide zoning map.

PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE CITY COUNCIL OF THE CITY OF CHICKASHA, OKLAHOMA, MET IN SPECIAL SESSION ON THE 26TH DAY OF JANUARY, 2026, AT 6:30 O'CLOCK P.M.

PRESENT:

ABSENT:

(OTHER PROCEEDINGS)

Thereupon, the following Ordinance was introduced and caused to be read by Title by the City Clerk. Council Member ________ moved passage of the Ordinance and Council Member ________ seconded the motion. The motion carrying with it the approval of said Ordinance was approved by the following vote:

AYE:

NAY:

The Ordinance so approved is as follows:

[Ordinance No. 2026-05 begins on following page]

ORDINANCE NO. 2026-05

AN ORDINANCE OF THE CITY OF CHICKASHA, OKLAHOMA (THE "CITY") APPROVING UTILIZATION OF APPORTIONED TAX REVENUES AUTHORIZED BY STATEWIDE VOTE ADOPTING ARTICLE 10, SECTION 6C OF THE OKLAHOMA CONSTITUTION AND IMPLEMENTED BY THE LOCAL DEVELOPMENT ACT, 62 O.S. §850, ET SEQ.; APPROVING AND ADOPTING THE CHICKASHA AIRPORT INDUSTRIAL PARK ECONOMIC DEVELOPMENT PROJECT PLAN AND EXPRESSING INTENT TO CARRY OUT THE PROJECT PLAN; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE AND THE PLANNING COMMISSION; DESIGNATING AND ADOPTING THE INCREMENT DISTRICT BOUNDARIES AND THE PROJECT AREA BOUNDARIES; DEFERRING THE NAMING AND ESTABLISHING THE DATE FOR THE CREATION OF THE INCREMENT DISTRICT; ADOPTING CERTAIN FINDINGS; RESERVING TO THE CITY THE AUTHORITY TO MAKE MINOR AMENDMENTS TO THE PROJECT PLAN; AUTHORIZING THE CITY COUNCIL OF THE CITY TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; ESTABLISHING A TAX APPORTIONMENT FUND; AUTHORIZING DIRECTIONS FOR PROSPECTIVE APPORTIONMENT OF TAX INCREMENTS; ESTABLISHING AN ALLOCATION OF USE FOR TAX INCREMENTS; DECLARING APPORTIONMENT FUNDS TO BE FUNDS OF THE CITY AND LIMITING THE PLEDGE OF APPORTIONED INCREMENTS TO INCREMENTS ACTUALLY APPORTIONED BY THE CITY; AUTHORIZING THE CITY COUNCIL OF THE CITY, OR A PUBLIC TRUST DESIGNATED THEREBY, TO IMPLEMENT THE PROJECT PLAN UTILIZING APPORTIONED TAX INCREMENTS TO PAY OR REIMBURSE PROJECT COSTS DIRECTLY AND/OR TO ISSUE BONDS OR NOTES, IF FEASIBLE AND DESIRABLE, TO PAY PROJECT COSTS AND TO RETIRE SAID BONDS OR NOTES FROM APPORTIONED TAX INCREMENTS; ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY; AND CONTAINING OTHER PROVISIONS RELATED THERETO.

WHEREAS, by statewide vote, the people of the State of Oklahoma adopted Article 10, §6C as an amendment to the Constitution of the State of Oklahoma to allow the Legislature to authorize cities, towns and counties to use local taxes for specific public investments, for assistance in development financing and as a revenue source for other public entities in the area, and to direct the apportionment of local taxes to plan, finance and carry out development of areas determined by the governing body of the city, town or county to be unproductive, undeveloped, underdeveloped or blighted; and

WHEREAS, the Legislature has enacted the Local Development Act, 62 Okla. Stat. §850, *et seq.* (the "Local Development Act"), for purpose of furthering the provisions of Article 10, §6C of the Oklahoma Constitution; and

WHEREAS, the Chickasha Airport Industrial Park Economic Development Project Plan (the "Project Plan") supports the achievement of the economic development objectives of the City of Chickasha, Oklahoma (the "City") in accordance with previously approved strategies and plans to incentivize capital investment in facilities to serve as a catalyst for expanding employment in the area, attract major investment in the area, preserve and enhance the tax base and make possible investment, development, and economic growth that would be difficult or impossible without the project and the apportionment of ad valorem taxes and sales and use taxes from within the Increment District; and

WHEREAS, the Project Plan calls for the creation of an Increment District, preliminarily entitled Increment District "C" (Airport Industrial Park Project) (the "Increment District"); and

WHEREAS, the Planning Commission of the City (the "Planning Commission") has adopted its Resolution (attached hereto as Exhibit "D") declaring that the Project Plan is in compliance with the Comprehensive Plan of the City and recommending the approval of the Project Plan to the City Council of the City; and

WHEREAS, the Tax Increment District Review Committee (the "Review Committee"), comprised of individuals representing each of the taxing jurisdictions in which the proposed increment district is located, as well as the public at large, has considered the financial impacts of the proposed Project Plan on each such taxing jurisdiction and has found that the proposed project will have a positive financial impact on the affected taxing entities and existing business activities within the Increment District; and

WHEREAS, the affected taxing entities comprising the Review Committee include the City; Grady County, Oklahoma (the "County"); Grady County Health Department; Chickasha Independent School District No. 1 of Grady County (the "School District"); Canadian Valley Technology Center Vo-Tech District No. 6; and Grady County EMS; and

WHEREAS, the Review Committee has reviewed the proposed Increment District in accordance with the criteria specified in the Local Development Act, and has found that the proposed Increment District is unproductive, undeveloped, and/or underdeveloped within the meaning of Article 10, §6C of the Oklahoma Constitution and the Local Development Act, and is located within a reinvestment area (as defined in Section 853(17) of the Act) and is therefore eligible for assistance under the Local Development Act; further, that the area comprising the Increment District is contained within a designated enterprise zone and therefore constitutes an enterprise area (as defined in Section 853(5) of the Act) and is therefore eligible for assistance under the Local Development Act; and

WHEREAS, the Review Committee has found that approval of the Project Plan is appropriate and has recommended its approval to the City Council of the City, evidenced by its Resolution (attached hereto as Exhibit "E"); and

WHEREAS, tax apportionment financing is a necessary component in generating economic development in the proposed project area and the Increment District; and

WHEREAS, investment, development and economic growth will be difficult within the proposed project area and proposed Increment District, but possible if the Project Plan is adopted; and

