

**THE SENATE COMMITTEE  
ON  
GOVERNMENTAL ACCOUNTABILITY**



**REPORT ON MAMTEK  
“PROJECT SUGAR”  
MOBERLY, MISSOURI**

**FEBRUARY 2012**

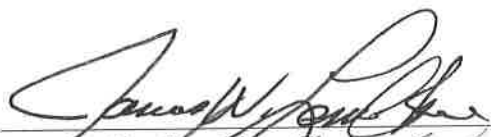
**Prepared by:  
Senate \_\_\_\_ Staff**

FEBRUARY 2012

The Honorable Robert N. Mayer, President Pro Tem of the Senate  
State Capitol Building, Room 326  
Jefferson City, MO 65101

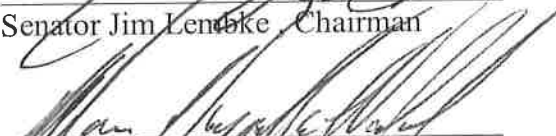
Dear Mr. President:

The Senate Committee on Governmental Accountability, has met, taken testimony, deliberated, and concluded its study on issues relating to Mamtek. The undersigned members of the Committee are pleased to submit the attached report.



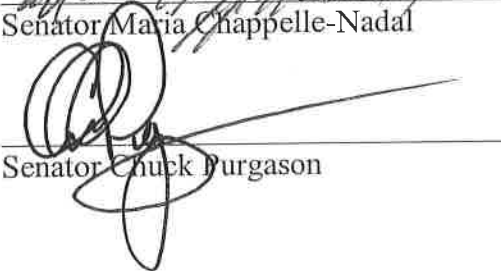
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Senator Jim Lencake, Chairman



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Senator Maria Chappelle-Nadal



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Senator Chuck Burgason



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Senator Brad Lager, Vice-Chairman



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Senator Will Kraus

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## I. CHARGE OF THE COMMITTEE

The charge of the Committee on Governmental Accountability was to review, study, and investigate the state and local involvement in the Mamtek project, including, but not limited to, the Missouri Department of Economic Development's (DED) execution of existing policy related to this project.

## II. SUMMARY OF ACTIVITIES

**The Mamtek document review process was initiated on November 17, 2011 and concluded on January 16, 2012. During this period, the committee reviewed over 5000 electronic documents.**

DED provided the committee with hard copy of related documents and emails pertaining specifically to "Project Sugar" and Mamtek. Additionally, DED provided a subset of information in binder format complimented by a project timeline. To fully understand the scope of this project, the committee collected information from the City of Moberly, considered various local and national media reports, and reviewed the rules of DED published in the Missouri Code of State Regulations (CSR).

**The committee received testimony from the DED Division Director and DED General Council on January 18, 2012.**

At the crux of the committee's concern is the level of sufficient accountability to Missouri taxpayers and citizens of Moberly from DED as it executed Department policy to provide business incentives for "Project Sugar". The committee has concern regarding the process followed **to initially qualify the project, validate the information provided for the project and communicates with Missouri Municipalities, MAMTEK, contracted agents of DED and various consultants.**

The committee found that there are several ways that projects are typically brought to the Department of Economic Development for consideration. Projects are usually brought to DED by the municipality, a site consultant or the business directly. After these projects are brought before the Department, the Department evaluates each project and makes decisions on how to proceed. After a series of committee hearing on Mamtek, the committee still has questions about the involvement of the site consultant and former Governor Bob Holden.

It was found that Mamtek was brought to the Department of Economic Development in January of 2010 by site consultant Tom Smith with Capital Business Development Associates, Alexandria, VA. It was also found that Tom Smith was a close friend to former Governor Bob Holden, Chairman of the Midwest US China Association. The committee discovered in an email between Terry Maglich and Ann Pardalos that DED was "not 'enthusiastic' about the project" until Governor Holden placed a call to DED employee Ann Pardalos. It was after Ms. Pardalos' conversations with former Governor Holden that the project got off the ground and "the rest is history."

Based on these conversations, the committee found that DED does not necessarily rate the importance of each project based on an investment to job creation ratio but perhaps who brought the project to the Department. It was found that Governor Holden was able to use his influence as a former Governor, his

relationship with a special interest group, the Midwest US China Association, and his friend Tom Smith to help jumpstart 'Project Sugar.'

Regarding the validation of information and data reviewed for "Project Sugar", the committee looked into the Department of Economic Development and their methodology for performing due diligence. It was found that, over the course of "Project Sugar", the Department made several attempts to perform due diligence. From asking time and time again for financials to requesting the Department's consultant in China to evaluate the success of the Chinese plan, it was found that the Department asked the proper questions in regards to "Project Sugar".

