

MANDAN REMEDIATION TRUST (MRT)
December 7, 2010

Meeting: 208th Official Meeting
Date: December 7, 2010
Location: Mandan City Hall, 205 2nd Ave. NW
Time: 10:08 A.M.

The MRT meeting was called to order by Jim Neubauer. Fritz Schwindt and Dave Glatt were present. Also attending were Scott Radig and Marilyn Mertz, Department of Health.

Minutes. November 9, 2010 minutes were reviewed. Revisions were made.

Motion. Schwindt moved to approve the November 9, 2010 minutes; second by Glatt. All ayes. Motion carried.

Brady Martz 2009 Audit. We have the audit bill from Brady Martz for the 2009 audit, which again is split between the Remediation Trust and the Supplemental Environmental Projects Trust in a proportionate of 70 percent/30 percent. We had reviewed and accepted the audit report at our November meeting and now we have the bill. The total amount is \$3,675.

Motion. Glatt moved to approve Brady Martz bill; second by Schwindt to approve \$3,675 of the audit bill for 2009 payable to Brady Martz. All ayes. Motion passed.

Bank of North Dakota. We did receive the BND bank statement, which covers the activities from November 1 through 30, 2010. There are: \$8 million—I think it is split into two CDs; \$8 million in the CD balance and \$589,343.56 in the liquid money market check writing of which the \$589,000 earned \$125.31 in interest for the month. This is to note that we have received verification.

LBG Update. Neubauer received an update from Brad Peschong this morning via recovery totals through September 17, 2010 - December 2, 2010. Product recovery is from November 3 through December 2, 2010. Neubauer will forward this e-mail to trustees and Radig.

Can we determine product recovery from individual zones? Glatt asked.

Radig has not seen it split out. Radig noted it is difficult to determine actual quantities from individual zones. They pretty much have to go by fluid levels in those areas. If they would want to segregate it out, they would have to shut everything else down and test each one individually, which is not very practical at this point.

Schwindt – I wonder at what point we might be able to discontinue operation of the RTO just because the amount of vapors aren't a whole lot. I think we asked that question a year or so ago and they said not yet. The question is at what price do we want to continue to control any and all vapors? There are some regulatory limits as far as the levels they have to maintain in order to be not considered an air pollution source.

Glatt asked Radig to check with Tom Bachman.

Note: Glatt checked with the Division of Air Quality and they would need the following information to make an assessment of the need to continue the operation of the RTO:

Stack Height – diameter and emission velocity
Emission Data

Schwindt noted there might be a flow rate that he needs to determine concentrations, but I would think LBG would have some kind of gas analysis that they do periodically. I think they do it every quarter, Radig said. I will check it out.

LBG. LBG Invoice Number 21011142 dated November 15, 2010 for a total amount of \$23,267.56. Radig reviewed the invoice and noted it looked pretty routine.

Motion. Schwindt moved approval of Pay Request 225 to LBG in the amount of \$23,267.56 for their invoice dated November 15, 2010. Second by Glatt. All ayes. Motion carried.

Amendment No. 4 to Task No. 2005-14-69E. This amendment deals with Website management and additional cost of \$5,092. Neubauer questioned. Is that Website getting any activity?

Radig indicated it gets some hits. How much is from internal is hard to say.

Neubauer noted there are public documents, free-product maps, and pictures. The city Website has the MRT minutes. There is a link in each direction to access both. They have more technical information. Schwindt used it to look up the free-product maps for the corner of Collins and Main. Neubauer suggested they e-mail us the map and we put it on our Website.

Glatt added. Put it on the Health Department Website too.

Neubauer indicated maybe we ask the question again. Is it certainly more of an internal LBG function or is there external folks perusing that Website to garner information? And is it worth it? Do we need to continue?

Radig noted the last \$5,000 has taken 18-19 months. It looks like it is every two years. Let's ask the question, Neubauer said, and figure out if we need to continue. If it

is purely internal use, is there another method that they can use that would accomplish the same thing. Radig noted the time is going forward. It was tabled.

Proposed 2011 Costs. Monday afternoon LBG also sent in the proposed costs for 2011. Have you reviewed that? No one saw it. Neubauer will e-mail it to the trustees and Radig.

Note: For continuity of service, LBG is looking for a thumbs up with the understanding that the cost will be revised when the 2011 rates are available. Couple things to note both O&M costs are down by about \$50,000 with the 2010 estimate. Implementation of the Site Strategy Plan could have some impact on the possible costs. The bio respiration task is down \$10,000 in 2010 because Rusty Krikava and Jason Vander Linden are doing the field work. The water level task is the same as 2010 because nothing has really changed for that task. They are looking at 2011 system operation maintenance being about \$235,000. Neubauer noted: I do not believe that includes the utilities that are \$25 grand per quarter or \$100,000.