WHEREAS, the Project Plan will use the tools provided by the Local Development Act only in an area where investment, development and economic growth would not otherwise occur, and

WHEREAS, the Project Plan provides tools that will supplement and not supplant or replace nominal public functions and services; and

WHEREAS, the establishment of the Increment District will be used in conjunction with existing programs and other locally implemented economic development efforts in order to encourage economic development in the proposed project area; and

WHEREAS, the boundaries of the Increment District do not dissect any similar area or create an unfair competitive advantage; and

WHEREAS, the City Council of the City recognizes the need for residential and neighborhood treatment as well as commercial/industrial development; and

WHEREAS, maximum effort has been made to allow full public knowledge and participation in the application of the Local Development Act in the review and approval of the Project Plan, including creation of the Increment District; and

WHEREAS, all required notices have been given and all required hearings have been held in connection with the proposed Project Plan, as prescribed in the Local Development Act, the Oklahoma Open Meeting Act, 25 Okla. Stat. §301 *et seq.*, and other applicable law; and

WHEREAS, implementation of the Project Plan will be facilitated by designation of a public trust with the City as its beneficiary (referred to herein as the "Authority"), to assist the City in carrying out and administering the Project Plan and exercising all powers necessary thereto except those powers reserved by the City herein; and

WHEREAS, implementation of the Project Plan will be facilitated by reserving to the City the authority to make minor amendments to the Project Plan, as provided in the Local Development Act; and

WHEREAS, implementation of the Project Plan will be facilitated by authorizing the Authority to pay or reimburse authorized Project Costs pursuant to Section IX of the Project Plan from apportioned tax increments, and/or issue its tax apportionment notes or bonds (referred to herein as the "TIF Bonds") payable from apportioned tax increments; and

WHEREAS, it is in the best interests of the City and its citizens to approve the Project Plan, including the establishment of the Increment District.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICKASHA, OKLAHOMA:

Section 1. Utilization of Local Development Act. In order to undertake redevelopment of an undeveloped or underdeveloped area within the City, the City elects to utilize Article 10, §6C of the Constitution of the State of Oklahoma, adopted by statewide vote and implemented by the Local Development Act, which authorizes the use of local taxes for specific public investments, assistance in development financing and as a revenue source for other public entities in the area and which provides for the direction of apportionment of local taxes to plan, finance, and carry out development of unproductive, undeveloped, underdeveloped, or blighted areas as determined by the governing body of a city, town, or county.

Section 2. Project Plan Approval. The Project Plan is hereby approved and adopted as recommended by the Planning Commission and the Review Committee. As used in this Ordinance, "Chickasha Airport Industrial Park Economic Development Project Plan" or "Project Plan" shall mean the document entitled "Chickasha Airport Industrial Park Economic Development Project Plan" dated November 26, 2025, revised and adopted this January 26, 2026, and attached hereto as Exhibit "A". It is the intent of the City to carry out the Project Plan as provided by this Ordinance. A markup of the original November 26, 2025, draft Project Plan is attached hereto as Exhibit "F".

Section 3. Ratification of Actions. All actions, findings and recommendations made or taken in connection with the Project Plan by the Planning Commission and the Review Committee are hereby ratified and confirmed, including, but not limited to, the designation and selection of representatives to the Review Committee from the taxing jurisdictions and the public at large, recommendations for approval, and the findings of conformance with the Comprehensive Plan, eligibility of the Increment District and financial impact upon the taxing jurisdictions.

Section 4. Increment District Creation. There is hereby created a tax increment district pursuant to the Local Development Act. The Increment District shall commence as of the date determined by the City Council of the City in accordance with Section 856(B)(2) of the Local Development Act (the "Commencement Date"); provided however, the Commencement Date shall not be later than ten (10) years following adoption of the Project Plan and this Ordinance. The City Council will evidence the Commencement Date, designation, and naming of the Increment District by adoption of its Resolution at such time as shall be determined by the City Council of the City.

Section 5. Increment District and Project Area Boundaries. The boundaries of the Increment District encompass an area generally described as the Chickasha Municipal Airport located along U.S. Highway 81 north of the Washita River, plus a portion of the Chickasha Airport Industrial Park property immediately west of the airport, bounded on the south by Airport Road (E 1330 Road) and on the north by one quarter mile north of E 1320 Road. The specific Increment District legal description is hereby designated and adopted as described in Exhibit "B". The boundaries of the Project Area (the area within which project activities will take place, including construction of the supporting public improvements) contain an area comprising all of Sections 4 through 9, and 16 through 21, Township 7 North, Range 7 West,, Grady County, Oklahoma. The Project Area is bordered on the south by Frisco Avenue, on the west by County Road 2810, on the north by County Road 1310 (4 Mile), and on the east by County Road 2840 (N. 4th Street), and the specific Project Area legal description is hereby designated and adopted as described in Exhibit "C".

Section 6. Findings. The City Council hereby finds that:

(a) The Increment District is located within an enterprise area as defined by the Local Development Act;

(b) The proposed improvements and incentives (as set forth in the Project Plan) within the Increment District are likely to enhance the value of other real property in the area and to promote the general public interest;

(c) The guidelines of paragraphs 1 and 2 of Section 852 of the Local Development Act shall be followed;

(d) The aggregate net assessed value of the taxable property in all increment districts within the City, as determined pursuant to Section 862 of the Local Development Act, does not exceed 35% of the total net assessed value of taxable property within the City;

(e) The aggregate net assessed value of the taxable property in all increment districts within the City, as determined pursuant to Section 862 of the Local Development Act, does not exceed 25% of the total assessed net value of any affected school districts located within the City;

(f) The land area of all increment districts within the City does not exceed 25% of the total land area of the City; and

(g) The Project Plan is feasible and conforms to the Comprehensive Plan of the City, as amended; and

(h) The approval of the Project Plan is likely to significantly benefit contiguous or nearby enterprise zone census tracts, and therefore shall be eligible for the state local government matching payment authorized pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the "Leverage Act"), and the City is hereby authorized and directed to make application to the Oklahoma Department of Commerce pursuant to the Leverage Act.

Section 7. Right to Amend Project Plan. The City reserves to itself the authority to make minor amendments to the Project Plan in accordance with the definition provided in Section 858(D) of the Local Development Act. Notwithstanding the foregoing, the Review Committee may be reconvened at the direction of the City Council at any time following adoption of this Ordinance to consider and recommend any appropriate amendments to the Project Plan.