What the committee did not find was the Department's willingness to put the project on hold once the questions were not answered in an adequate or timely manner. Several times the department noted that the company has yet to provide its financial statements, found that the company's Chinese plant was not up and running, noted that the company provided incorrect information in regards to the amount of competitors located in the United States. Furthermore, they have failed to provide a list of names and assets of its US partners, provide contracts for presold products and provide proof of capital. Though the Department never received adequate answers to the questions, they continued to propose this project to municipalities and never once put the project on hold.

In this hearing, the committee asked the Department of Economic Development to evaluate what safeguards are in place to protect a city, such as Moberly, from being responsible for failed investments, such as Mamtek. The Department expressed that it is rare for a city to use municipal appropriation bonds to fund a project such as Mamtek but it is not unheard of. It was found that the only protection offered by the state is the due diligence and information provided by DED and local municipal economic development teams. It was also found that the Department has not changed any of their internal policies, since Mamtek, to protect municipalities from bad investments.

### **III. RECOMMENDATIONS**

- The committee recommends legislative action to change Missouri statute to prohibit political subdivisions from issuing debt through appropriation bonds without voter approval.
- The committee recommends further discussion on whether political subdivisions should have to secure bond insurance.
- The committee recommends the Department of Economic Development establish more stringent due diligence policies in regards to startup companies.
- The committee recommends that DED develops a 5 star rating system. DED should rate each project with 1 to 5 stars in an effort to give Missouri's political subdivision the needed information to make critical decisions in regards to investment of economic development dollars.
- The committee recommends that site consultants, because they have consistent and meaningful conversations on behalf of business with state departments, register as lobbyists.

#### IV. APPENDICES

**Exhibit A:** DED provided the committee with hard copies of related documents and emails pertaining specifically to “Project Sugar” and Mamtek. Provided below is an account of events provided by DED’s General Council.

1/11/2010	Tom Smith, site selection consultant with Capital Business Development Associates, Alexandria, VA, emails DED regarding a client interested in developing a sugar-substitute manufacturing facility.
1/19/2010	Site selection consultant sends additional information, including a partial business plan, regarding the efforts of his client, Mamtek, to identify a manufacturing site for a sugar substitute known as “sucralose.” Consultant indicates that the manufacturing operation would employ approximately 100-150 people in its first year. Consultant indicates that this start-up manufacturing operation out of Los Angeles that would need about \$9 million to establish production lines and hire staff and a facility with approximately 15,000-20,000 feet of covered work space. Consultant indicates that this is a type of business recently lost to China from Louisiana that the company wants to bring back to the US. He is hoping that there may be USDA funds to support their capital requirements to get started in the state.
1/21/2010	DED requests additional information and asks the consultant to complete a project RFI (request for information), which contains information about proposed capital investment, job creation, wages, hiring schedule, etc.
2/9/2010	Site selection consultant notifies DED that he met with the Mayor of Odessa, Missouri, and believes that Odessa is a candidate for the location of the Mamtek sucralose plant in Missouri.
2/11/2010	Site selection consultant notifies DED and Odessa that Mamtek officials were meeting with their major Chinese customers and potential investors over the Chinese New Year Holiday and would like to demonstrate that their next step is growth in the U.S., with emphasis on Missouri. Consultant requested a “letter of interest” from DED and from Odessa expressing interest in the project, but without providing any commitment or discussion of financial issues in order to show the Chinese that Mamtek is engaged in searching for a location in Missouri and there is State and local interest in facilitating the effort.
2/25/2010	Site selection consultant informs DED that he will be in Jefferson City the next week to move the Mamtek site selection process along. Consultant indicates that Mamtek had reached an agreement with a Chinese pharmaceutical company to consume 100% of a five-line production operation, explaining that the Chinese actually want to import the ingredient from the U.S. to gain a favorable perception by their domestic Chinese consumers. Consultant indicates that the letters from DED and Odessa were specifically recognized by the Chinese as facilitating their commitment to buy from the U.S.
	DED staff performs Internet research on Mamtek and its management team, including Bruce Cole, Reena Gordon and David Ho, which indicated successful prior experience in the financing of start-up companies.
3/2/2010	Meeting in Jefferson City between site selection consultant, the Mayor of Odessa, and DED.
3/3/2010	Site selection consultant emails DED and Odessa indicating that Mamtek “definitely want[s] to move forward in pursuit of financing location in Missouri.” Consultant indicates that he will work on putting together a USDA supporting package to seek USDA funding and will plan on meeting with a bank consortium during the week of March 15. Consultant provides additional information related to Mamtek.
3/8/2010	Site selection consultant forwards to DED and Odessa a letter of interest from William L. DeFer, President of the Nutrasweet Company, to Mamtek in response to a Mamtek plant in Missouri/U.S.
3/11/2010 – 3/15/2010	Site selection consultant notifies DED that the company requires a building with 35 foot clearances in order to fit the equipment in and load it. Consultant indicates that if there are no existing facilities that meet the specifications, they may have to focus on a greenfield project, although an existing building is preferred because it could expedite the effort. Based on DED’s review of available facilities, only an existing facility in Jefferson City would meet the company’s height requirements.
3/17/2010 – 3/19/2010	DED sends general Request for Proposals (RFPs) to Higginsville, St. Joseph, Odessa, Clinton, Sedalia/Pettis County, Kearney, Warrensburg/Johnson County, Ozark Foothills Regional Planning Commission, Bootheel Regional Planning Commission (Dexter/Malden), Southeast Area Economic Development Authority, Moberly, Macon, Marshall, and Mexico. The RFPs indicated that all due