Neubauer indicated they are looking for a thumbs up.

Radig noted costs are going down.

Neubauer – one adjustment they will be making is labor costs.

Radig added. We get the adjusted rates but I don't know how that affects this.

Schwindt indicated they are not planning a preventive maintenance trip on the RTO this year. It will be every other year now. They haven't found it necessary to conduct yearly maintenance.

Radig noted when your field gas concentrations are lower you have to use more make up gas. It may allow it to burn cleaner.

Schwindt noted we have one major groundwater event in the spring. They do about 100 select wells for three quarters and then they do the comprehensive ones in the spring for 300; two bio respiration tests.

Based on a cursory review, Neubauer stated, there doesn't seem to be anything out of the ordinary so a quasi thumbs up. And in turn we will take a closer look at it over the next month.

Radig noted the official cost of living increase information will come out in January. That's what they base their revised inflation rates.

Neubauer indicated informal thumbs up pending review. I will e-mail that out to you all.

We have Schwindt' copies of LEC costs from Paul Trauger and he has diligently gone through it and he is still going through more since I delivered a package to him last Thursday afternoon. From an official standpoint, I doubt that we are ready to make a formal offer of monetary settlement. We just got some additional information last Thursday. The county has their commission meeting today.

Schwindt noted there were several supporting documents that were not present with the R3 billing. They had the cost estimates from R3 included on just about all of them except for the last couple. Going back these are the kind of quantity sheets they had. Like I said they didn't have several of them. They had a cover sheet but they didn't have the detail so I asked for those supporting documents and the initial stuff they had submitted and they said they had paid \$170,591.52 to R3 for the dewatering system. The original contract including the change orders was \$169,098. Why are you paying them another \$500 or whatever the difference was between them? Then he came back with this revised one and it says, they only paid \$144,000 for the fuel separating system and the original contract was \$167,000. I haven't had time to go through and see. One of these I don't know if it was the last one I didn't see anything in there that where R3 had ever billed for the \$17,000 in concrete contamination disposal. That was a little over half of what the \$33,000 that LBG was saying should be our responsibility because it was diesel related so I don't know what that does to us now.

Neubauer indicated let's have Schwindt carry on and review the additional billing information and maybe in our January meeting if we have a better picture on what's all there we can take it up at that point in time. I don't think there is a rush.

Schwindt noted the project costs went up a little bit too. If you look at a quote of \$372,000 and originally they had applied \$367,000.

I could justify putting the epoxy as our cost, separating out the dewatering system. LBG did give us the basis to participate in that. It was directly related to the diesel. I suppose there is some validity to the argument that they would have not put in the extensive groundwater system, but it is my understanding that LBG designed the system to manage groundwater throughout the area not diesel.

Glatt added it was a conveyance system not water. Diesel came along with it. At the last meeting he said, we could just put some sumps in....

Schwindt indicated I do not believe that would have taken care of the groundwater because of the nature of the soils that are beneath the slab. You had to have extensive coverage in order to influence the groundwater throughout that whole area rather than just putting a sump here and a sump there.

Neubauer indicated maybe what we come back with is the separation is OK but the number now is gone up to \$372,000. Here is what we feel is diesel related. Here is what we feel is not diesel related. It is more groundwater.

So do you want me to put something together suggesting that? Schwindt asked.

Neubauer agreed. We will need to have something to respond to and say this is what we are looking at based on the review of the invoices this appears to be strictly diesel or strictly water. If we can do that, here's the jumble. You get this, we get that, here's the question on that benefit both so we split that 50:50. Is that reasonable? We will have to have some basis for us to approve a payment. If we don't approve payment until 2011, we won't get our audit until 2012.

Schwindt indicated Neubauer dropped it off last Thursday but I haven't had a chance to go through it.

Liability Release Agreement. Is Malcolm Brown still working on the agreement, Glatt asked? Neubauer will check with him.

Ratz Lot. Schwindt stated you had asked about if we could get rid of all the wells as far as putting your proposal together. I have not been able to find LBG's report. I did find going back through those free-product maps that on—they call it the March of 2009 in the report, but it was actually from October 2008 – February 2009. It showed well 2001 with eight hundredths of a foot and that's the one in the southwest corner of the property. Well 2003 which is way north and off the lot up by the fire station showed 1.45 feet in March of 2009 so if you look at these; here is 2001. There was free-product in these out here. They extended out to here and there was eight hundredths of a foot. But this one was the 1.45 feet in 2003. That was the only contour map that showed anything inside the footprint.