Section 8. City and Authority the Designated Public Entities. The City Council of the City is hereby designated and authorized as the public entity to carry out and administer the provisions of the Project Plan and to exercise all powers necessary or appropriate thereto, including, without limitation, those powers described in Section 854 of the Local Development Act. Upon designation by the City Council of the City, the Authority shall assist in carrying out and administering the provisions of the Project Plan and shall be authorized to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Local Development Act, except for approval of the Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13, and 16 of that section, which powers shall be reserved to the City Council of the City.

Section 9. Tax Apportionment Fund. There is hereby created a fund called the "Increment District No. [___] - Apportionment Fund" (referred to herein as the "Apportionment Fund"), which fund will be held by and be the property of the City (except that such fund may also be held by the Authority or a trustee acting on behalf of the Authority). All monies apportioned pursuant to Section 10 shall be deposited in the Apportionment Fund. No portion of the TIF Revenues described in Section 10 and no portion of the Apportionment Fund shall constitute a part of the general fund of the City.

Section 10. Apportionment of Tax Increments.

(a) The apportionment of the Ad Valorem Increment Revenues, the Sales Tax Increment Revenues, and the Leverage Act Increment Revenues (each as defined herein, and collectively referred to as the "TIF Revenues") shall continue for that period required for the payment of the Project Costs, or a period not to exceed twenty-five (25) full fiscal years following the respective Commencement Date (each referred to as the "Expiration Date"), whichever is less..

(b) The apportionment of the TIF Revenues pursuant to this section shall terminate upon the final payment of, or reimbursement for, all Project Costs incurred in connection with the projects listed in the Project Plan, and the payment of all outstanding principal, accrued interest, and premium due on the TIF Bonds; provided, however, that in no case shall the apportionment of revenues pursuant hereto extend beyond the Expiration Date.

(c) In the event that any portion of the principal of or interest on the TIF Bonds, issued in connection herewith, or any amount due and owing for payment or reimbursement under a development agreement entered into by the City, remains unpaid as of the Expiration Date, then the Increment District shall not terminate until the increment apportioned during the term of the Increment District is actually received by the Apportionment Fund, even if the receipt of such revenues occurs subsequent to the Expiration Date.

(d) *Ad Valorem Increment Revenues (TIF Revenues).* In accordance with the provisions of the Local Development Act, one hundred percent (100%) of the increments of real and personal property ad valorem taxes generated within the Increment District, in excess of the real and personal property ad valorem taxes generated from the base assessed value of the Increment District, as such increments are determined and defined pursuant to the Local Development Act (collectively, the "Ad Valorem Increment Revenues"), are to be apportioned and set aside from all other ad valorem taxes levied within the Increment District, to be used exclusively for:

(i) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(ii) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(iii) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects;

(iv) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of third party developer, constitute an interest component on sums that were actually paid; and

(v) the establishment and payment of a specific revenue source for affected taxing entities pursuant to Sections 853(9), 853(14)(i), and 854(4) of the Local Development Act.

Pursuant to the Local Development Act, the Ad Valorem Increment Revenues (as determined annually by the Grady County Assessor) apportioned hereunder and so collected shall be placed into the Apportionment Fund. All Ad Valorem Increment Revenues so collected shall be apportioned as follows: (i) seventy five percent (75.0%) of the Ad Valorem Increment Revenues shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of this Project Plan; and (ii) twenty five percent (25.0%) of the Ad Valorem Increment Revenues shall be apportioned to the affecting taxing jurisdictions in proportion to the allocation that the taxing jurisdictions would ordinarily receive from the increased assessed values, in the absence of the Increment District (as set forth in Sections 853(9), 853(14)(i) and 854(4) of the Local Development Act; provided that any portion of the TIF Revenues allocated to the School District shall be for the purpose of providing a specific revenue source to address the impacts of the Project on the School District, and shall be excluded in calculating chargeable income under the State of Oklahoma School Funding Formula (the "**Funding Formula**").

(e) *Sales Tax Increment Revenues (TIF Revenues)*. In accordance with the provisions of the Local Development Act, one hundred percent (100%) of the incremental sales and use tax revenue derived from the construction of the Project (representing an amount equivalent to a total of 4.25% sales and use tax levied by the City as of the date of this Ordinance pursuant to Ordinance Nos. 827, 1137, 1671, and 2023-20, as codified in the Chickasha Code of Ordinances (the "Code of Ordinances"), as such Code of Ordinances may be amended, replaced, extended, superseded, terminated, or otherwise modified from time to time, including with regards to the total amount of applicable City sales and use tax rate) generated within the Increment District, as such increments are determined and defined pursuant to the Local Development Act (collectively, the "Sales Tax Increment Revenues"), are to be apportioned and set aside from all other sales and use taxes levied within the Increment District; provided, however, the Sales Tax Increment Revenues shall only pertain to construction and other capital investment related expenditures within the boundaries of the Increment District, and shall not include any sales and use tax derived from retail sales. The Sales Tax Increment Revenues are to be used exclusively for:

(i) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(ii) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(iii) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects; and

(iv) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), including any interest component (pursuant to a development agreement with the City and/or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid.

For purposes of determining the incremental portion of the sales and use taxes generated within or sourced to the Increment District, the City Sales Tax Increment Revenues shall only pertain to construction and other capital investment related expenditures within the boundaries of the Increment District, and shall not include any sales and use tax derived from retail sales. One hundred percent (100%) of the sales and use tax generated within or sourced to the Increment District and received by the City which are in excess of such base amount, net of any Transfer Adjustment, shall be considered to be the "increment" subject to apportionment by this section. The City shall establish procedures related to the calculation and determination of construction related sales and use tax revenue qualifying as Sales Tax Increment Revenues. Such procedures shall stipulate that construction related Sales Tax Increment Revenues be derived only from new construction activities occurring within the Increment District. The City shall be entitled to rely on certifications of actual construction costs provided by a third party developer(s) or related parties in connection with determining any applicable Sales Tax Increment Revenues.

Pursuant to the Local Development Act, the Sales Tax Increment Revenues apportioned hereunder and so collected shall be placed into the Apportionment Fund and shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of the Project Plan, including any interest component (pursuant to a development agreement with the City and/or the Authority).

