

MINUTES: 4A
SANGER TEXAS INDUSTRIAL DEVELOPMENT CORPORATION
May 21, 2012

MEMBERS

PRESENT: Don Gillum, Fred Yeatts, John Jacobs and Rusty Patton

ABSENT: Vickie Jenkins

OTHERS

PRESENT: Mike Brice City Manager, Tami Taber City Secretary and Ted Christensen of Government Capital

1. Call Meeting to Order.

Don Gillum called the meeting to order at 1:00 p.m.

2. Approval of Minutes: January 10, 2012
March 19, 2012 (Special Called with City Council)

Don Gillum made a motion to approve the January 10, 2012, minutes with the change of "hazard" insurance to "liability" insurance (agenda item 3). The March 19, 2012, minutes were also approved. Seconded by John Jacobs. Motion carried unanimously.

3. Consider, Discuss and Possibly Act on Approving Resolution #R05-07-12 - Authorizing the Issuance of the Sanger, Texas Industrial Development Corporation Industrial Development Revenue Bonds, Series 2012 (Texas Pellets Project), Approving and Authorizing an Indenture of Trust, a Loan Agreement, a Private Placement Memorandum, a Tax Regulatory Agreement, a Contract of Purchase, Authorizing the Execution of Documents and Instruments Necessary or Convenient to Carry out the Issuance of the Bonds and Other Matters in Connection Therewith.

Bond proceeds are expected to be applied to finance the acquisition, construction, improvement and expansion of a facility of the borrower called German Pellets located in Woodville, Texas, the primary purpose is processing of wood waste to manufacture biomass pellets, and a five silo pellet storage facility located in Port Arthur, Texas. This business will also create new jobs in Texas.

4A will facilitate as a conduit and the benefit of approving this, is that the City will receive \$20,000. There are no risks to the City.

This item will go to the City Council on June 4, 2012, for final approval.

4. Update on Hollingsworth Lease.

City Manager advised that the lease actually began on March 1, 2012 and the first lease payment will be due on June 1, 2012. All other deal points remained the same.

5. Review Financials.

City Manager stated that there is approximately \$636,000 in the 4A account as of March 31, 2012 and the sales tax is still holding its own.

6. Adjourn.

Meeting was adjourned at 1:20 p.m.