	diligence still needed to be completed and that this was a startup company that would likely be seeking operating capital.
3/17/2010	Conference call between DED and Site selection consultant to update on progress of identifying any existing facilities that met the company's requirements.
3/19/2010	Letter from Senator Bond to Mamtek CEO Bruce Cole supporting location of the Mamtek International facility in Missouri.
3/19/2010	DED informs Site selection consultant that in order to proceed with a formal proposal for state incentives for a start-up company like Mamtek DED would need financial statements and pro forma statements thru three years of activity and the company's business plan.
3/22/2010	Site selection consultant emails DED to schedule site visits the next week for Moberly, Mexico, Macon, Marshall, Odessa and Sedalia.
3/23/10 – 3/30/10	All communities contacted (other than Kearney, Clinton and Higginsville) provide local incentive proposals in response to the RFP for the project.
3/26/10	DED develops and poses a series of additional questions for the company regarding utility needs, financing, production processes and building requirements.
3/30/2010	Site selection consultant submits the RFI document with information on the project.
3/30/10 – 3/31/10	Site selection consultant conducts site visits with identified communities and DED.
3/31/2010	Site selection consultant contacts Moberly EDC to schedule a follow up meeting regarding Moberly and asks for Moberly EDC to accompany him and DED during their meeting with USDA in Columbia. USDA indicates that the loan amount being requested (approx. \$25 million) would have to be approved through USDA in Washington, D.C. which would exceed a six month approval process.
4/1/2010	DED emails Moberly, Macon, Odessa, Sedalia, Jefferson City, Marshall, and Mexico to thank them for showing their communities to Site selection consultant and relates that Consultant will notify DED of the narrowed list of communities by midweek and that he is working on financing options for the company.
4/1/2010	Moberly EDC coordinates a conference call with DED, Site selection consultant, and Tom Cunningham (Moberly's bond counsel) to discuss financing for the project.
4/1/2010	Moberly EDC meets with local bankers about the project. According to Moberly EDC, bankers indicate that they are excited about the project and are looking forward to putting together a financing package.
4/1/2010	Macon ED informs DED that they met with a local bank and USDA regarding financing for the project.
4/5/2010	Call with Moberly EDC, Site selection consultant, Moberly Bond Counsel, DED and local banks regarding financing for the project.
4/5/2010	DED follows up from the call with Moberly with a request to Consultant to consider bringing other potential communities into the process rather than solely focusing on Moberly and asks for a list of items needed from the communities and information regarding utility requirements for the facility that consultant was going to obtain from the Chinese office.
4/5/2010	Moberly EDC forwards to DED a conceptual site plan prepared by Septagon Construction for the proposed Moberly site.
4/6/2010	Site selection consultant emails DED to indicate he would like to narrow the search to Mexico, Moberly, Sedalia and Odessa and requests additional information from the communities.
4/6/2010 – 4/7/2010	DED informs Site selection consultant's that they are working on a revised State incentive proposal and they will notify the communities that are on the short list and those that are not. DED reiterates its request for financials, business plan and utility requirements in order for local banks, communities and the state to participate. Consultant agrees and indicates he is pressing Mamtek for additional information.
4/7/2010	DED notifies Moberly, Sedalia and Mexico that they have been selected to move forward in the selection process and forwards to the communities his additional questions along with DED's request to consultant for financials and business plan information.
4/8/2010	Site selection consultant emails DED to request a comparison of Midwestern states' costs similar to one he is had reviewed that was prepared by the State of Indiana.
4/8/2010	Site selection consultant emails Moberly EDC and DED to indicate that the Mamtek principals would like to look at Missouri sites the week of April 26, "and particularly interested in Moberly." Consultant indicates that he is pressing Mamtek for financials that can be shared with potential lenders.
4/8/2010	Site selection consultant sets up a conference call with Moberly EDC and DED to introduce Mamtek principals to Moberly leadership on April 16.

