



## General Managers Report

December 10, 2007

### Plant Update - Total number of on-site workers = 180

- Grain handling: Motor control center work with Interstates Electric continues. Structural steel for the grain receiving area continues and 25% of the design review is complete.
- Tank progress: Ethanol storage about 75% complete. 3 Fermentation tanks roofs are complete, 5 are in process.
- Process building: Structural steel progress continues.
- Energy center: Floors completed. Dryers to arrive in stages starting this month.
- Wet cake pads continue being poured and are 40% complete.
- North and South steel rail ties and 136# rail shipments are being delivered this month. Installation to begin.
- Cooling tower fans to be installed this month.
- Christmas schedule – workers will be off the site from 12-22-07 through 1-2-08. ICM assures us this is normal for a project in our stage of completion.

### Management

- The field work performed by our auditor, McGladrey, is complete. The audit review process is underway and should be completed in early January.
- SIRE hosted AgStar and their lending group in early November. We were impressed by their level of understanding of our business environment. We expect additional meetings with this group as we near completion of the project.
- We continue to work through (easement) issues related to our project primarily with the CB Water Works, MidAm, and the city.
- The response for the plant manager position yielded several promising candidates. So far, the top candidates have ICM plant experience. We hope to have someone hired by the 1<sup>st</sup> quarter 2008.
- We are negotiating with natural gas suppliers over the next several weeks attempting to get the best proposal. Since our annual usage will be low (due to using steam from MidAm) our focus is on pipeline installation costs.
- We are considering two proposals from third party grain inspection companies. A decision will be made in January. We also have a proposal on grain scales and probes that look promising. Our goal is to automate the system, ensure timely movement of trucks through the facility, keep overall grain handling costs down, and keep our local corn suppliers in a friendly mood. I hear waiting in line isn't any fun.

The team at SIRE wishes you and yours a very Happy Holidays and a fruitful New Year. As always, please contact me directly if you have any issues or concerns regarding the project.

A handwritten signature in black ink, appearing to read "Mark Best", with a long horizontal stroke extending to the right.

### SIRE Newsletter – Volume I Issue 9

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