

SPIRITWOOD ENERGY PARK ASSOCIATION, LLC

Minutes
Special Meeting of the Members
January 14, 2014

A meeting of the Members of Spiritwood Energy Park Association, LLC, a North Dakota limited liability company was convened at the office of the Jamestown/Stutsman Development Corporation on January 14, 2014.

Chris Rathjen called the meeting to order at 10:04 a.m. (CST).

Tape recorder started at 10:04 a.m.

In attendance at the meeting were Chris Rathjen, Authorized Member Representative of Jamestown/Stutsman Development Corporation; Gregory L. Ridderbusch (appeared by telephone conference call) and Al Christianson, Authorized Member Representatives of Great River Energy and a quorum was present. Also attending were Sandra Broekema, (appeared by telephone conference call) SEPA Business Development; Rich Garman, SEPA Operations; Connie Ova, SEPA Business Manager; Attorney Joseph Larson, Esq., and Guests; Gene Guthmiller and Beth Blumhardt.

A Waiver of Notice of Special Meeting of Authorized Member Representatives of Spiritwood Energy Park Association, LLC was provided to all representatives and signed by all representatives present.

There was a discussion of the bidding instructions, the waiver of minor or ministerial defects, the rejection of a bid containing a substantive error and identification of the qualified bidders.

Rich Garman, SEPA Operations, provided an oral and written presentation covering the details of the rail bids; the results of the evaluation; equalization of the materials, services, costs and other representations in the qualified bids.

Chris Rathjen read Resolution 2014-1 as follows:

SPIRITWOOD ENERGY PARK ASSOCIATION, LLC

RESOLUTION 2014-1

TO

REVIEW BIDS AND AWARD THE BID FOR THE CONSTRUCTION OF AN INDUSTRIAL RAIL LOOP AT THE SPIRITWOOD ENERGY PARK, SPIRITWOOD, NORTH DAKOTA

WHEREAS, Spiritwood Energy Park Association, LLC (SEPA), conducted a bid opening on January 6, 2014, for construction of an industrial rail loop at the Spiritwood Energy Park, Spiritwood, North Dakota (Project).

WHEREAS, Gratech Company, Ltd., North Shore Track Services, Dakota Missouri Valley and Western Railroad, Inc., and Railworks Track Systems, Inc., submitted bids for this Project.

WHEREAS, the bidding instructions advised that all bids shall be accompanied by a separate envelope containing a Bidder's Bond and Contractor's License.

WHEREAS, Dakota Missouri Valley and Western Railroad, Inc., and Railworks Track Systems, Inc., enclosed their Bid Bond and Contractor's License in the Bid Envelope instead of a separate Bidder's Bond Envelope.

WHEREAS, North Shore Track Services did not submit or otherwise provide a Bid Bond and Contractor's License for the Project.

WHEREAS, the bidding instructions advise bidders that SEPA reserves the right to waiver minor defects and award the bid to the lowest responsible bidder.

WHEREAS, Dakota Missouri Valley and Western Railroad's and Railworks Track Systems' placement of the Bid Bond and Contractor's License in the Bid Envelope instead of the Bidder's Bond Envelope is a minor and ministerial error or defect.

WHEREAS, North Shore Track Services' failure to submit or otherwise provide a Bid Bond and Contractor's License for the Project is a substantive error or defect that may not be waived.

WHEREAS, it is in the best interest of SEPA to waive the minor error or defect of Dakota Missouri Valley and Western Railroad's and Railworks Track Systems' placement of the Bid Bond and Contractor's License in the Bid Envelope instead of the Bidder's Bond Envelope.

WHEREAS, SEPA conducted an evaluation and equalization of the materials, services, costs and other representations present in the qualified bids.

WHEREAS, Dakota Missouri Valley and Western Railroad is the lowest responsible bidder for the Project.

NOW THEREFORE, it is hereby

RESOLVED, that North Shore Track Services' failure to submit or otherwise provide a Bid Bond and Contractor's License for the Project is a substantive error or defect that may not be waived.

RESOLVED, that North Shore Track Services' bid may not be considered and their bid package shall be returned to them.

RESOLVED, that Dakota Missouri Valley and Western Railroad's and Railworks Track Systems' placement of the Bid Bond and Contractor's License in the Bid Envelope instead of the Bidder's Bond Envelope is a minor and ministerial error or defect.

RESOLVED, that it is in the best interests of SEPA to waive Dakota Missouri Valley and Western Railroad's and Railworks Track Systems' errors in placing the Bid Bond and Contractor's License in the Bid Envelope instead of the Bidder's Bond Envelope and these errors or defects are waived and their bids shall be considered.

RESOLVED, that Dakota Missouri Valley and Western Railroad is the lowest responsible bidder based on SEPA's evaluation and equalization of the qualified bids.

RESOLVED, that the bid for construction of the Project is awarded to Dakota Missouri Valley and Western Railroad.

RESOLVED, that SEPA management and staff are authorized to execute such additional documents and take such additional actions as are necessary or proper to give effect to this resolution.

RESOLVED, that the SEPA President and Secretary-Treasurer together are authorized to execute the contract with Dakota Missouri Valley and Western Railroad on behalf of SEPA for this Project.

Al Christianson moved that the members adopt Resolution 2014-1 and Chris Rathjen seconded that the resolution be adopted

Roll call: Chris-aye, Al-aye, Greg-aye. Roll call 3-0. Motion passes unanimously.

Connie Ova advised the next SEPA board meeting is scheduled for Tuesday, January 21, 2014 at 8:30 a.m. at the Center for Economic Development.

Spiritwood Energy Park

ASSOCIATION

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Al Christianson moved to adjourn with a second by Greg Ridderbusch. The meeting was adjourned at 10:24 a.m.

Tape recorder stopped at 10:24 a.m.

Respectfully submitted,

Beth Blumhardt, JSDC staff