4/8/2010	DED emails site selection consultant regarding the visit at the end of April to confirm that the company still wants to move forward with Sedalia and Mexico in addition to Moberly and to encourage the company to do introductory calls with the other communities as well as Moberly.
4/8/2010	Moberly EDC emails site selection consultant offering to send a plane from Moberly to pick up the Mamtek contingent in St. Louis or Kansas City.
4/9/2010	DED staff prepares an updated proposal for State incentives.
4/13/2010	DED conducts preliminary research on Mamtek through its China Office. According to the China Office, Mamtek is a Hong Kong-based company with a plant in Fujian Province, China. The plant was approved by Wuyishan City, Fujian in 2007. Although constructed, it did not begin manufacture due to protest from the local conservation department.
4/12/10	Moberly EDC sends to site selection consultant, with copy to DED, recommendations from Moberly's bond counsel for providing initial financing for the project. The two proposals are USDA guarantee financing and the second is that the City of Moberly would bond the entire project.
4/14/2010	Site selection consultant sends additional information to scope the production facility to Sepatgon, DED and communities.
4/14/2010	Site selection consultant sends financial analyses for Moberly, Mexico and Sedalia to communities and DED.
4/14/2010	Site selection consultant sends proposed itinerary for site visits with Mamtek officials April 26-28.
4/15/2010	Site selection consultant emails DED to indicate that the financials will likely be delivered when Mamtek officials are in town and that he is talking to Commerce bank about being the lead lender.
4/16/2010	DED forwards to all three communities site selection consultant's email indicating that financials would be provided when Mamtek officials are in town.
4/19/2010	Site selection consultant and Missouri Development Finance Board (MDFB) staff have a call regarding the BUILD program.
4/20/2010	Moberly EDC provides additional information to site selection consultant, including a draft "Initial Funding Agreement."
4/22/2010	Site selection consultant sends revised financial analyses for Moberly and Sedalia to communities and DED.
4/22/2010	Moberly EDC sends Moberly bond counsel and DED an updated local incentive proposal for inclusion in the proposal packet for the site visit.
4/26/2010	DED sends to Mamtek and site selection consultant an updated proposal for state incentives.
4/27/2010	Site selection consultant sends Mamtek USA Financial Information to USDA and DED.
4/27/10 - 4/28/10	Mamtek officials Bruce Cole, Reena Gordon, and David Ho, and consultant site selection consultant conduct site visits in Missouri for site visits.
4/28/2010	Morgan Keegan contacts DED to inform DED that the firm was asked to "make a call about a \$25 mln sucrose mfg facility in Moberly" and is working with Moberly bond counsel Tom Cunningham.
5/3/2010 – 5/4/2010	Site selection consultant emails DED to inform them that despite Mamtek management leaning heavily toward Sedalia when they departed from Missouri, Moberly had contacted Consultant and offered to "guarantee" financing to Mamtek if they will agree to locate in Moberly. Moberly proposed to ensure financing by offering a five year, annual appropriation bond. Consultant indicates that if Moberly financing fails, Mamtek would divert focus back to Sedalia. Mamtek has agreed to commit to conversations only with Moberly until the financing can be arranged. Consultant identifies a number of follow-up issues. Consultant informs Mexico and Sedalia that Mamtek would deal solely with Moberly based on Moberly's offer to guarantee financing for the project. The offer to guarantee financing requires execution of the Initial Funding Agreement between Mamtek and the City of Moberly and Mamtek advancing to the city \$100,000 for costs incurred in connection with securing the local financing.
5/4/2010	Moberly EDC forwards to DED a revised Initial Funding Agreement drafted by Moberly's bond counsel.
5/4/2010	DED updates MDFB staff on the project, indicating that the company is looking towards Moberly due to their aggressive public financing options and that DED has asked the company to wait on the formal BUILD application until they secure financing.
5/4/2010	DED informs Moberly EDC that the project cannot make a formal application to MDFB until financing is in place.
5/6/2010	DED sends Site selection consultant an updated State incentive proposal per his request.
5/12/2010	Moberly EDC emails DED to indicate that the \$100,000 payment to Moberly from Mamtek called for in the Initial Funding Agreement had posted to the City's account.
5/13/2010	MERIC runs an economic impact analysis on the project.



