

VERBIO North America Corporation,
17199 N Laurel Park Dr, Suite 320, Livonia, MI 48152, USA

Honorable Mayor John Haila
City of Ames
515 Clark Ave
Ames, IA 50010

Greg Northrup
President & CEO

Phone: 866 306 4777 x1300
Mobile: 616 204 1055
Greg.northrup@verbio.us
www.verbio.us

July 21, 2020

RE: [REDACTED] - Annexation Request

Dear Mayor Haila,

I am writing to confirm our request to allow the City of Nevada to annex property that by prior agreement of the two cities would have fallen under the jurisdiction of the City of Ames.

By way of background I am happy to report that our buildout and expansion of the facilities located at 59219 Lincoln Highway is progressing well, despite the uncertainties we face nationally. More importantly, we remain extremely pleased with our decision to purchase the former Dupont cellulosic ethanol plant and the strong support we have received from the City of Nevada. Being served by a single unit of local government will allow us to build upon the relationships we have established.

Following a detailed evaluation and engineering analysis, we are now planning to not only begin the production of renewable natural gas, but to aggressively pursue actions that will create a biorefinery by the end of 2022. This will allow us to produce ethanol, while maximizing the production interrelationship benefits resulting from the co-production of both fuels.

To accommodate our production objectives, we have entered into an agreement to purchase 103 acres of property owned by Evergreen Lane, Inc., which is located just northwest of our current site within the jurisdiction of Story County. Knowing of our ongoing plans, long-term requirements, and the beneficial collaboration we have experienced to date, we believe annexation of the property by the City of Nevada, would be in the best interest of both parties. Attachment #1 outlines our proposed buildout plans and contains two site graphics for your reference.

We respectfully seek the city's support of our request. Should you require any additional information please advise.

Sincerely,



cc: Mr. Steve Schainker, City Administrator
Mr. John Hall, Executive Director, NEDC

CITY MANAGER'S OFFICE

JUL 23 2020

CITY OF AMES, IOWA

Attachment #1

Build out plans for the proposed property annexation

Evergreen Lane, Inc Property

Parcel IDs:

10-04-400-110

10-04-200-200

10-04-200-110

10-04-200-310

10-04-200-400

Planned and potential uses*:

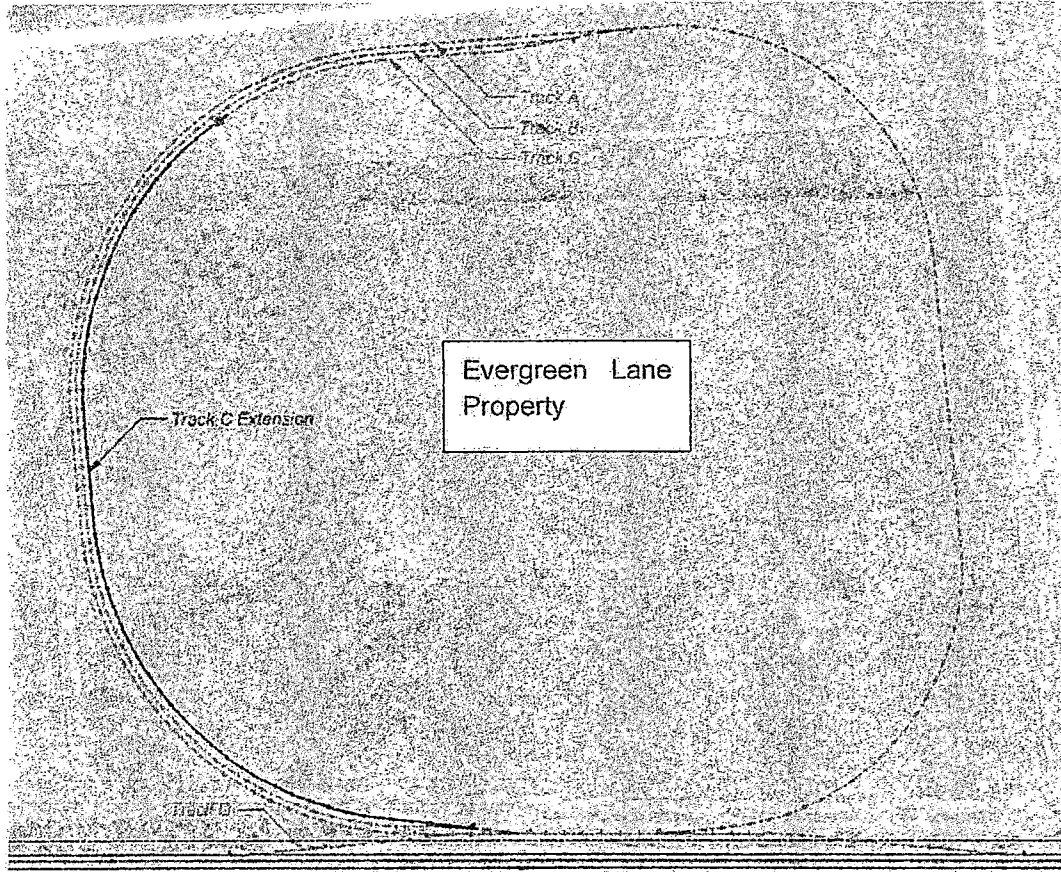
- Corn stover bale storage site
- Construction of an ethanol storage tank for railcar loading
- Construction of a fire water tank
- Erection and operation of wind turbines (2 at 3 MWs)
- Transport of ethanol to the storage tank from our facility
- Transport of bales to the production site
- Railcar loading track

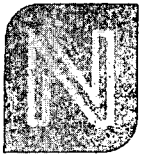
*Property will require rezoning from A-1, agricultural to general industrial.



The property is in the northwest ¼ of the above graphic. Our existing site is in southeast 1/8 of the graphic.

Rail trackage denoted by the green circle. Red denote Union Pacific trackage and required access.





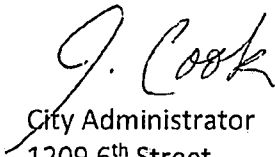
Mayor Haila and Ames City Council,

The City Council of Nevada supports the letter from Verbio in wanting to be served by the City of Nevada. We would like to continue to build on a positive and sustainable relationship with Verbio as they have created a unique market for our community. Verbio is an imperative part of our community and helps create more diversity amongst businesses. The City of Nevada would like to request a modification to the Ames/Nevada Moratorium plan to exclude said location below:

The East Three-Fourths of the Northwest Quarter of the Northeast Quarter (E3/4 NW1/4 NE1/4); Northeast Quarter of the Northeast Fractional Quarter (NE1/4 NE Frl. ¼); East Three-Fourths of the Southwest Quarter of the Northeast Quarter (E3/4 SW1/4 NE1/4); Southeast Quarter of the Northeast Quarter (SE1/4 NE1/4); Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4) North of the RR; Northwest Quarter of the Southeast Quarter (NW1/4 SE1/4) North of the RR., all in Section Four (4), Township Eighty-three (83) North, Range Twenty-three (23), West of the 5th P.M., Story County, Iowa. Said parcel to contract 103 acres, more or less.

The City would also like to request an extension to the existing 28E agreement for an additional 10 years.

Respectfully,
Jordan Cook



City Administrator
1209 6th Street
Nevada, Iowa 50201
O: (515) 382. 5466 ext. 232

cc: Mayor Brett Barker
cc: Erin Clanton