Neubauer indicated maybe the next time they do a fluid level measurement, we ask them to do all of these wells in here.

Schwindt noted sometimes they just do these over here and don't do these over here and sometimes they do them all.

Neubauer responded. Maybe we ask them to do all of them and say here's what we have got. I am not sure of the next scheduled fluid measure. Nothing will happen until spring.

Radig will make a note and will ask.

Schwindt noted it will be too late to include that in any kind of recommendations.

Glatt indicated the message from the MRT is we can work with you on this site. We have been flexible in the past and can be flexible in the future. There has been some free-product. We can work with them.

Schwindt – I don't disagree. If the city was interested in being as definitive as we could be.

Neubauer – Anything we could do there would probably have a caveat on most recent fluid level measurements so that is as definitive as we could be at this time and we think we could remove the majority of the wells out of the interior of that lot; however, that will be dependent on most recent fluid level measurements. That is probably the statement that is as much definition as we can but I would like to be able to say whenever you decide to come in and build something there, we will take the wells out and be done, but I don't think I can say that with all good conscience.

I will ask Brown if he has had a chance to visit with Maggie Olson.

Radig noted Olson had worked with him on a draft on a liability release agreement. I don't know where it ended up back in July or August.

Neubauer will pose the question and include it in an e-mail to Brown and say have there been any further discussions with Allen Koppy and Olson regarding the status of liability release?

Schwindt asked. Did you get a response from LBG? Are all the costs in on... well 4708? No, Radig said, they are not quite in. They are expecting some programming changes as of a month ago when asked. They are still going to be putting in some automatic valve stuff and they will have to reprogram.

Site Strategy Plan. Radig noted it is as final as it was since we didn't have any comments.

Glatt suggested one more perusal internally.

Fencing Screen. Discussion of the fencing screen quote from Dakota Fence. Schwindt talked to them. They had included costs for replacing all the screen and I said, is it necessary? I drove by there and kind of looked on the way in here this morning. It looks like the upper panel closer to the building is the one that is really ripped. I didn't see any other rips.

Neubauer said Jason Vander Linden came over here with new stuff on one and not the piece you are going to have faded portion. We could leave it for now.

Schwindt noted the rips are still there. They are starting to flop again. One of the guys (Dean) suggested maybe you could take it somewhere and have it sewed like Dakota Canvas or Bismarck Canvas. I have no idea what that would cost. I thought we could measure the lengths of the rips. The total cost was \$3,500 for a new screen. Even if we don't do that and just take the stuff down that is ripped. He said it was like a 50 foot piece. If we do a 50 foot replacement rather than doing the whole thing, including the bottom stretch as well. There are a couple of different options to look at there.

Neubauer stated or for \$3,500 you replace all of it and it's good for four or five years or however long it has lasted than if you try to hem it together.

Schwindt is thinking even if we just replaced that one piece on the top or don't you want to do that?

Neubauer – I'm just wondering how it will look. If you want to measure and see what will it cost us, then take it down and take it over, get it hemmed, put it back up or replace half of it. Are we talking \$1,700?

Radig added it is semi transparent, right. By the time if you overlap it or if you have to put a patch in there to put it together, you are going to see that. That will probably look worse than having one new panel and one....

Schwindt – I was just thinking if there was a 50 foot piece where the rip is if we could just replace that 50 foot piece or something like that.

Radig noted I think that will be relatively inexpensive, but it is going to look like a big patch.

Schwindt - No, it wouldn't be a patch. There are two.

Radig – It would be like replacing a new panel.

Neubauer - But we will have part new and part of it old.

Radig suggested sample the new stuff and see how much difference there is.

Schwindt – Like I said before the Architectural Review had asked us to change color so we may want to pursue that as well.

Glatt – Can we get it fixed next spring or does it have to be fixed now?

Neubauer – It depends on what the wind is like, I guess.

Schwindt - I asked them if there was an appreciable difference on the cost if we waited till there was warmer weather. It didn't sound like it would be.

Glatt – Wait for a nice day in the winter and replace it.

Neubauer – Do you want to look at replacing the upper half?

Schwindt – Call him and ask if it would be extremely noticeable.

Neubauer – Do you want to do that? The cost of \$3,500 is not a lot of money.

Schwindt - He did say they do make a different kind of screen that has some cutouts in it that would allow wind to pass through.

Neubauer – Probably what happened was the grommets busted loose and it was flapping and then ripped. Do you want to check into that and we can put it on the January's checklist?

Next Meeting. January 4, 2011 at 10 o'clock.

Motion to Adjourn. Schwindt moved to adjourn; second by Glatt. All ayes. Adjourned at 10:50 a.m. Motion passed.