

MANDAN REMEDIATION TRUST (MRT)
February 2, 2010

Meeting: 198th Official Meeting
Date: February 2, 2010
Location: Mandan City Hall, 205 2nd Ave. NW
Time: 1:30 P.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; Ellen Huber and Mayor Tim Helbling, city of Mandan; Ken Kytta and Tim Kenyon, LBG; Mike and Geris Hopfauf, Western Edge Development, LLP; LeAnn Eckroth, *The Bismarck Tribune*.

Neubauer noted that they asked the Hopfaufs to come in at 1:45 to talk about their project and a note was sent to Paul Trauger. Kytta indicated he met with them this morning and they said they would not be here today because of another commitment or conflict. Bruce Strinden also has a conflict. They do want to meet with you once they review the numbers for the flooring so I'm guessing maybe the March meeting.

Minutes. We have minutes from December 1, 2009 and January 5, 2010 to approve. Revisions have been made.

Motion. Glatt moved to approve the December 1, 2009 minutes and Schwindt seconded. All ayes. Motion carried.

Motion. Schwindt moved to approve the January 5, 2010 minutes and second by Glatt. All ayes. Motion carried.

City of Mandan. The city has the reimbursement for utilities on the buildings through December 31, 2009 for a total of \$20,699.77 for the fourth quarter. Any comments? Radig is OK with it. He is curious why the utilities are higher in the first part of the quarter; September than they were in December. Kytta indicated it is a function of which zones are operating MPE more than anything else. Radig suggested electricity. September was the hottest month of the summer. Kytta noted if it is electricity that would be the most likely.

Motion. Schwindt moved to pay the city of Mandan for reimbursement for utilities on the remediation buildings of \$20,699.77. Second by Glatt. All ayes. Motion carried.

Neubauer indicated that all the utility bills have been input by NISC for the remediation buildings and Ken Kytta and I will have to get together and get the right password so those questions about gas and electricity usage on the buildings can be answered more readily. They have all been entered since the beginning of time.

The city's wastewater recovery charge is \$853.52 for the process water sent to the wastewater plant for November through December 2009.

Motion. Schwindt moved to pay the city of Mandan for wastewater charges of \$853.52. Second by Glatt. All ayes. Motion carried.

LBG. Disbursement withdrawal request from LBG in the amount of \$33,859.04, which is the invoice through January 11, 2010. Radig has reviewed and all the amounts are under the approved task budgets. It looks fine.

Schwindt questioned the meeting participation. We were sharing the cost with Morton County when LBG came up. On the top of the 2nd page it showed all three of the per diem days being charged to the MRT. Is it supposed to be that way or are there other charges? It's Kytta's charges. Kenyon will look at it. He thinks it is probably right. He noted that sometimes it is tough to split the charges so you kind of allocate them out. Schwindt asked. I assume we are splitting the charges with Mandan again this time. Kenyon said there is no split this time. Couldn't make it work. Kenyon will look at it. If there is a correction they will make a new adjustment.

Schwindt questioned O&M. He noticed again that Richard Stoor is buying water for field work. Do we know what that is for? Last time it was water and Gatorade. Kytta indicated the water I know they need is some for cleaning. It might be some for distilled water. There is some other stuff in here Schwindt responded, but I don't know if it is drinking water or what it is. Not sure we need to be buying drinking water, but if you have an understanding with him that is OK.

Motion. Schwindt moved approval of the LBG invoice through January 11, 2010 in the amount of \$33,859.04 contingent upon the explanation as requested and second by Glatt. All ayes. Motion carried.

Hopfauf's Project. 1:45 p.m. -- Mike and Geris Hopfauf arrived to discuss their project on the corner of Main Street and Collins Avenue.

Kytta provided copies for discussion. The back page has the overlay of the building footprint on the wells and we have color coded the wells. The red wells are eligible for removal. Those are wells that we have either seen no free product in or have seen a foot or less over the last two years so the wells that are underneath the building footprint like 2001, 2004, 2005, and 2006. There are also wells 2002, 2009 and 2008 which don't actually have a building over them but given past experience with construction projects sometimes the wells don't survive construction projects. Then if you look around the perimeter we have some wells that have had and still do have some product in them. And when we constructed this, we did route the piping around to – if you look at well 2011 that piping goes to the west to Collins Avenue and then north up Collins so that well can be retained if it doesn't get damaged. They are under the sidewalk.

Geris Hopfauf indicated there is still foundation under the sidewalk so we are going to have to rip up sidewalks because there was foundation that was not removed. Mike Hopfauf added there are geo thermal wells that we are going into. Kytta noted the wells that have yellow around them are the wells we would really like to keep. If they are destroyed and replaced, then we can relook at the configuration as far as where it would be best to place it and also where it would fit in with your building. Geris indicated, now 2010 and 2012 look like they are actually in the street and not in the sidewalk so those won't be affected at all. Correct, Kytta agreed. Geris asked. So the BK6W3 and the 2011 might be the only two we would have to worry about. Kytta explained BK6W3 is actually a monitoring well so we don't need two wells on top of each other for an extraction so you really only need one for extraction.

Kenyon noted a monitoring well means it is a well that is not hooked up to the system. Geris asked. So it could be put anywhere but it would still have to be replaced or take it out or what? Kytta responded. I guess that is a Health Department question whether there is a need for a monitoring well there or not.

Radig indicated it is nice to have wells separate from the remediation system to see what is happening away from the extraction well itself. Glatt isn't so sure we would want a well right next to it. We may want the monitoring well moved. Radig indicated it would be in a different location. Kytta agreed. Glatt asked. Would it be difficult to tell vapor wise? Kytta indicated this zone in general provides the least amount of vapor that we are pulling from when we do the PID readings. But also quarterly, we collect from each building and this building has the least amount of vapors by far of the three.