(f) *Leverage Act Increment Revenues (TIF Revenues)*. In accordance with the provisions of the Local Development Act, one hundred percent (100%) of the incentive matching payments made by the State of Oklahoma pursuant to the Leverage Act, based on construction sales and use tax increments dedicated to the Increment District, as such amounts are hereinafter determined and defined (collectively, the "Leverage Act Increment Revenues"), are to be apportioned and set aside from all other sales and use taxes levied within the Increment District. The Leverage Act Increment Revenues are to be used exclusively for:

(i) the payment of principal, interest and premium, if any, on any TIF Bonds issued pursuant to Section 863 of the Local Development Act (including pledging as security for such payments);

(ii) the payment, if required, of amounts necessary to satisfy or replenish any reserve requirement established with respect to any TIF Bonds;

(iii) the payment of Project Costs incurred in connection with the development, construction, or implementation of the TIF Projects; and

(iv) the reimbursement of a third party developer (pursuant to a development agreement with the City or the Authority), including any interest component (pursuant to a development agreement with the City and/or the Authority), the City, or any agency thereof (including the Authority), which has paid Project Costs from funds which were not increments derived from the Increment District, but only to the extent that such sums were actually paid or, in the case of reimbursement of a third party developer, constitute an interest component on sums that were actually paid.

The City shall establish procedures related to application under the Leverage Act for sales and use tax matching funds. It is hereby recognized that any Leverage Act Increment Revenues represent a substantial economic benefit to the City and the development of the Project, and the City and the Authority shall take all reasonable actions necessary to maximize the Leverage Act Increment Revenues.

Pursuant to the Local Development Act, the Leverage Act Increment Revenues apportioned hereunder and so collected shall be placed into the Apportionment Fund and shall be pledged as security for the payment of the TIF Bonds or otherwise used to pay (or reimburse the payment of) Project Costs authorized pursuant to Section IX of the Project Plan, including any interest component (pursuant to a development agreement with the City and/or the Authority).

(g) *Use of TIF Revenues*. During the term of the Increment District, TIF Revenues (excluding such portions allocated to affected taxing entities) shall be utilized as follows:

(i) The payment of principal, accrued interest, and premium, if any, due on the TIF Bonds;

(ii) If applicable, transfers to any debt service reserve established in connection with the TIF Bonds in such amounts as may be necessary to restore the reserve to its prescribed levels;

(iii) The payment and/or reimbursement of authorized Project Costs (including any interest component pursuant to a development agreement);

(iv) If applicable, the prepayment of principal on any TIF Bonds until such time as all TIF Bonds are retired; and

(v) Upon retirement of all TIF Bonds (if any) and payment of all Project Costs (including any interest component pursuant to a development agreement), (a) any remaining Ad Valorem Increment Revenues shall be transferred to the various ad valorem taxing jurisdictions, in the same percentages as originally collected, as determined by reference to the millage levied by each of the various ad valorem taxing jurisdictions for the related tax year, excluding sinking fund levies, and (b) any remaining Sales Tax Increment Revenues shall be transferred to the City for deposit into the General Fund or to the appropriate special fund, in each case consistent with the provisions of the Local Development Act. Any remaining Leverage Act Increment Revenues either shall be treated appropriately as ad valorem tax revenue or sales and use tax revenue, and shall be transferred as set forth in (a) and (b) herein, or, if required by the Leverage Act, shall be returned to the State of Oklahoma.

Section 11. Increments Constitute City Funds; Uses. From and after apportionment, the apportioned increments shall constitute funds of the City (except that such funds may also be held by the Authority or a trustee acting on behalf of the Authority). Apportioned increments may be used for the payment of Project Costs; provided, however, the pledge of apportioned increments toward payment of such Project Costs shall be limited to increments actually apportioned by the City and any security instruments shall provide that except as provided for in this Ordinance, the City has no legal obligation or promise to apportion additional increments in future years. The City and the Authority (as and when designated by the City) shall have the authorization to carry out certain provisions of the Project Plan, as authorized in Section VIII of the Project Plan, to incur and pay or reimburse Project Costs (including any interest, capitalized interest, and other related financing costs) pursuant to Section IX of the Project Plan and also, if feasible and desirable, to issue tax apportionment bonds or notes, incur the costs of issuance of such bonds, and accumulate appropriate reserves, if any, in connection with such bonds, and to retire said bonds or notes from apportioned tax increments, all in accordance with the provisions of the Project Plan. The Authority may (upon designation by the City) also be authorized to irrevocably pledge all or any part of the apportioned TIF Revenues and/or other available revenue for the payment of the TIF Bonds, or for the payment (or reimbursement) of Project Costs. In authorizing the irrevocable pledging of such TIF Revenues, it is the express intention of the City Council that the Increment District will remain in place until all of the outstanding principal, accrued interest and premium, if any, on any such TIF Bonds have been paid in full. Notwithstanding such intention, the City, by these provisions, does not waive any right which it has now or may have in the future, to repeal, modify or amend this Ordinance, by subsequent action of the City Council, as provided in Section 856(C) of the Local Development Act. In adopting this Ordinance, the City does not purport to create any contractual obligation extending beyond the City's current or any subsequent fiscal year with regard to the establishment or maintenance of the Increment District, or the apportionment of the TIF Revenues; provided, however, that the City may, on a year-to-year basis, agree to transfer to the Apportionment Fund, as appropriate, any apportioned increments which it receives. All TIF Bonds so issued shall state that such bond or note is not a debt, general or special, liability or obligation of the City, Grady County, or the State of Oklahoma or any other agency or authority of such entities, other than the Authority. The bond or note shall further state to the effect that:

(a) The issuance of such bond or note does not give rise to a charge against the general credit or taxing powers of the City, or a claim on the revenues or resources of the State of Oklahoma, and

(b) Such bond or note is a special, limited obligation of the Authority, payable solely from the income, revenues and receipts derived or to be derived from the proceeds of certain tax increments paid over to the Authority and the funds and accounts held pursuant to the terms of any indenture or agreement authorizing the issuance of such bonds or notes.

Section 12. Effective Date. This Ordinance shall become effective upon thirty (30) days after its passage and publication.

Section 13. Severability. If any term, section, subsection, sentence, clause, phrase or portion of this Ordinance or the Project Plan approved hereby is for any reason held invalid or unconstitutional, such term, section, subsection, sentence, clause, phrase or portion shall not affect the validity of the remaining portions of this Ordinance.

