

## SPIRITWOOD ENERGY PARK ASSOCIATION, LLC

*Unofficial Minutes  
Meeting of the Members  
January 14th, 2015*

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A meeting of the members of the Spiritwood Energy Park Association, LLC, a North Dakota limited liability company was held at the offices of Jamestown/Stutsman Development Corporation on October 2nd, 2015, pursuant to notice duly provided to all members.

SEPA President, Bob Toso called the meeting to order at 8:30 a.m. (CST).

In attendance were Bob Toso and Kelly Rachel (Phoned in), Authorized Member Representative of Jamestown/Stutsman Development Corporation; Sandra Broekema and Michelle Strobel, Authorized Member Representatives of Great River Energy; Connie Ova, Chief Operations Officer, SEPA; Rich Garman, Senior Project Manager, SEPA; Jeff Zueger, CEO, Midwest AgEnergy; John Weeda, Midwest AgEnergy Board Member; Corry Shevlin, Staff JSDC; Keith Norman, Reporter The Jamestown Sun.

### Previous Meeting Minutes:

*Sandra Broekema moved to approve the minutes from 10-2-2015 as written, Michelle Stobel seconded and motion passes unanimously.*

### Construction Project Status:

Rich Garman gave an update on the rail project, reviewed the project schedule, and provided the Board with a PowerPoint presentation.

- BNSF Switch: The west bound heated and automated switch has been completed and will be connected to the BNSF mainline in the spring.
- Tenant Operations Committee: the committee last met in October but a steady line of communication between Rich Garman, Jeff Zueger and Derek Marquart has kept the committee up to speed with all relevant SEPA operations. The committee plans to meet in January and will work with Jeff Zueger's schedule to arrange an appropriate date. The major discussion is formalizing the Maintenance and Yard Walk Contracts. SEPA is still under the original rail warranty until May 2016; any repairs before then will be covered by the contractor. After May 2016 SEPA will initiate quarterly yard walks, which will involve an inspection of the entire rail. Industry standard practices will determine the frequency of the yard walks.
- Wetland Mitigation: Core controlled wetland mitigation is underway, ground monitors were installed last fall and the wetland will be reseeded this spring. A mowing operation had taken

place to attempt to remove the “weeds” this this past fall; however the terrain was too steep to do safely. Alternatives have been identified and will be put in place this spring. Crop Lease: Crop will be harvested in mid-October.

- **Snow Removal & Road Maintenance:** A signed contract with the Spiritwood Township to provide snow removal on/around the rail loop and on the roads. They have been providing this service and have been on call for some time. They have been providing this service in a timely manner to fit our needs.
- **Crop Lease:** The crop (Soy Beans) was harvested through to October 2015. The next anticipated crop planting is in spring 2016 and may exclude the 20-25 acres north of DSA; the infrastructure in place has somewhat isolated that land and made it very difficult to access. Discussions are planned with the farmer to remove that portion from the lease. This will prevent the need for the farmer to bring machinery through the DSA facility.

#### Dakota Spirit AgEnergy Status Update: John Weeda & Jeff Zueger

John Weeda Began the update by saying that the plant is up and operating very well. The plant has been operating at full rate since the end of July and have been impressed with the performance testing that has been done. They have been successful in hiring new staff to the DSA team and everyone is up to speed and doing a great job. They are pleased to be members of the Jamestown, Stutsman community.

Jeff Zueger went on to further explain DSA commitment to the community engagement giving an example of Business After Hours; an event that brought nearly 75 people to the facility. Jeff then elaborated on the logistical side of operating stating that corn supply has met very good supply from local producers and have no issues sourcing corn despite the low corn prices. DSA has also had good feed (DDG) demand and demand continues to grow and have a positive response to the feed that is being produced. DSA has had good results from BNSF providing service to the site and have had no issues and have primarily been shipping unit trains out of the facility. DSA is apart of the ethanol council continues to promote the USDA grants available for retailers to further promote their product locally.

#### SEPA YTD Financial Overview

Rich Garman discussed the SEPA YTD financial overview. A formal budget outlook will be prepared for DSA by March 2016.

Connie Ova summarized the proposal put forward by Schauer & Associates to prepare the Financial Audit and Income Tax Report.

*Kelly Rachel moved to award Schauer & Associates the contract to prepare the Financial Audit and Income Tax Report, Sandra Broekema seconded and motion passes unanimously.*

## **New Business**

### **Transient Trans load Opportunities**

Rich Garman discussed the potential tenants for transload opportunities and possible location on site for these operations.

### **MAEDC Site Selector Conference**

Rich Garman and Connie Ova attended the conference. They were exposed to potential new techniques for marketing the facility in Spiritwood that we put in place in the future.

### **JSDC Strategic Plan**

The JSDC has recently had a strategic planning session and have placed a very heavy emphasis on filling the Spiritwood Energy Park.

### **Tenant prospect updates**

Connie Discussed possible new tenants.

- IHB Refinery is a pelletizing company that has shown interest in the Spiritwood Energy Park.
- A courier Transload facility may be interested in a permanent location at the Spiritwood Energy Park
- A Barley Processing Facility has shown interest and has met multiple times with Rich and Connie.
- A company has showed interest in the Spiritwood Energy Park to build a Boutique Oil Refinery.

*Meeting was adjourned at 9:09 a.m. (CST).*

*Recorder stopped at 9:09 a.m.*

Respectfully submitted by,  
Corry Shevlin, Business Development, JSDC