5/13/2010	DED conducts additional research through China Office on Mamtek's international operations.
5/13/2010	DED notifies Moberly EDC that its China Office is looking into more detail to Mamtek's China facility and requests Moberly EDC share additional information he has obtained.
5/14/2010	Site selection consultant provides DED an update on the project.
5/17/2010	DED conducts additional research through its China Office regarding Mamtek's operations in Hong Kong and China.
5/17/2010	Moberly EDCC inquiries as to the timing of the MDFB BUILD award. DED responds that it would not want to take this to MDFB until we are comfortable that financing is in place or secured and the project is definitely going forward. Mamtek is a start up. MDFB does not normally deal with start ups and DED normally does not propose BUILD. DED informs Moberly EDCC that will require financial projections, sources and uses of funds and a business plan that indicates that the company has customers, contracts etc.
5/17/2010	Site selection consultant emails Moberly EDC and DED Terry Maglich regarding the company's effort to get USDA to support a loan guarantee for Moberly.
5/17/2010	DED provides an updated State incentive proposals based on updated investment/job creation numbers provided by the Company. The proposal is accepted by Bruce Cole, Mamtek CEO.
5/17/2010	Bond underwriter Morgan Keegan emails DED indicating that they are working with Moberly on the project and have recommended that they seek a Recovery Zone Facility Bond allocation from the State.
5/18/2010	Moberly EDC emails DED to request information on any potential Recovery Zone Facility Bond allocation.
5/21/2010	Moberly EDC forwards to DED an email sent by site selection consultant to Congressman Luetkemeyer's office regarding the USDA assistance.
5/24/2010	Site selection consultant requests letter of support from Governor Nixon for the company's request for USDA assistance. Moberly bond counsel provides DED information regarding the amount of USDA guaranteed financing being sought.
5/26/2010	Joshua Payton, bond counsel for City of Moberly, contacts DED to request copy of the support letter for his meeting with the USDA office in Columbia.
5/28/2010	DED provides letter of support for USDA funding to Moberly EDC and site selection consultant.
6/1/2010	DED is informed that Mamtek has received verbal approval of a USDA loan of \$10 million, which is the maximum that could be authorized through the Missouri USDA office. For a greater amount, the company would have to go through USDA in DC. The company indicated there was "not enough time to go to DC."
6/3/2010	Moberly Bond counsel emails Moberly EDC and DED information regarding the local bond issue, including the distribution lists and project milestones.
6/3/2010	MDFB staff, Moberly EDC, Moberly bond counsel, and DED have conference call to discuss BUILD program. Company indicates that they need to get the project on the June 15 MDFB agenda due to their critical construction schedule once they secure financing.
6/3/2010	Moberly EDC emails DED and Moberly bond counsel with additional questions regarding CDBG eligibility.
6/3/2010	Moberly EDC emails DED and MDFB summary of a conference call with Moberly EDC, Moberly bond counsel and Michael Wise, patent attorney with Perkins Coie, discussing Mamtek International's operation in China and the company's intellectual property.
6/4/2010	MDFB forwards to DED, the Mamtek USA Financial Information provided on 4/27 to DED and USDA. The information was forwarded to MDFB by Moberly EDC who received it directly from consultant.
6/4/2010	MDFB sends to DED additional due diligence documents received from Moberly EDC.
6/4/2010	Moberly EDC submits to DED an application for Recovery Zone Bond Reallocation for the City of Moberly, with copy to Moberly bond counsel.
6/6/2010	MDFB receives draft BUILD application and forwards to DED for review.
6/7/2010	Site selection consultant emails the final Mamtek BUILD application to MDFB, with copy to DED and Reena Gordon of Mamtek. Consultant indicates that "Overseas sales contracts are currently being translated for the financial packages. They will be forwarded to you ASAP, concurrent with their submission to Tom Cunningham."
6/9/2010	DED forwards the DED recommendation for BUILD approval to MDFB.
6/10/2010	Moberly EDC informs DED that the initial meeting has taken place with the rating agency and a follow-up meeting is planned regarding the local financing. Moberly EDC indicates that the valuation firm continues to conduct their due diligence and Moberly anticipates providing something to the rating