Section 14. Necessary Action. The Mayor or Vice Mayor and City Clerk or Deputy City Clerk be and hereby are authorized and empowered to execute and deliver for and on behalf of the City any and all other documents or instruments reasonably necessary to accomplish the implementation of the Project Plan.

[Remainder of Page Left Blank Intentionally]

PASSED AND APPROVED THIS 26TH DAY OF JANUARY, 2026.

CITY OF CHICKASHA, OKLAHOMA

(SEAL)

____

Zachary Grayson, Mayor

ATTEST:

____

Susan M. McDaniel, CMC - City Clerk

STATE OF OKLAHOMA)
)SS
COUNTY OF GRADY)

I, the undersigned, City Clerk of the City of Chickasha, Oklahoma, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the City Council of said City held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 26TH DAY OF JANUARY, 2026.

(SEAL)

____

Susan M. <McDaniel, CMC - City Clerk

EXHIBIT "A"

CHICKASHA AIRPORT INDUSTRIAL PARK
ECONOMIC DEVELOPMENT PROJECT PLAN

[On file with the City Clerk of the City of Chickasha, Oklahoma]

EXHIBIT “B”

INCREMENT DISTRICT LEGAL DESCRIPTION

INCREMENT DISTRICT “C”

Tract 1

A part of Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, to the City of Chickasha, Grady County, Oklahoma, according to the recorded plat thereof at Book 6 Page 33 at the Office of the Grady County Clerk and a part of the Southeast Quarter (SE/4) of Section Six (6), and a part of the Southeast Quarter (SE/4) of Section Seven (7), and a part of the Northeast Quarter (NE/4) of Section Seven (7), all in Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma, being more particularly described as follows:

COMMENCING at the southwest corner of the Southeast Quarter (SE/4) of said Section Seven (7);

THENCE North 89°53'56" East along the south line of the Southeast Quarter (SE/4) of said Section Seven (7), a distance of 1400.13 feet;

THENCE North 00°02'27" West a distance of 1321.26 to the point of beginning of said CHICKASHA AIRPORT INDUSTRIAL PARK, also being the POINT OF BEGINNING of subject tract;

THENCE North 00°02'27" West along the west right of way of Stanley Levine Drive as shown within said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, a distance of 2356.92 feet;

THENCE South 89°54'59" West a distance of 498.96 feet;

THENCE North 00°02'27" West a distance of 2925.00 feet to the north line of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK;

THENCE North 89°54'59" East a distance of 1450.00 feet, passing at a distance of 1058.96 feet the northeast corner of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK;

THENCE South 00°01'19" East a distance of 5170.85 feet;

THENCE South 41°25'53" West a distance of 148.36 feet;

THENCE South 89°55'04" West a distance of 851.09 feet, passing at 291.10 feet the southeast corner of said Lot One (1), Block One (1), CHICKASHA AIRPORT INDUSTRIAL PARK, to the POINT OF BEGINNING.

Containing 6,472,747 square feet or 148.594 acres, more or less.

Tract 2

All of the East 400 feet of the South Half (S/2) of the Southeast Quarter (SE/4) of Section Six (6), and all of the East 400 feet of the Northeast Quarter (NE/4) and the North Half (N/2) of the Southeast Quarter (SE/4) of Section 7, all in Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma, less and except that portion contained within Tract 1.

Tract 3

Southwest Quarter (SW/4) of the Southwest Quarter (SW/4) of Section 5, Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

Tract 4

South Half (S/2) of the Southeast Quarter (SE/4) Section Seven (7), Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

Tract 5

West Half (W/2) of Section 8, Township Seven (7) North, Range Seven (7) West of the Indian Meridian, Grady County, Oklahoma.

EXHIBIT "C"

PROJECT AREA LEGAL DESCRIPTION

INCREMENT DISTRICT PROJECT AREA

An area located in Grady County, Oklahoma, more particularly described as follows:

> All of Sections 4 through 9, and 16 through 21, Township 7 North, Range 7 West, Grady County, Oklahoma.

EXHIBIT "D"

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CHICKASHA

Resolution dated December 9, 2025

[Copy on file with the City Clerk of the City of Chickasha, Oklahoma]

EXHIBIT “E”

RESOLUTION OF THE TAX INCREMENT DISTRICT REVIEW COMMITTEE

Resolution dated December 1, 2025

[Copy on file with the City Clerk of the City of Chickasha, Oklahoma]

EXHIBIT "F"

CHICKASHA AIRPORT INDUSTRIAL PARK
ECONOMIC DEVELOPMENT PROJECT PLAN

Mark-up reflecting technical corrections to the November 26, 2025, draft Project Plan

[On file with the City Clerk of the City of Chickasha, Oklahoma]

Meeting Type: Special Council Meeting 1-26-2026

Meeting Date: 1/26/2026

Department: Administration **Agenda Item No. 2.b.**

AGENDA ITEM: Discussion, consideration and possible action to approve Resolution No. 2026-03R: a Resolution creating, naming, and establishing the commencement date for Increment District No. 3, City of Chickasha; ratifying and confirming Ordinance No. 2026-05 of the City Council of the City of Chickasha, Oklahoma, providing for severability; and containing other provisions related thereto.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

Approve Resolution 2026-03R as presented.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director: Jim Crosby, City Manager	Fund	Account	Amount
	(To)		
	FUND	ACCOUNT	AMOUNT
Meeting Date: January 20, 2026	(From)		

V. ATTACHMENTS:

1. Res. 2026-03R TIF #3 Commencement Resolution 01-26-2026

PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE CITY COUNCIL OF THE CITY OF CHICKASHA, OKLAHOMA, MET IN SPECIAL SESSION ON THE 26TH DAY OF JANUARY, 2026, AT 6:30 O'CLOCK P.M.

PRESENT:

ABSENT:

(OTHER PROCEEDINGS)

Thereupon, the following Resolution was introduced and caused to be read by title by the City Clerk. Councilmember ________ moved passage of the Resolution and Councilmember ________ seconded the motion. The motion carrying with it the approval of said Resolution was approved by the following vote:

AYE:

NAY:

The Resolution so approved is as follows:

[Resolution No. 2026-03R begins on following page]

RESOLUTION NO. 2026-03R

A RESOLUTION CREATING, NAMING, AND ESTABLISHING THE COMMENCEMENT DATE FOR INCREMENT DISTRICT NO. 3, CITY OF CHICKASHA; RATIFYING AND CONFIRMING ORDINANCE NO. 2026-05 OF THE CITY COUNCIL OF THE CITY OF CHICKASHA, OKLAHOMA, PROVIDING FOR SEVERABILITY; AND CONTAINING OTHER PROVISIONS RELATED THERETO.

