

**MANDAN REMEDIATION TRUST (MRT)**  
**July 6, 2010**

**Meeting:** 203rd Official Meeting  
**Date:** July 6, 2010  
**Location:** Mandan City Hall, 205 2nd Ave. NW  
**Time:** 10:05 A.M.

The MRT meeting was called to order by Jim Neubauer. Fritz Schwindt and Dave Glatt were present. Also, present were Scott Radig and Marilyn Mertz, State Department of Health; Paul Trauger, Morton County Auditor.

**Minutes.** June 8, 2010 minutes have been reviewed and revisions have been made.

**Motion.** Schwindt moved to approve the amended June 8, 2010 minutes. Second by Glatt. All ayes. Motion carried.

**Bank of North Dakota.** We missed the BND's statement dated May 3, 2010 which covers April's activities. We also have the bank statement dated June 1, 2010 which covers May's activities. The balance as of May 31, 2010 is \$8,778,213.64. Neubauer acknowledged their receipt.

**City of Mandan.** Neubauer received the city's second quarter MDU utility bills for the remediation system, which is \$17,537.54. Radig will review.

**LBG - Pay Request 211.** Request to approve LBG statement dated June 14, 2010. The invoice is for \$41,725.95. Radig indicated the numbers were within budgeted amounts. The only item out of the ordinary would be the 1047R well repair and reconfiguration of all the full lines. The only large item was the subcontract Angwell Environmental Systems for \$9,430.66 under O&M, which had to do with the recovery system. Radig recommended approval. He suggested discussing the repair for the well system that was hit when a well was re-drilled. Schwindt did call and talk to Gene Kringstad. He indicated he couldn't authorize any payment on it. That would have to be Korey Elde, Project Manager with Community Contractors. Kringstad's argument was your as builts should have been better. Schwindt did call Elde, but he never returned the call. Neubauer questioned if Schwindt talked to Braun. He did not. The current cost is \$7,645.84. This may not be a final cost. Glatt would like to ask LBG where they are at now with the system, how it is operating and how much more additional work do they think there will be. Schwindt noted the next billing statement should show that. Glatt would like to know with this reconfiguration of changing are we still at the same level of remediation that we were at before or did we take a step back? Will it take longer to remediate the area? Schwindt indicated they should be operating at the same level because the MPE system is now operating a much smaller area than what the system was designed for to begin with, but it wouldn't hurt to clarify that. Radig will

pose that question to LBG. Schwindt added. They haven't indicated that it has restricted operations. Radig indicated other than the time when it wasn't operating.

**Motion.** Schwindt moved approval of pay request 211 to LBG in the amount of \$41,725.95. Second by Glatt. All ayes. Motion carried.

**USSI - Pay Request 212.** PR 212 for 58.5 hours or \$5,850 covering Schwindt's MRT activities for January through June 2010.

**Motion.** Glatt moved to approve PR 212 for \$5,850 covering Schwindt's time on the project for the last six months. Second by Neubauer. Ayes by Neubauer and Glatt. Motion carried.

**Tax Returns for MRT and SEP.** Neubauer presented tax returns for MRT and the Supplemental Environmental Project Trust that are due on September 15. Both indicate that there is no tax due because of the qualified settlement of the fund status that we have, but we still need to do the paperwork. He will get them in the mail, scan the originals and get copies e-mailed out.

**LEC Update.** Paul Trauger was asked to present numbers on the progress at the LEC. Trauger provided a handout. At the LEC meeting the other day they wanted to come up with some prices with what they felt would be responsible to the Trust. He included a copy of Belden Construction's epoxy estimate. So far we are at \$74,780. It included the change order contract plus the change order went from \$138,380 to \$169,098.90. On the third page I checked off what I thought was part of the Trust cost: Removal and disposal of floor coverings; provide and install ventilation system; remove and dispose of basement floor; open-cut pipe trenching; and removal and disposal of impacted soils. On the change order we extended – the only one we had was \$11,904 - additional saw cutting and removal of concrete for weight room and tunnel trenching up to 200 square feet at existing bid price of \$59.52. That total amount would be \$61,906. Based on that, I took and added \$61,906 on there and \$74,780 for the epoxy floor and \$20,500 for the floor covering. It is kind of an estimate that provides the basic carpeting – locker rooms, weight rooms, about four offices that will be covered plus the main conference room and that total of \$157,186 and I divided that by \$264,380 which would be the \$169,100 and then the \$74,780 plus the \$20,500 to come out with as far as total costs. That came out to 59.45 percent. I multiplied that times the engineering costs and the advertising costs and also the \$55,647 times .5945 to come up with a cost applicable to the diesel fuel. So came up with a total cost of \$200,860.

**Questions:** How is the basement now? It is pretty good. There is no smell or anything down there right now, Trauger indicated. There has to be painting and carpet put down. Trauger indicated the groundwater collection system drains into the sanitary sewer system. Was there any vapor extraction out of that at all? Trauger didn't think so, but they talked to Nick Kraft with the city. He said they wouldn't need a permit at this time. Schwindt thinks the system is operating through the SVE right now. They tied into that SVE well so he assumes that we are drawing on that well. They were also

going to make a tie between the sump and the SVE system. We were supposed to be drawing on two ends of it. Trauger indicated it doesn't look like it is connected to anything else. Schwindt indicated this is the groundwater treatment schematic. This is just how they treat the groundwater that comes into the system that goes from the sump up into those barrels and out to the sanitary system. It doesn't show any kind of vapor extraction. Schwindt believes we are tied into the SVE system in two places. There is a cost in here for tying into the well. I have seen that piping, but haven't looked in that maintenance room to see whether we tied onto the SVE system on that end.