	agency that week.
6/15/2010	MDFB votes unanimously to provide preliminary authorization for the project under the BUILD program.
6/16/2010	Site selection consultant forwards to DED information about a Chinese pharmaceutical company that will be purchasing Mamtek sucralose and is exploring locating in Missouri.
6/21/2010	DED receives a call from Mexico ED regarding the Chinese pharmaceutical company. Mexico ED indicated that information regarding the opportunity came from Senator Bond's office.
6/21/2010	DED inquires of Moberly EDC how the bond rating agency visits went on June 17. Moberly EDC indicates that they "went very well" and that they hoped to have the rating information by June 23.
6/22/2010	DED informs China Office that City of Moberly, Moberly bond counsel, valuation firm and intellectual property attorney are conducting additional due diligence regarding Mamtek's China operations.
6/23/2010	Mexico ED forwards to DED email he received from Sen. Bond's office regarding the Chinese pharmaceutical company.
6/25/2010	Moberly EDC notifies MDFB and DED, Terry Maglich and Lynne Shea that they received an A- rating from the Standard & Poor's (S&P) rating agency and they would be releasing POS materials the following Monday.
6/28/2010	Moberly EDC notifies DED that Moberly has contacted the Governor's Office to see whether the Governor is available for an announcement of the project on July 9.
7/1/2010	Moberly EDC emails DED information regarding the possibility of Moberly receiving a Recovery Zone Facility Bond allocation and the benefits of such an allocation for the success of the project, based on the recommendation of Morgan Keegan, the bond underwriter.
7/2/2010	Terry Maglich sent an email to Ann Pradalos regarding former Governor Bob Holden. The email states that Governor Holden, who is the Chairman of the MWCA, contacted Ann Pradalos because the site consultant for Mamtek thought that DED was not enthusiastic about the project. Ann brought this information to Terry and "the rest is history." The email also states that Governor Holden feels he played an integral role in getting this project off the ground.
7/2/2010	Morgan Keegan emails DED a document titled "Project Milestones (Project Sugar v 3A.doc)." The document shows the timelines for the local bond issuance beginning 5/21/10 and ending with a 7/22/10 closing. All items prior to the date of the email are marked "Done."
7/2/2010	Moberly EDC indicates to DED that the "\$3 million USDA loan is not going to happen. The process took too long and would have held up the project." Moberly EDC indicates additional funding will come from "bond sales and private equity."
7/6/2010	Moberly EDC emails DED for any update on the RZFB reallocation process.
7/7/2010	Morgan Keegan emails DED asking for any update on Moberly's request for a RZFB reallocation.
7/9/2010	Mamtek project announcement at Moberly Area Community College.
7/12/2010	DED inquires of Site selection consultant and Moberly EDC on the Chinese pharmaceutical company mentioned at the announcement by Bruce Cole, Mamtek CEO.
7/13/2010	Moberly EDC and Moberly bond counsel inquires of DED regarding a status update on any RZFB reallocation.
7/13/2010	DED issues letter reallocating \$5,000,000 in RZFB authority for the City of Moberly IDA.
7/14/2010	Moberly EDC contacts DED to ask whether Moberly could receive any additional reallocation of RZFB if additional allocation was made available from communities not using their allocation.
7/14/2010	Morgan Keegan inquires of DED whether there is a chance for some additional reallocation of RZFB for Moberly.
7/14/2010	DED informs Moberly EDC and Morgan Keegan that the agency has not reached any further conclusion the amount remaining available continues to increase as DED contacts counties to determine whether they intend to use their allocation.
7/19/2010	Site selection consultant emails DED requesting an update on any reallocation of RZFB cap to the City of Moberly IDA and asks to schedule a call. DED asks questions on the call regarding the need for the amount requested, any issues with the original bond issuance, and the reason for the additional request. Moberly EDC is also on the call.
7/19/2010	DED provides Moberly EDC a new allocation letter for \$28 million in RZFB authority, replacing the earlier \$5 million reallocation.
7/22/2010	Moberly EDC emails DED an invitation to participate in a conference call regarding Mamtek with various Morgan Keegan representatives and Moberly bond counsel.
7/22/2010	Site selection consultant forwards an agenda to DED Ann Pradalos for a meeting with the Chinese pharmaceutical company and Mamtek groundbreaking.