WHEREAS, the City Council of the City of Chickasha, Oklahoma (the "City"), has adopted the Chickasha Airport Industrial Park Economic Development Project Plan (the "Project Plan"), pursuant to Ordinance No. 2026-05 dated January 26, 2026 (the "TIF Ordinance"), all in accordance with the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* (the "Act"); and

WHEREAS, the purpose of the Project Plan is to entice small and medium sized industrial and commercial businesses to relocate from outside the State of Oklahoma to the Chickasha Airport Industrial Park area by facilitating the payment of the costs of essential infrastructure improvements and remedial costs necessary to make certain property viable for development, all to enhance the tax base and create employment opportunities within the City (the "Project"); and

WHEREAS, the Project Plan supports the City's efforts to achieve its development objectives, improve the quality of life for its citizens, stimulate private investment, and enhance the tax base, thereby making possible investment that would be difficult without the adoption of the Project Plan and the apportionment of incremental tax revenues; and

WHEREAS, Section 856(B)(2) of the Act requires that the TIF Ordinance shall "create[s] the district as of a date provided in it or defer[s] determination of such date, provided such date must be no more than ten (10) years after the date of approval of the project plan" (62 O.S. §856(B)(2)); and

WHEREAS, Section 4 of the TIF Ordinance provided for the deferment of the official creation, designation, and naming of the Increment District, until such time as determined by the City Council, provided that such determination be made within ten (10) years of the effective date of the TIF Ordinance; and

WHEREAS, in order to comply with the requirements of the Act and to provide certainty as to the effective terms of the TIF Ordinance and the corresponding Increment District, the City finds that it is in the best interest of the overall success of the Project to establish the initiation, designation and official naming of Increment District No. 3, as described in the TIF Ordinance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chickasha, State of Oklahoma:

<u>Section 1</u>. <u>Commencement Date</u>. In accordance with the requirements of the Act and as contemplated by Section 4 of the TIF Ordinance, the City hereby determines that the Increment District referred to therein as Increment District "C" shall be named "Increment District No. 3, City of Chickasha" and said Increment District is hereby created with an effective date of July 1, 2026 (referred to as the "Commencement Date"), and a termination date of June 30, 2051 (referred

to as the "Expiration Date"), said Expiration Date representing a period not to exceed twenty-five (25) full fiscal years following the Commencement Date. All other provisions of the TIF Ordinance are hereby ratified and confirmed.

Section 2. Development Agreements. As provided in the Act, the City shall consider and take separate action with respect to such agreements and/or memoranda of understanding (collectively, the "Agreements") as may be necessary and appropriate to implement the Project Plan, including but not limited to one or more Agreements with a public trust with the City as its beneficiary (referred to herein as the "Authority"), and a developer(s) (each acting through its duly designated corporate entity) governing allocations, accounting, disbursements, and other necessary procedures, all in accordance with the provisions of the Project Plan and the TIF Ordinance. Such Agreements may be adopted, supplemented, and/or amended as necessary prior to or following the Commencement Date.

Section 3. Severability. If any term, section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held invalid or unconstitutional, such term, section, subsection, sentence, clause, phrase or portion shall not affect the validity of the remaining portions of this Resolution.

Section 4. Necessary Action. The Mayor or Vice Mayor and City Clerk or Deputy City Clerk be and hereby are authorized and empowered to execute and deliver for and on behalf of the City any and all other documents or instruments reasonably necessary to accomplish the implementation of the Project Plan.

[Remainder of Page Left Blank Intentionally]

PASSED AND APPROVED THIS 26TH DAY OF JANUARY, 2026.

CITY OF CHICKASHA, OKLAHOMA

(SEAL)

____
Zachary Grayson, Mayor

ATTEST:

____
Susan M. McDaniel, CMC - City Clerk

STATE OF OKLAHOMA)
)SS
COUNTY OF GRADY)

I, the undersigned, City Clerk of the City of Chickasha, Oklahoma, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the City Council of said City held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 26TH DAY OF JANUARY, 2026.

(SEAL)

____
Susan M. McDaniel, CMC - City Clerk

Meeting Type: Special Council Meeting 1-26-2026

Meeting Date: 1/26/2026

Department: Administration **Agenda Item No. 2.c.**

AGENDA ITEM: Discussion, consideration and possible action to award the construction contract for the Water Treatment Plant Improvements Project (CMA-2303) to the lowest, responsive, responsible bidder, Wynn Construction Co., Inc., in the amount of $71,759,090.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director: Jim Crosby, City Manager	Fund	Account	Amount
	(To)		
	FUND	ACCOUNT	AMOUNT
Meeting Date: January 26, 2026	(From)		

V. ATTACHMENTS:

1. CMA-2303_Recommendation for Award w Bid Tab

Project	Water Treatment Plant Improvements Project	**Project Number**	
Owner	City of Chickasha/Chickasha Municipal Authority	CMA-2303	

Project Description

1. A new 6.0 MGD (expandable in the future to 8.0 MGD) conventional water treatment facility, chemical storage and feed facilities, clearwell, transmission pump station and piping, pretreatment building improvements, and associated services.
2. Funding for this project is provided through the FAP loan program.
3. The Project is to be substantially complete and ready for operation on or before 700 days after the notice to proceed has been issued. The Project is to be complete and eligible for final payment thirty (30) days after the date for Substantial Completion.

Date Proposals Received 1/06/2026 Proposal Tabulation Attached? ☒ Yes ☐ No

Recommended Offeror Wynn Construction Co., Inc

Recommended Amount of Contract Award $ 71,759,090 Engineer's Estimate $ 68,244,000

Proposed Project Completion Timeline 730 Days

Contract Times meet Owner's Schedule? ☒ Yes ☐ No

Comments

Four bids were received for the project as noted below:

1. **Wynn Construction Co., Inc. = $71,759,090 (*see note on bid tabulation)**
   a. Base Bid: $ 70,125,000
   b. Allowances: $ 100,000
   c. Extra Work: $ 919,890
   d. Selected Alternate (I-01 Asphalt Pavement): 614,200
2. **Walsh Construction Company II, LLC dba Archer Western = $79,628,620**
   a. Base Bid: $ 78,193,600
   b. Allowances: $ 100,000
   c. Extra Work: $ 408.650
   d. Selected Alternate (I-02 Concrete Pavement): 926,370
3. **Crossland Heay Contractors, Inc. = $73,151,000**
   a. Base Bid: $ 72,147,370
   b. Allowances: $ 100,000
   c. Extra Work: $ 438,830
   d. Selected Alternate (I-01 Asphalt Pavement): 464,800
4. **Downey Contracting LLC. = $90,983,261**
   a. Base Bid: $ 89,798,001
   b. Allowances: $ 100,000
   c. Extra Work: $ 477,700
   d. Selected Alternate (I-01 Asphalt Pavement): 607,560

Wynn Construction Co., Inc has recently performed similar work for the Oklahoma City Utility Trust, Tishomingo Municipal Authority, and the City of Clinton.

