

CHAIRMAN:
PETER D. KINDER
LIEUTENANT GOVERNOR

MEMBERS:
JOHN D. STARR
LARRY NEFF
NELSON C. GRUMNEY, JR.
PAUL S. LINDSEY
RICHARD J. WILSON
JAMES D. HILL
L. B. ECKELKAMP, JR.
DANETTE D. PROCTOR



EX-OFFICIO MEMBERS:
GREGORY A. STEINHOFF
DIRECTOR,
ECONOMIC DEVELOPMENT

KATIE SMITH
DIRECTOR, AGRICULTURE

DOYLE CHILDERS
DIRECTOR,
NATURAL RESOURCES

EXECUTIVE DIRECTOR:
ROBERT V. MISEREZ

MISSOURI DEVELOPMENT FINANCE BOARD

MINUTES

MISSOURI DEVELOPMENT FINANCE BOARD

Governor Office Building
200 Madison Street, Room 1010
Jefferson City, Missouri

JANUARY 15, 2008

The Missouri Development Finance Board met in regular session on Tuesday, January 15, 2008, beginning at 10:30 a.m. The meeting was conducted via telephone conference call.

The following members and officers of the Board were present or absent at the meeting as follows:

Peter D. Kinder	Lieutenant Governor and Chairman	Present
John D. Starr	Vice Chairman and Member	Present
Larry D. Neff	Secretary and Member	Present
Nelson C. Grumney, Jr.	Treasurer and Member	Present
James D. Hill	Member	Present
Paul S. Lindsey	Member	Present
Richard J. Wilson	Member	Present
L. B. Eckelkamp, Jr.	Member	Present
Danette D. Proctor	Member	Absent
Gregory A. Steinhoff	Director, Dept. of Econ. Dev. and Member	Present
Katie Smith	Director, Dept. of Agriculture and Member	Present
Doyle Childers	Director, Dept. of Natural Resources and Member	Present
Robert V. Miserez	Executive Director and Assistant Secretary	Present

Chairman Kinder called the meeting to order and declared a quorum was present. In addition to the above, those in attendance included:

Board Staff: Kathleen Barney, Mike Golden, Krystal Davis, Dawn Holt and Valerie Haller

Board Counsel: David Queen and James Caldwell

Others Present: Jerry Dowell, Lieutenant Governor's Office; Malcolm Gavant, EnerSys Energy Products, Inc.; Tracy Brantner, Johnson County Economic Development Corporation; Raechelle Smith and Marti Brenner, KPMG; and Mark Stombaugh, Missouri Department of Economic Development

I. Secretary's Report

Secretary Neff

Secretary Neff presented for approval the minutes from the December 18, 2007 meeting. The minutes were included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Secretary Neff made a motion to approve the minutes as presented. Member Wilson seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Grumney, Lindsey, Wilson, Hill, Eckelkamp, Steinhoff and Kinder

Nay: None

Absent: Proctor, Smith and Childers

Chairman Kinder declared the motion passed.

II. Treasurer's Report

Treasurer Grumney

Treasurer Grumney presented for approval the Treasurer's Report as of and for the five months ended November 30, 2007. The Treasurer's Report was included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Treasurer Grumney made a motion to approve the Treasurer's Report as submitted. Member Eckelkamp seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Grumney, Lindsey, Wilson, Hill, Eckelkamp, Steinhoff and Kinder

Nay: None

Absent: Proctor, Smith and Childers

Chairman Kinder declared the motion passed.

III. Department of Economic Development Report

Director Steinhoff

Director Steinhoff reported the Department continues to work on their legislative package, which includes enhancements to Senate programs and a few technical changes that will enable the Department to administer their incentive programs easier.

Director Steinhoff stated Missouri's economy is doing quite well and the number of jobs is up significantly. Director Steinhoff reported the State is feeling the benefits of having the fifth most diversified economy in the country.

Director Steinhoff stated the Department continues to make progress with Missouri Partnership and that the DREAM Initiative is progressing with the 2007 communities.

IV. Department of Agriculture Report Director Smith

The report was deferred to the next meeting.

V. Department of Natural Resources Director Childers

The report was deferred to the next meeting.

VI. Lieutenant Governor's Report Lt. Governor Kinder

The report was deferred to the next meeting.

VII. Old Business

A. Sale of Kansas City Library Garage Kathleen Barney

This item was tabled for discussion at the next regularly scheduled meeting.

Directors Smith and Childers joined the telephone conference call.

VIII. New Business

A. EnerSys Energy Products, Inc. — BUILD Resolution of Intent Mike Golden

Mr. Golden presented the application from EnerSys Energy Products, Inc. for BUILD Bonds not to exceed \$1,240,000. The project involves the addition of 148,630 square feet to an existing manufacturing facility in Warrensburg, Mo. The principal use of the addition is to increase capacity and decrease lead time in battery production. Mr. Golden introduced Mark Stombaugh with the Missouri Department of Economic Development.

Mr. Stombaugh introduced Malcolm Gavant with EnerSys; Tracy Brantner with the Johnson County Economic Development Corporation; and Raechelle Smith and Marti Brenner from KPMG.

Mr. Gavant gave an overview of the company and the project. Mr. Gavant stated the project would create 180 new jobs and generate approximately \$80 million in business over the period of two to three years. Mr. Gavant was available for questions.

Director Childers asked if the Company produced the newer high-capacity lead acid batteries. Mr. Gavant replied they do produce lead acid batteries.

Secretary Neff questioned what percentage of business is defense and what percentage is domestic/commercial. Mr. Gavant stated approximately 30% of their business is defense.

Treasurer Grumney asked what the worldwide sales were for EnerSys. Mr. Gavant replied approximately between \$1,750,000,000 and \$2 billion.

Secretary Neff made a motion to approve the following Resolution of Intent:

**RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD
PRELIMINARILY APPROVING A PROJECT FOR ENERSYS ENERGY
PRODUCTS, INC., AND DETERMINING THE INTENT OF THE BOARD
TO ISSUE ITS BUILD MISSOURI REVENUE BONDS IN A PRINCIPAL
AMOUNT OF APPROXIMATELY \$1,240,000 TO FINANCE A PORTION
OF THE COSTS OF THE PROJECT.**

Member Lindsey seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Grumney, Lindsey, Wilson, Hill, Eckelkamp,
Steinhoff, Smith, Childers and Kinder

Nay: None

Absent: Proctor

Chairman Kinder declared the motion passed.

IX. Miscellaneous

Robert V. Miserez

Mr. Miserez deferred his report to the next meeting. Ms. Krystal Davis gave a detailed update on the tax credit status report and was available for questions.

Chairman Kinder excused himself from the meeting for another commitment. Vice Chairman Starr asked for any further business to come before the Board.

X. Adjournment

There being no further business before the Board, Secretary Neff made a motion to adjourn the meeting. Treasurer Grumney seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Grumney, Lindsey, Wilson, Hill, Eckelkamp, Steinhoff, Smith and Childers

Nay: None

Absent: Proctor and Kinder

The meeting was adjourned.

[Secretary Neff's Signature]