7/27/2010	Local bond issuance closes.
7/27/2010 – 8/11/2010	DED works with Moberly EDC and Molly McGovern, consultant to City of Moberly on the CDBG application, to ensure applicable HUD requirements are met prior to construction.
8/24/2010	DED receives Missouri Quality Jobs Notice of Intent (NOI) from Mamtek for the project. NOI. NOI is approved 9/3/2010 following completion of review.
9/14/2010	MDFB provides DED a status update on the project. Update indicates that company is currently in the process of translating the facility from the Chinese operation to what is required by code in America, which has proven more time consuming than anticipated. Moberly EDC indicates that a group of engineers from Bechtel are working from China to expedite the process.
9/14/2010	Site selection consultant sends additional information to DED and Moberly EDC regarding the Chinese pharmaceutical company, including the need to create an EB-5 investment area.
10/1/2010	DED inquires with Moberly EDC on the status of the construction. Moberly EDC indicates that the site plan is now complete.
10/4/2010	DED inquires of Site selection consultant regarding construction progress. Consultant indicates they are coming to closure on the design, have vendor bidders meeting on October 19 in Moberly, and are exploring the addition of a power plant.
10/4/2010	Site selection consultant informs MDFB that the company would like to wait until the 12/21/10 MDFB meeting to seek final authorization for BUILD.
10/7/2010	Mamtek works with DWD staff at Moberly Career Center regarding interviewing candidates for the Mamtek HR Director position.
10/11/2010	Moberly CDBG consultant Molly McGovern emails site selection consultant and Moberly EDC, with copy to DED, providing a timeline of construction and the proposed CDBG grant.
10/28/2010	Site selection consultant emails DED and DOR staff with questions regarding Chapter 100 and manufacturing sales tax exemptions.
11/4/2010	Site selection consultant confirms plans with regard to proposed CDBG to Moberly CDBG consultant, with copy to Moberly EDC and DED.
11/23/2010	MDFB forwards DED information from site selection consultant indicating that the company requested in October to move final authorization for BUILD to the 1/18 MDFB meeting.
12/2/2010	Site selection consultant sends pictures of the excavation associated with the Mamtek project to DED.
12/17/10 – 12/22/10	Moberly Area Community College submits a Notice of Intent for the New Jobs Training Program on behalf of Mamtek. The requested start date is January 1, 2011. The company recently hired Olivia Lindsey to serve as Mamtek HR Director. A revised NOI is submitted on 12/22/2010.
12/27/2010	MDFB informs DED that the company is now backing off the January agenda and asking to go before MDFB in February for the BUILD final authorization.
1/14/2011	DED conducts construction site visit and contacts construction supervisor with Septagon Construction to discuss progress on construction.
1/20/2011	MDFB forwards DED information that James Mello with the law firm Armstrong Teasdale will represent Mamtek on the BUILD deal. Armstrong Teasdale indicates that their firm had represented the bond underwriter Morgan Keegan on the underlying financing for the project so they have some institutional knowledge of the company and the project.
2/6/11- 2/9/11	Site selection consultant requests that DED provide a letter of support regarding the proposed EB-5 Regional Center and indicates that the formal application will be submitted this week. DED declines to provide the requested letter.
2/7/11 – 2/10/11	MDFB counsel circulates BUILD bond documents to Mamtek counsel from Armstrong Teasdale, UMB Bank and DED.
2/11/11	Site selection consultant provides update on construction schedule to Moberly CDBG consultant, indicating that construction related to the buildings and site improvements will be substantially complete by early April.
2/15/11	MDFB votes to provide final approval for the Mamtek BUILD project.
3/10/11	Moberly EDC forwards email from Mamtek requesting DED to designate the counties within the proposed EB-5 Regional Center as rural areas or “targeted employment areas”
3/11/11	DED conducts construction site visit to check on progress.
3/15/11	Moberly EDC emails DED to inquire on the status of the EB-5 letter from MERIC.
3/22/11	Moberly EDC emails DED while attending a Lakers game with Bruce Cole, Mamtek CEO, inquiring as to the status of the EB-5 letter from MERIC.
3/30/11	DED meets with Mamtek CEO and site selection consultant. They provide overview of proposed EB-5 and request a letter of support from DED.