Review of the Bids received indicates that the offer of the Recommended Contractor provides the best value to the Owner. A review of the Recommended Contractor's Statement of Qualifications and a check of the references provided indicates that the Recommended Contractor meets the qualification requirements specified in the Contract Documents and that Recommended Contractor's previous experience on similar projects has been acceptable. It is recommended that the Project be awarded to the Recommended Contractor in the amount of the Recommended Amount of Contract Award.

Recommended by	Jason Cocklin, PE, BCEE Jason Cocklin	**Date**	1/13/2026
Title	Project Engineer		
Representing	Freese and Nichols, Inc.		

Attachment A - Detailed Tabulation of Bids Received

Project	Chickasha Water Treatment Plant Improvements Project	**Project Number**	
Owner	City of Chickasha - Chickasha Municipal Authority	CMA-2303	
Design Professional	Freese and Nichols, Inc.	CHK23639	

Engineer's Estimate	**Walsh Construction Company II, LLC dba Archer Western**	**Crossland Heavy Contractors, Inc.**	**Downey Contracting, L.L.C.**	**Wynn Construction Co., Inc**
3600 NW 138th St, Ste. 202	**1368 E. 15th St.**	**501 S. East Ave.**	**3217 Northeast 63rd St.**	**11901 N Eastern Ave.**
Oklahoma City, OK 73134	**Edmond, OK 73013**	**Columbus, KS 66725**	**Oklahoma City, OK 73121**	**Oklahoma City, OK 73131**

