

SPIRITWOOD ENERGY PARK ASSOCIATION, LLC

*Minutes
Meeting of the Members
January 21, 2014*

A meeting of the Members of Spiritwood Energy Park Association, LLC, a North Dakota limited liability company was held at the offices of Jamestown-Stutsman Development Company on January 21st, 2014, pursuant to notice duly provided to all Members.

Gary Riffe called the meeting to order at 8:30 a.m. (CST).

In attendance at the meeting were Gary Riffe and Chris Rathjen, Authorized Member Representatives of Jamestown/Stutsman Development Corporation; Al Christianson, Authorized Member Representative of Great River Energy; Sandra Broekema, Business Development, SEPA; Rich Garman, Senior Project Manager, SEPA; Connie Ova, Business Manager, SEPA; Joseph Larson, Esq., Holly Miller, JSDC Staff and Guest; Mike Rinehart; Butler Machinery.

Al Christianson, GRE member representative, provided a Dakota Spirit AgEnergy project update. The project is on schedule for operation of first quarter of 2015.

Rich Garman, Senior Project Manager on behalf of SEPA, provided a county road construction update for Dakota Spirit AgEnergy. Rich then updated on the SEPA rail project. The rail bid award was made to Dakota Missouri Valley Western Railroad (DMVW). The attorneys are working towards a full contract with DMVW at this time. Rich provided an update on the proposed BNSF switch specifications. BNSF may have alternatives to reduce cost of automated switch specifications and have requested a meeting to introduce proposals. Insurance forms will need to be executed and documented with BNSF to work on site within a specific distance from BNSF mainline right of way.

A preliminary capital budget cash flow forecast was shared by Sandra Broekema, Business Development on behalf of SEPA. Actual cash flow projections will be updated based on the project forecast from DMVW, SEPA will then finalize the timing of the equity draws and lender agreements to optimize the repayment schedules with expected tenant revenue streams.

Rich Garman then discussed SEPA site issues. Safety standards need to be maintained next to several construction sites. The safety program has been reviewed by ECCS for quality standards. There will be interfaces often with McGough regarding safety site rules. Rich proposes SEPA to adhere to McGough's site rules.

Rich discussed the crop lease and recommended that it be extended on the acres of land not actively under construction this summer, in order to eliminate spraying otherwise required to keep the weeds

down. The current lease holder is ready to accept the extension with reduced acreage. Rich recommended extending this lease to the current leaseholder.

Al Christianson moved to extend the farm lease to the current lease holder, and Chris Rathjen seconded the motion. Motion passed unanimously.

Rich discussed the top soil that is being removed to level the property for construction of DSA and requested permission to allow DSA contractors to spread top soil out in lower lying areas (but not to fill in wetlands, that would violate the wetlands laws). Rich will advise the DSA project to spread the top soil out.

The project right of way for utilities will be coordinated by Rich Garman.

Connie Ova discussed the SEPA loans. NDDOT loan was discussed by Rich. The entity name on the paperwork must be changed from DSA to SEPA. SEPA

Operations plan was discussed by Connie Ova. A SEPA DropBox will be set up with all documents (resolutions, operations plan, etc.) for reference. Beth will work on a physical hard binder for all SEPA members. Connie will take the approval to City and County for authorization. Attorney Larson stated that SEPA must confirm that SEPA has met the benchmarks to receive the property transaction.

Chris Rathjen made a motion that SEPA provide information to City Council, County Commission and JSDC Board that SEPA met the milestones for receiving property, by securing the anchor tenant, completing financing, and starting construction, so that land can be transferred to SEPA, and Al Christianson seconded the motion. Motion passed unanimously.

Connie and Sandra notified the board that IAUM and site lease agreements are up to date.

The schedule for quarterly meetings was discussed. The following meetings were set for March 25th, June 17th, and September 23rd of 2014.

Al Christianson made a motion to approve Mike Nixt, Moss & Barnett, as co-council with Attorney Joe Larson, Larson Law Firm, to finalize a contract with DMVW, and Chris seconded the motion. Motion passed unanimously.

Al moved to recess the SEPA board meeting at 9:25a.m.

The SEPA board meeting re-convened at 10:48 a.m.

In attendance at the meeting were Gary Riffe and Chris Rathjen, Authorized Member Representatives of Jamestown/Stutsman Development Corporation; Al Christianson, Authorized Member Representative of

Great River Energy; Sandra Broekema, Rich Garman, Connie Ova, Holly Miller and Guests; Geneva Kaiser; Stutsman County Rural Water District, and Bob Keller; Bartlett & West.

Geneva discussed rural water projects. Geneva asked for information on future development and planning for SEPA, as well as information on potentially upgrading water service to that area. Bob Keller discussed the water line supply. Bob expressed that the project has not started yet and prior to project start discussion should occur on decision to upgrade the water pipeline from a 6 inch to 8 inch water pipeline. The peak capacity is 100gal/minute for the 6 inch. DSA needs 35 gal/minute and with existing users the water supply is exhausted. The cost to upsize the 6 inch to 8 inch is \$145,000 to double the volume to 200 gal/minute potable water. The 6 inch line in discussion is not in existence at this time and is scheduled to be put in place this summer. The cost of the 6 inch line is currently included in the Stutsman County Rural Water project, and the upgrade to the 8 inch is the additional cost that must be covered. Connie suggested that Stutsman County Rural Water District partner in this project as they will benefit from additional pipe capacity. Gary Riffe suggested that SEPA move a proposal to the JSDC Board of Directors for consideration. Connie requested the cost of the original 6 inch water pipeline to present to the JSDC BOD and cost if the 6 inch pipeline must be replaced at a later date. The Rural Water projects will have approximately 50 construction workers for the pipeline projects.

Al Christianson moved to approve the SEPA board minutes of the special January 14th, 2014 meeting with two minor clarifications, and Chris Rathjen seconded the motion with changes made. Motion passed unanimously.

Motion to adjourn the meeting made by Al, and Chris seconded the motion.

Meeting adjourned at 11:11 a.m.

Respectfully submitted,

Holly Miller, JSDC staff