4/1/11	Joann Yang of Mamtek sends an updated draft EB-5 rural area designation letter to DED for review by MERIC. DED makes revisions and sends back to Joann Yang and Moberly EDC.
4/10/11	Site selection consultant forwards to DED an overview of the Moberly EB-5 area and requests a letter of support from DED.
4/14/11	Site selection consultant forwards letters of support for the EB-5 application from Sen. McCaskill and provides an update on efforts to obtain joint letter of support from Congressman Luetkemeyer and Cleaver. Consultant again requests a letter of support from DED.
5/3/11 – 5/10/11	DED staff work with site selection consultant, Mamtek officials, Moberly CDBG consultant and Moberly EDC on questions regarding the proposed CDBG and preparing the application.
5/11/11	Mamtek HR Director provides update regarding hiring and construction progress to DWD Moberly Career Center staff.
5/16/11	Site selection consultant forwards architectural renderings and update on construction to DED.
5/31/11	DED informed that a competitor sucralose manufacturer has announced its plan to reactivate their sucralose production facility in McIntosh, AL.
6/6/11	Mamtek HR Director, provides update regarding staffing and construction to DWD Moberly Career Center staff. Indicates that there have been delays in equipment ordering.
6/8/11	DED receives application for CDBG Industrial Infrastructure Grant from the City of Moberly.
6/9/11	DED confirms for Moberly EDC, site selection consultant, and Mamtek officials that significant hiring prior to approval of CDBG and final approval/closing on BUILD would not impact availability of BUILD or CDBG.
6/16/11	Site selection consultant emails DED regarding meetings with Congressman Luetkemeyer's staff on the EB-5 application.
6/29/11	Site selection consultant forwards to DED construction photographs taken by Septagon.
6/30/11	Site selection consultant emails DED regarding a planned July 8 meeting with USCIS and members of Missouri's Congressional delegation regarding the EB-5 Regional Center.
7/1/11	DED and MDFB receive a letter from Bruce Cole, Mamtek CEO, requesting an extension of time to close on the BUILD bonds.
7/5/11	Site selection consultant emails to DED the Mamtek EB-5 application submitted on February 28, 2011.
7/6/11	Site selection consultant forwards to DED an email regarding the EB-5 application that he sent to Congressman Luetkemeyer's staff to DED and Moberly EDC.
7/7/11	DED requests additional due diligence information from Moberly's CDBG consultant related to the CDBG application.
7/7/11	Moberly City Clerk, Mamtek employees, Site selection consultant and DED coordinate the sales/use tax exemption for automation equipment associated with managing the plant and its staff.
7/11/11	Site selection consultant emails DED regarding a planned July 14 meeting with USCIS and members of Missouri's congressional delegation regarding the EB-5 Regional Center application.
7/11/11	DED responds to Site selection consultant's questions regarding the necessity of the requested due diligence items, indicating that review of the CDBG application cannot move forward without the requested information.
7/14/11	Site selection consultant emails DED regarding the outcome of the meeting with USCS by members of Missouri's Congressional delegation regarding the Moberly EB-5 application. Consultant indicates that Congressman Luetkemeyer was assertive in pressing for a fifteen day approval timeframe for the application and asking for weekly updates from the Deputy Director on the application status.
7/19/11	MDFB voted to approve extending the bond closing deadline for BUILD to August 15, 2011.
7/21/11	HR Director for Mamtek updates Moberly Career Center DWD staff that Mamtek CEO Bruce Cole will be in Moberly 7/21-7/22 to discuss the next 6-9 months in terms of hiring, construction, and budgets in order to have a saleable product in the first quarter of 2012.
7/22/11	Moberly Area Community College works with DWD staff to obtain additional due diligence items from Mamtek related to the job training project, including Company Certification, Local Tax Clearance, E-Verify, and list of owners/directors/managers.
7/25/11	Mamtek HR Director updates Moberly Career Center DWD staff that "all hiring, except Hazmat/Security group, is on hold for now."
7/26/11	DED resends due diligence requests to Site selection consultant, Moberly EDC and Moberly CDBG consultant after receiving no response to previous inquiry.
7/27/11	Mamtek's counsel at Armstrong Teasdale emails MDFB, UMB and DED various documents for the BUILD closing anticipated for 8/2.
8/2/11	MDFB informs DED that Mamtek did not close as anticipated.

8/4/11	Mamtek HR Director updates Moberly Career Center DWD staff that Mamtek is putting all hiring on hold for sixty days to until funds arrive for payroll purposes. The company is focused on completing the manufacturing facility so that it can begin production.
8/9/11	Moberly's CDBG consultant emails DED to indicate that she spoke with Moberly EDC and he will follow up with Site selection consultant and Bruce Cole for the requested due diligence materials.
8/17/11	MDFB provides an update to DED, indicating that Moberly EDC had told MDFB counsel that the construction has been delayed because the company was waiting on specialized equipment to be delivered.
8/19/11	Site selection consultant forwards to DED a copy of the USCIS approval of the Mamtek EB-5 Regional Center.
8/22/11	DED staff work with Moberly Area Community College staff to collect additional due diligence information for job training project.
8/24/11	Mamtek officials meet with Ameren UE, Office of Public Counsel, and Moberly EDC regarding the Ameren Economic Development Rider Mamtek will accept service under.
8/29/11	DED follows up with Moberly CDBG consultant, Site selection consultant and Moberly EDC on the status of the requested due diligence materials for the CDBG application.
9/2/11	Mamtek HR Director notifies DWD staff that she has been laid off.
9/6/11	DWD staff forwards the email to DWD management. Forwarded to DED management and the Governor's Office.
9/6/11	DED confirms that no state funds or tax credits has been provided to Mamtek.
9/6/11	DED contacts Moberly EDC to determine project status. Moberly EDC indicates that the former HR Director is a disgruntled former employee and is spreading untruths. The construction is currently on hold, they are currently re-designing a portion of the process and are also waiting on funds to be transferred to the recently approved Mid-MO EB-5.
9/16/11	DWD staff informed that all five remaining Mamtek employees were released.