				Engineer's Estimate			Walsh Construction Company II, LLC dba Archer Western			Crossland Heavy Contractors, Inc.			Downey Contracting, L.L.C.			Wynn Construction Co., Inc		
Item No.	**Description**	**Quantity**	**Units**	**Unit Cost**	**Extended Amount**	**Note**	**Unit Cost**	**Extended Amount**	**Note**	**Unit Cost**	**Extended Amount**	**Note**	**Unit Cost**	**Extended Amount**	**Note**	**Unit Cost**	**Extended Amount**	**Note**
	Items in Base Offer (excluding Allowances) per Section 01 29 01 Measurment and Basis for Payment																	
A-01	New 6.0 MGD WTP per Plans and Specifications	1	LS	$ 64,407,000.00	64,407,000.00		$ 75,434,200.00	75,434,200.00		$ 69,247,370.00	69,247,370.00		$ 86,398,001.00	86,398,001.00		$ 67,625,000.00	67,625,000.00	
A-02	Ground Improvements incl. delegated design and installation	1	LS	$ 1,969,000.00	1,969,000.00		$ 2,759,400.00	2,759,400.00		$ 2,900,000.00	2,900,000.00		$ 3,400,000.00	3,400,000.00		$ 2,500,000.00	2,500,000.00	
A	**Total Base Bid Items Amount (Sum of Extended Amounts for each Base Bid Line Item)**				$ 66,376,000.00			$ 78,193,600.00			$ 72,147,370.00			$ 89,798,001.00			$ 70,125,000.00	
B	**Add (+) or Deduct (-) (See Note 1)**																	
C	**Total Adjusted Base Bid Amount (A plus B)**				$ 66,376,000.00			$ 78,193,600.00			$ 72,147,370.00			$ 89,798,001.00			$ 70,125,000.00	
Allowances in Base Offer per Section 01 23 10 Alternates and Allowances																		
D-01	PSO Power Supply to New WTP	1	LS	$ 100,000.00	100,000.00		$ 100,000.00	100,000.00		$ 100,000.00	100,000.00		$ 100,000.00	100,000.00		$ 100,000.00	100,000.00	
D	**Total Allowance Amount (Sum of Extended Amounts for Each Allowance Line Item)**				$ 100,000.00			$ 100,000.00			$ 100,000.00			$ 100,000.00			$ 100,000.00	
E	**Total Base Bid with Allowances (Sum of C and D)**				$ 66,476,000.00			$ 78,293,600.00			$ 72,247,370.00			$ 89,898,001.00			$ 70,225,000.00	
Extra Work in Base Bid per Section 01 29 01 "Measurement and Basis for Payment"																		
F-01	36" DI Line (RJ), Buried	100	LF	$ 1,250.00	125,000.00		$ 561.00	56,100.00		$ 710.00	71,000.00		$ 701.00	70,100.00		$ 1,150.00	115,000.00	
F-02	30" DI Line (RJ), Buried	100	LF	$ 1,127.00	112,700.00		$ 458.00	45,800.00		$ 580.00	58,000.00		$ 586.00	58,600.00		$ 950.00	95,000.00	
F-03	24" DI Line (RJ), Buried	100	LF	$ 850.00	85,000.00		$ 291.00	29,100.00		$ 410.00	41,000.00		$ 460.00	46,000.00		$ 765.00	76,500.00	
F-04	18" DI Line (RJ), Buried	100	LF	$ 717.00	71,700.00		$ 224.00	22,400.00		$ 330.00	33,000.00		$ 340.00	34,000.00		$ 635.00	63,500.00	
F-05	16" PVC Line (RJ), Buried	100	LF	$ 1,204.00	120,400.00		$ 190.00	19,000.00		$ 225.00	22,500.00		$ 320.00	32,000.00		$ 500.00	50,000.00	
F-06	12" PVC Line, Buried	100	LF	$ 133.00	13,300.00		$ 133.00	13,300.00		$ 152.00	15,200.00		$ 217.00	21,700.00		$ 315.00	31,500.00	
F-07	8" PVC Line, Buried	100	LF	$ 101.00	10,100.00		$ 97.00	9,700.00		$ 112.00	11,200.00		$ 172.00	17,200.00		$ 250.00	25,000.00	
F-08	6" DI Line, Buried	100	LF	$ 203.00	20,300.00		$ 97.00	9,700.00		$ 103.00	10,300.00		$ 95.00	9,500.00		$ 230.00	23,000.00	
F-09	6" PVC Line, Buried	100	LF	$ 91.00	9,100.00		$ 81.00	8,100.00		$ 75.00	7,500.00		$ 75.00	7,500.00		$ 180.00	18,000.00	
F-10	4" PVC Line, Buried	100	LF	$ 85.00	8,500.00		$ 72.00	7,200.00		$ 64.00	6,400.00		$ 40.00	4,000.00		$ 165.00	16,500.00	
F-11	24" Gate Valve, Buried	1	EA	$ 47,231.00	47,231.00		$ 37,700.00	37,700.00		$ 28,000.00	28,000.00		$ 30,000.00	30,000.00		$ 35,000.00	35,000.00	
F-12	18" Gate Valve, Buried	1	EA	$ 33,337.00	33,337.00		$ 23,800.00	23,800.00		$ 17,000.00	17,000.00		$ 19,000.00	19,000.00		$ 24,000.00	24,000.00	
F-13	16" Gate Valve, Buried	1	EA	$ 29,587.00	29,587.00		$ 16,000.00	16,000.00		$ 10,000.00	10,000.00		$ 12,000.00	12,000.00		$ 16,000.00	16,000.00	
F-14	12" Gate Valve, Buried	1	EA	$ 9,210.00	9,210.00		$ 5,000.00	5,000.00		$ 3,250.00	3,250.00		$ 3,000.00	3,000.00		$ 12,000.00	12,000.00	
F-15	8" Gate Valve, Buried	1	EA	$ 4,540.00	4,540.00		$ 3,200.00	3,200.00		$ 1,850.00	1,850.00		$ 1,500.00	1,500.00		$ 10,000.00	10,000.00	
F-16	DI Fittings (RJ), Buried	5000	LB	$ 62.50	312,500.00		$ 7.50	37,500.00		$ 9.00	45,000.00		$ 5.00	25,000.00		$ 15.00	75,000.00	
F-17	Cast-in-Place Concrete, incl. formwork, waterstops, reinforcement, etc.	50	CY	$ 1,875.00	93,750.00		$ 1,000.00	50,000.00		$ 825.00	41,250.00		$ 1,400.00	70,000.00		$ 2,000.00	100,000.00	
F-18	Additional 1" PCS, direct-buried, Complete in Place	50	LF	$ 28.00	1,400.00		$ 60.00	3,000.00		$ 65.00	3,250.00		$ 60.00	3,000.00		$ 76.80	3,840.00	
F-19	Additional 2" PCS, Direct-Buried, Complete in Place	50	LF	$ 35.00	1,750.00		$ 80.00	4,000.00		$ 87.00	4,350.00		$ 80.00	4,000.00		$ 105.00	5,250.00	
F-20	Additional 600V Copper No. 14 AWG Conductor with XHHW-2 Insulation, Complete in Place	50	LF	$ 1.25	62.50		$ 1.00	50.00		$ 1.00	50.00		$ 10.00	500.00		$ 13.00	650.00	
F-21	Additional 600V Copper No. 12 AWG Conductor with XHHW-2 Insulation, Complete in Place	50	LF	$ 1.50	75.00		$ 2.00	100.00		$ 1.20	60.00		$ 12.00	600.00		$ 15.00	750.00	
F-22	Additional 600V Copper No. 10 AWG Conductor with XHHW-2 Insulation, Complete in Place	50	LF	$ 2.30	115.00		$ 2.00	100.00		$ 1.40	70.00		$ 14.00	700.00		$ 18.00	900.00	
F-23	Additional 1" PVC, Schedule 40, Conduit Installed in Underground Duct Bank, Complete in Place	100	LF	$ 23.00	2,300.00		$ 38.00	3,800.00		$ 42.00	4,200.00		$ 38.00	3,800.00		$ 600.00	60,000.00	
F-24	Additional 2" PVC, Schedule 40, Conduit Installed in Underground Duct Bank, Complete in Place	100	LF	$ 28.00	2,800.00		$ 40.00	4,000.00		$ 44.00	4,400.00		$ 40.00	4,000.00		$ 625.00	62,500.00	
G	**Total Allowance Amount (Sum of Extended Amounts for Each Allowance Line Item)**				$ 1,114,757.50			$ 408,650.00			$ 438,830.00			$ 477,700.00			$ 919,890.00	
H	**Total Base Bid with Allowances and Extra Work Items (Sum of E and G)**				$ 67,590,757.50			$ 78,702,250.00			$ 72,686,200.00			$ 90,375,701.00			$ 71,144,890.00	
Alternates to be considered for inclusion in the Contract per Section 01 23 10 "Alternates and Allowances"																		
I-01	Asphalt Pavement	3,320	TONS	$ 212	703,000		$ 311.00	1,032,520.00		$ 140.00	464,800.00		$ 183.00	607,560.00		$ 185.00	614,200.00	
I-02	Concrete Pavement, in lieu of Asphalt	1,410	CY	$ 463	653,000		$ 657.00	926,370.00		$ 442.00	623,220.00		$ 470.00	662,700.00		$ 550.00	775,500.00	
J	**Total Amount for Alternates for Consideration**				$ 653,000.00			$ 926,370.00			$ 464,800.00			$ 607,560.00			$ 614,200.00	
K	**Total Base Bid with Allowance and Alternates for Consideration (Sum of H and J)**				$ 68,243,757.50			$ 79,628,620.00			$ 73,151,000.00			$ 90,983,261.00			$ 71,759,090.00	*
Contract Time																		
L	Offeror agrees to reach Substantial Completion in				700	days		700	days		700	days		700	days		700	days
M	Offeror agrees to reach Final Completion in				730	days		730	days		730	days		730	days		730	days

General Notes		**Offeror Notes:**	**Offeror Notes:**	**Offeror Notes:**	**Offeror Notes:**	**Offeror Notes:**
1	Provision is made for Offeror to include an addition or deduction in the Bid to reflect any last minute adjustments in price. The addition or deduction, if made, will be applied proportionately to the following Items: ____					*The Offeror's original Bid Form Exhibit A included a mathematical error indicating $71,614,700 in Row K. The accurate Row K figure is reflected in this Bid Tabulation as $71,759,090.