

## SPIRITWOOD ENERGY PARK ASSOCIATION, LLC

*Official Minutes  
Meeting of the Members  
October 2<sup>nd</sup>, 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, 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; Tracey Pringle, Bookkeeper; Joe Larson, Attorney; Corry Shevlin, Staff JSDC; Tom LaVenture, Reporter The Jamestown Sun.

Greg Ridderbush and Al Christianson resigned prior to the October 2<sup>nd</sup> SEPA Board of Directors Meeting and that pursuant to Article 7 of the SEPA LLC operating agreement that GRE designated both Sandra Broekema and Michelle Strobel prior to this meeting to be their designated representatives. All members present are duly authorized to serve and act on all SEPA business.

### Previous Meeting Minutes:

*Sandra Broekema moved to approve the minutes from 6-26-2015 as written, Kelly Rachel 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 is in its final stages of completion and should be active in 3 weeks to 1 month.
- Tenant Operations Committee: The Committee has begun meeting as of September 16<sup>th</sup> and will meet monthly. The Committee consists of SEPA (Rich Garman and Connie Ova) and appropriate tenants, at this point in time consists of Dakota Spirit AgEnergy representation. The Committee discussed what it takes to keep the entire facility running, issues that have arisen and are developing a Rail Maintenance Agreement. The Rail Maintenance Agreement will address the appropriate safety work that needs to be completed and developing a scope of work and bidding

that out to the various entities capable of that work. The Committee will also address the maintenance of 6 miles of road that exist inside and outside of the rail loop; this will include plowing snow off of certain areas in the winter and working with DSA so this work can be done efficiently. The Committee will also discuss cooperation with future tenants the potential possibility of short term and long term tenants with DSA and how that will affect them.

- Wetland Mitigation: When building the rail loop, it displaced around ½ acre of Wetlands and in return we are rebuilt approximately 1 ½ acres of Wetlands. We have expanded the wetlands to the north of the DSA site and it lies in the North West corner of the SEPA site. It is complete and water is present and it is a matter of monitoring the Wetlands and ensuring it acts the way it was intended for the next 2-4 years. We discovered that the grasses growing aren't the breed we would like, so we are going to mow it all the way down and over-seed it so that will encourage the right breed of grass next spring. We will also be installing wells on that location this fall and begin monitoring them next spring, this will help determine the ground water level are at their appropriate level and monitoring that closely as well.
- Crop Lease: Crop will be harvested in mid-October.

#### Dakota Spirit AgEnergy Status Update: Derrick Marquart

Things are going very well at the plant. The plant has been operating at full rate since the end of July. Everything has been running very smoothly due to a strong team. The plant has shipped 4 unit trains of ethanol and 3 unit trains of DDG's as well as other shipments of 10-20 cars all over the country. The plant has completed the majority of the performance testing and has met the required standards. Stack testing is scheduled for the end of October and is the final test. That will be the final piece required for permitting. The facility is preparing for a fall outage to work out the last bugs and repair/clean equipment and then will run until the next outage in the spring.

#### SEPA Budget Forecast

Rich Garman discussed the 2016 SEPA Budget Forecast. SEPA is required to give the tenant, DSA, a projected budget for the next year; that is this document. Rich Garman focused on the 2016 column, which is the projected column for DSA. The total of \$1,140,000.00 (forecasted budget for 2016) is intended to be passed on to the tenants of the Spiritwood Energy Park.

*Sandra Broekma moved to approve Resolution 2015-5 as written, Kelly Rachel seconded and motion passes unanimously.*

### **Transient Trans load Opportunities**

Resolution 2015-6

Rich Garman discussed the potential for transload opportunities and possible location on site for these operations. Rich Garman will be the coordinator for the opportunities and will work very closely with DSA.

*Kelly Rachel moved to approve Resolution 2015-6 as written, Sandra Broekma seconded and motion passes unanimously.*

### **Tenant prospect updates**

Connie Discussed possible new tenants.

- Connie has been working with Chris Kampas of Stifel, a Minnesotan firm, and has had interest from 3 companies for a possible smaller scale fertilizer project if they can work with a regional Co-op
- Fiberpops showed interest in owning the entire site. May be swayed to own the land south of the SEPA
- An American global courier delivery service has not yet scheduled a site visit, but plans to book in the near future.
- A Plastic company (not Badlands LNG) have been looking at a location closer to a source of unprocessed natural gas. They received an executive summary for SEPA on 9/3/15.
- A company has showed interest in the Spiritwood Energy Park to build a Boutique Oil Refinery.

*Meeting was adjourned at 9:19 a.m. (CST).*

*Recorder stopped at 9:19 a.m.*

Respectfully submitted by,  
Corry Shevlin, Business Development, JSDC