MARIPOSA BIOMASS PROJECT

Project Development Progress Report
July-December 2016

HIGHLIGHTS

♦ The MBP team has spent the last six months recovering from the unexpected rejection by the Board of Supervisors to sell the property adjacent to the landfill. Fortunately, a group of people within our community offered to loan/donate money to buy private property on which to construct the facility. Additional funding was provided by Cortus Energy, our development partner.

♦ The MBP team successfully negotiated the purchase of one parcel and obtained an option on a second parcel, both at the end of Copper Leaf Dr. in the Mariposa Industrial Park. The two parcels provide enough property to construct the facility and have space for the storage of feedstock.

♦ MBP and Cortus Energy signed a formal agreement to develop the project.

♦ MBP, Cortus Energy, Mariposa County Resource Conservation District and Gladstein, Neandross & Associates successfully completed phase 2 of EPIC Grant application

WORK COMPLETED

MEETINGS:

♦ California State Office of Planning and Development, 9-28

♦ Director of the Public Health Department, Eric Serginko, 12-15

♦ Board of Supervisors, 7-19, 8-2, 8-9

♦ Public Works Director, Tony Stobbe, 7-7

♦ Cortus Energy, 10-19

♦ Biomass Group, 7-27, 11-28

♦ Mariposa County Tree Mortality Group, 6-16, 8-18, 11-17

♦ Site visit, Hilton property, 11-2

♦ Community Funding Group, 8-17
WORK COMPLETED

PRESENTATIONS:
- Farm Bureau 8-17
- Integrated Water Management District 7-14
- Upper Merced River Watershed Council 11-30
- Dem Club 12-8

AGREEMENTS:
- MBP and Cortus Energy entered into an agreement to develop the project
- MBP entered into an agreement with Christiana Darlington (CLERE) who will provide legal services
- MCRCRD service agreement to manage the EPIC grant

SITE CONTROL:
- MBP obtained site control with the purchase and lease option of 5 plus acres in the Mariposa Industrial Park

EPIC GRANT:
- MCRCRD filed phase 2 of the grant application on December 21, 2016. Grant funding of $5M is necessary to support the construction cost of the facility.
LOOKING AHEAD

Meetings:
- Meet with Todd Storti regarding ash and wastewater and the landfill
- Monthly MBP meeting on Tuesday, 12 noon January 17, 2017
- Pre-Application Meeting, Administrative Use Permit, Sarah Williams
- Advise Supervisor Long and Commissioner Herman about our intent to permit the property

Presentations:
- Meet with Mykleoaks residents
- Press release regarding site control

Consultants:

Site Control:
- Close of Escrow is scheduled for week of January 9.

Permitting:
- Select a licensed land surveyor to prepare a boundary survey and topo of the site – RFPs issued
- Prepare a site plan and elevations using the topo as a background
- Select a California licensed civil engineer to prepare the preliminary grading plan
- Initiate the Administrative Use Permit process (CEQA)

System Impact Study:
- Issue RFP for a California licensed electrical engineering consultant to assist in preparing the SIS application

EPIC Grant:
- MBP to monitor selection process. Notification is scheduled for March 2017

Schedule:
- A draft development schedule has been completed.
**DEVELOPMENT ISSUES**

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**ACTION ITEMS**

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<thead>
<tr>
<th>Item</th>
<th>Assigned</th>
<th>Due</th>
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<tbody>
<tr>
<td>1. Source of water and fire protection requirements</td>
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<td>2. Ash disposal options</td>
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<td>3. Waste water disposal options</td>
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<td>4. Complete Administration Use Permit Application</td>
<td>Jay Johnson</td>
<td>April 10</td>
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<td>5. Change bank savings account to a checking account</td>
<td>Suzette Prue</td>
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<td>6. Bring a CPA on board to assist Suzette</td>
<td>Steve Smallcombe</td>
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<td>7. Trailer needs to be relocated/moved</td>
<td>Barry Brouilette</td>
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<td>8. Has a water district been formed for the industrial park? <strong>No, In order to avoid government oversite, connections were limited to 4</strong></td>
<td>Rosemarie Smallcombe</td>
<td>Complete</td>
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<td>9. What are the fire protection requirements for the site and how does the existing tank/hydrant system relate?</td>
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<td>10. Follow up with CalFire and the use of the site as a location for a curtain burner</td>
<td>Steve Smallcombe</td>
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<td>11. Issue press release regarding the purchase of the property</td>
<td>Christina Oborne</td>
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<td>12. Collect and sign all the loan agreements</td>
<td>Steve Smallcombe</td>
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