Schwindt asked. You feel we should be responsible for all of the flooring costs? Trauger responded. The last time we were here there was some issue about the flooring cost. Original flooring costs to cover the whole thing I think would have been \$46,000, but we are basically only doing the rooms that are going to be occupied. The rest of the hallways will be left with just an epoxy -- \$20,500 is an estimate for the rooms we have now with the carpet. Schwindt recalls the last conversation we had the flooring wasn't even included in the request from the commissioners at that time. Trauger agreed, no it wasn't. Schwindt thought the mayor and he both agreed that we should have some idea of what the total cost is. He doesn't think we implied that the Trust would be responsible for paying for all the flooring, but it seemed like we should have had a higher project cost. Trauger recalls the original bid was only \$46,000. We made a decision to just carpet the offices that are occupied. Schwindt asked. So the carpet number is still just an estimate? Trauger responded. It is an estimate -- a close estimate of what we are going to carpet right now based on the installation price.

The other numbers should not change? Trauger didn't think they would change. He still has not gotten anything from Fitterer's for consulting for the carpet. Cleaning is one bid. We have a bid on landscaping. And Badlands to come back and test once more for mold. We did have where you guys came with the RTC. They had leakage in their water heater and also in one mechanical room there is mold too.

Neubauer indicated this is the first we have seen of your breakdown. My thoughts are we aren't going to make a decision on how much the MRT is going to pay of this. We have a responsibility for a portion of it. This gives us a starting point to go from. We will take it under advisement. Are there any other questions that you have for Paul?

Schwindt asked. The engineering and construction oversight by LBG appears to be over budget. It seems that the initial cost for LBG for engineering and construction was \$59,000. It didn't seem that it was this high. Trauger noted that \$17,000 was for engineering, design and plans. He couldn't find anything as to what they had quoted us. He assumes it is based on R3's what they put in -- the epoxy, etc. He couldn't find their quote on the construction oversight.

Glatt asked. Is that what the change order is for? It was for additional work done. Page 4 is the change order on what they did. Schwindt asked for additional detail on those charges that would be helpful -- on the oversight. Trauger indicated it

may have been for the mold. They gave us advice and tested it. We could probably finalize it and have Ken Kytta look at it. Schwindt read from his notes: \$17,000 for the investigation and \$41,000 for design and oversight. What I recall is \$58,000 -- \$59,000. Now, we are way over that. Neubauer read from his document: You had about \$41,000 for engineering and \$17,000 for investigation. Glatt is thinking \$200,000, but he would like to review the information further. Back then, Schwindt noted, we thought the whole project would be \$200,000. Neubauer indicated if we would pay the \$200,000. The total bill is \$400,000. They are coming after the city for half of the other.

Schwindt questioned. Why is the Trust responsible for replacing all the flooring throughout the whole basement? That wasn't even part of the original request. Neubauer agreed he did not know why we are paying for all of the flooring when it is 25-year-old stuff. Do you want to review until the August meeting? Schwindt added to see if costs have changed any at all. Glatt agreed. I would also be seeking whatever number we agree to this is it.

Neubauer will ask Malcolm Brown to draft something that says that the MRT would pay "x" amount of debt, however, after this when it's done and final, no further payment will be made. If there is ever a time to decommission from the SVE wells that are put in, I'm sure we will be paying for that. Glatt agreed. We remedied the issue in the basement. Neubauer thinks he needs something more substantial because what the county commission will do is take that to the State's Attorney and have him look at it and then have Malcolm and Allen Kopyy work on it. Maggie Olson can talk to Malcolm. They can talk to each other. I will give Malcolm a heads up. Schwindt agreed that would be consistent with what we have followed in the past. Malcolm can be reached at 224.8825.

During the interim if there are questions, they can be directed to Paul Trauger.

Schwindt will try to verify if the SVE system is hooked into the sump

Neubauer sent an e-mail to Kenyon and Kytta after the LEC meeting last Monday indicating that Paul Trauger seemed to think Kytta would be up here for this meeting. Kenyon wrote back and said we can if you need us, but didn't know if we were going to be. Neubauer wrote back I don't think we really need you here for this. Kenyon said OK, let us know.

**Holiday.** No mishaps over the fourth of July relating to the MRT.

**Development at People's Square.** Neubauer has not been inside, but as far as the outside, concrete may be poured in the back. They are still working on the inside. The contractor previously indicated they had wanted to be done by July 1.

**Hedahl's Lot.** They are planning to blacktop the Hedahl's lot.

**The Medicine Shoppe.** Did we decide what to do with the tuck pointing on The Medicine Shoppe building? Neubauer will go back in the minutes. We decided to go up to the dollar amount we approved before. Schwindt indicated that is what we did do. He thought \$12,100 was approved and we paid them \$6,600. Neubauer will get back to Korey Elde. Schwindt noted that would be one of the points of discussion whether we pay for the additional tuck pointing or whether we deduct that from all the modifications that need to be made after the piping was hit. We are willing to pay on the tuck pointing up to the original bid or the approved amount. Neubauer will send him an e-mail and cc Glatt and Schwindt.

**Recovery Numbers.** Radig did not receive the recovery numbers from LBG for this month. Glatt noted numbers are dropping off pretty dramatically.

**Motion to Adjourn.** Glatt moved to adjourn the meeting at 10:57 A.M.; second by Schwindt. All ayes. Motion carried.