

SPIRITWOOD ENERGY PARK ASSOCIATION, LLC

*Official Minutes
Meeting of the Members
April 14th, 2015*

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 April 14, 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 (via telephone) Authorized Member Representatives of Jamestown/Stutsman Development Corporation; Al Christianson and Greg Ridderbusch, Authorized Member Representatives of Great River Energy; Connie Ova, Chief Operations Officer, SEPA; Rich Garman, Senior Project Manager, SEPA; Sandra Broekema, Business Development, SEPA; Tracey Pringle, Bookkeeper; Holly Miller, JSDC VP of Economic Development; Kaitlin Dillard, JSDC Office Assistant; and Guests: Keith Norman, Jamestown Sun; Joseph Larson, Esq. Larson Law Firm; Warren Abrahamson, News Dakota.

Previous Meeting Minutes:

Al Christianson moved to approve the minutes from 2-6-2015 as written, Greg Ridderbusch seconded by and motion passes unanimously

Greg Ridderbusch moved to approve the minutes from 2-12-2015 as written, Al Christianson seconded by 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 installation of the east bound switch was completed March 23, 2015. The final payment was made to BNSF March 31, 2015. The west bound heated, automated switch will be completed summer of 2015 based on BNSF schedule.
- SEPA Rail Loop: The rail loop is in service. Rail cars were delivered on April 6, 2015. There are approximately 60 rail cars on site.
- Stutsman County Road Improvements: The access road to the site is substantially complete. There are 2.5 miles of concrete paved road installed and the final completion will happen this spring. The final 100 feet in front of the Spiritwood Station driveway will be done in 4 to 6 weeks. Striping will be made permanent. There is a significant amount of signage in and around

the ethanol plant to help control the trucks traffic around the plant and signage should be complete shortly.

- 2015 Crop Lease: Awarded to Rudolph Farms on March 4, 2015 in the amount of \$32,400. We are working with DMVW to upgrade the rail crossing in the Northwest corner to optimize farm equipment access to interior fields.
- Water: Municipal water from City via Stutsman Rural Water District (SRWD) was delivered to site August 2014. Well water from SRWD delivered Spiritwood Station (SWS) site March 2015. Common waste water return system will be completely in service April 2015.
- Rail construction is being completed: There is some general site cleanup including: rock pile removal, debris cleanup, and return fields to farmable condition. The Wetland Mitigation Area is in the NW corner. Final shaping of those areas and the spreading hydrophilic soils are being completed as weather permits. There is minor shaping and seeding on ditches and embankments also being completed as weather permits. In the tenant area near DSA there needs to be shaping area near roads and set inlets and catch basins to grade. Our main objective is to complete the remaining work on the punch list and have our Full Lien Waiver signed by contractor. This includes a complete mark up of drawing package and BNSF Approval Documentation. Once that is complete we will issue the final release of 10% retention. Other things we need to work on in the near future is signage and labeling for all of the tracks and switches and continue working on the wetland mitigation area and BNSF heated automated westbound switch.

Dakota Spirit AgEnergy Status Update: Greg Ridderbusch gave an update on DSA stating that the plant is nearly complete. The rail loop is already being used by DSA as well as the roads and water that have come together these past few months. Operating staff has started at the plant and they are being trained. We expect the first ethanol production gallons coming out of the plant in May. DSA is making its first payment to SEPA today, April 14th, which means the start of our business model top line cash flows. DSA is purchasing corn and accepting deliveries. There are more than 20 employees at the plant. There has been a good selection of applicants for job openings.

Financial Update:

Sandra Broekema provided an overview of the Profit and Loss Statement and the Balance Sheet which were in the dropbox. SEPA does owe the primary contractor 10% retention once they finish the punch list; which will probably occur in April or May and this will be \$936,955. For this reason SEPA need to access the loan from First Community Credit Union, which was previously approved by the SEPA Board. There is a meeting later today to finalize the loan documents with First Community Credit Union so that it is available when needed. Schauer and Associates, CPA will be doing SEPA's tax return and the annual audit. The audit is expected to be completed by the next regularly scheduled SEPA meeting to review and approve.

NEW BUSINESS:

Rich Garman provided background information on Resolution 2015 – 4 “Approve New Railroad Crossing for Crop Lease Access to Loop Interior”. There are currently several permanent industrial rail crossings on the property, but these are located in positions on the site for rail maintenance and site

access that benefit the industrial tenants. These are crossings are at single track points on the loop rather than wider spots with double and triple tracks which makes them challenging for large farm equipment. There is an ideal point in the NW corner (where the SEPA Golden Spike ceremony was held) to access to the interior fields. The resolution is to approve a wood farm access crossing, to be used for crop lease access the fields on the inside of the loop. There are two crossings because it is a double track at this point on the rail loop.

Kelly Rachel asked if we have a bid on this and Rich Garman responded yes, we have an engineer's estimate from Bartlett & West and a written bid from our contractor DMVW. Greg Ridderbusch asked how long this improvement is expected to last and Rich Garman replied 15 years for a wood crossing. The other industrial crossings are concrete because they will have continued use over a longer period of time.

Al Christianson moved to approve two crossings in the NW Corner of SEPA for the farmer to access the fields which is in Resolution 2015-4, seconded by Kelly Rachel. Roll Call: Greg: aye, Al: aye, Kelly: aye, Bob: aye. Motion passes unanimously.

Tenant prospect updates

Connie Ova gave an update on tenant prospects. She informed the Board that she has received a call from Geronimo Wind Energy. They are looking for a place to offload their turbine components. There is some discussion if they will move forward with the project at all. Also, there was a local business man who stopped by and would like to put signs along the roads for advertisement on the SEPA or JSDC site. Attorney Larson says there are local codes and publication requirements if we would do so this would need to be discussed at another meeting. Connie also informed the Board that she is attending a meeting in Minneapolis and there could be a possible housing business that she thinks may be good for the area. Holly Miller refers to the dropbox and informs the Board about a SEPA billboard near Fargo. There is Partners and Marketing grant available from the Department of Commerce. She informs the Board there will be a JSDC Monthly Newsletter and there will be a section for SEPA.

Motion to adjourn at 9:29 a.m. (CST) by Al Christianson and seconded by Greg Ridderbusch.

Tape recorder stopped at 9:29 a.m.

Respectfully submitted by,
Kaitlin Dillard: JSDC Office Assistant