Mike asked. Those wells from 2001 up to 2009 what's the process to void those out? Do they have to be pulled? Or capped? Glatt asked. How do you abandon? Schwindt explained. The Trust has been paying for the plugging of those wells. What we have been doing is hiring Roger Schmidt from Water Supply, Inc. He just plugs them with bentonite and they can be destroyed at whatever level it needs to be done to accommodate construction. What we have done is we have tried saving the piping that we dug out. I don't know if it is super critical because we have a fair amount in stockpile right now but we have been pulling the piping that connects the wells back to the system. We have been pulling that out and then when we get beyond wherever the construction is we just fuse a cap back onto it.

Mike asked. How far are the tops of these wells below grade right now? Schwindt indicated they are at grade. Radig asked. How deep is the piping -- about 4 feet? Kytta indicated 4.5 feet. Geris indicated it is going to be slab on grade with a 4- to 5-foot foundation. Mike noted grade is going to be high. About what is there now. I will still need handicapped. Geris asked. What would be the right process for us to follow when it comes time to actually be doing this? Schwindt indicated once we get the wells plugged. Geris asked. Are you going to go in and be working with this while we are excavating? Schwindt stated. We would have the wells plugged before you began excavating. We can do that almost anytime. Kytta suggested leaving them as long as

possible but plug them before you go in. Schwindt recalls doing it about a week before they started tearing stuff apart at the other development sites.

Mike indicated it looks like about 7 of them. What about 2003? What is the status on that? It has a yellow ring around it. Kytta indicated that 2003 is one that we would like retained or replaced. Now, that is actually in the parking area so if you can work around it and not destroy it, you will be fine. If it gets damaged, you would be looking at replacing that. Kenyon clarified. If this is slab on grade with just a perimeter footing, is that correct? Mike agreed. Kenyon indicated is there any need to go down and take all of those pipes out? If the well is abandoned, dig down and cut the well off a couple of feet down so it doesn't get in your way. Mike noted it would be on the perimeter. I'm a little worried about the foundation itself by code we have to be below frost barrier but I don't know what condition the soil is in to hold that building. We may have to go deeper. We may have to really elaborate on the footings so how far down are we going to go. If I would have known this was going to happen I probably would have gone over there when they backfilled it and watched what they did. Is there a soils report for that?

Neubauer indicated I think we have sent you the test. Geris noted it isn't enough for the engineers to do their work they need a soil boring. We don't have the soil borings. Kenyon indicated maybe all you need to do is cut the pipes where they go under your footings as opposed to taking all the pipes out of the ground. Mike added and there is going to be some footers in the middle of the building too, that we will have to go down for. Schwindt indicated you would be excavating for water and sewer lines running through the building. Mike agreed.

Schwindt agreed with Kenyon that we wouldn't necessarily have to remove all that piping within the footprint of the building. It could be just cut off on the exterior to the foundation and capped there. Mike noted these are only 4 feet deep. I don't know why I thought they were deeper like maybe 12 feet or something. Neubauer asked. What was the bottom of the well? Kenyon verified it was 25 to 28 feet. Cost of construction was substantially less to go 4 feet instead of 7 feet or 8 feet.

Schwindt indicated wells 4, 5, 6, 8 and 9 the ones on the east side I think they are all tied onto the same set of lines that runs back to the manifold. Kytta verified they run to the north. Schwindt continued. The manifold would be right on the south side of the fire station. I don't know if we would even have to cap those because there would be a really short piece of run from there into the manifold. Geris indicated just cut it off and replace them. Schwindt suggested just leave them. Geris repeated just leave them if they are not in the way. Kytta noted like Kenyon said we could blind flange them to that manifold. Mike indicated there is obviously no power running to these wells. It is all a vacuum. There is no power. Neubauer noted that Dave Titus did the backfilling on these. If you have questions, it might be good to visit with him. Geris asked. Did he have to compact to a certain density? Neubauer thought it was to 90 percent or so. Mike – 95 percent or something like that. Geris asked. And if he didn't, then what?

Mike responded, than we will have to dig it up and provide footers -- whatever the engineer says we can.

Huber suggested doing the borings before they close. Geris indicated that will happen shortly.

Schwindt referred to the Furniture First lot where they re-excavated all the way down to 10 feet and brought it all the way back up. Everything was recompacted. That was based on their design so I don't know what is different about yours than that. Neubauer asked. Who did the backfilling? Weisz and Sons did the Furniture First lot and Dave Titus did the base.

Kytta indicated the city spec is either 90 modified which is better than 95 standard. Neubauer indicated your engineers will need to tell you what you need. Mike noted that old hotel had a rock foundation. Neubauer added I think you knew that we cut excavation off at the sidewalk. Neubauer clarified if I am reading this right all of the wells marked in red could be out. The ones in yellow on the Main Street side will probably be taken out with the deconstruction of the sidewalk on the south side, correct? You will probably want a monitoring well and a remediation well put back in place.

Mike stated I don't know if this [map] was labeled just especially for us but all the stuff we have been through on this project this just shocks me that one thing is in our favor. Glatt indicated we pay for the abandonment and they pay for the replacement. Schwindt responded. That's what we have done with the other projects. Mike noted it looks like we only have to relocate one. Geris and Mike commented there might be foundation underneath where that [well] is at.

Glatt asked. What is the cost for relocation? Schwindt doesn't have a number on that. It seems like the wells themselves are approximately \$3,000 to \$4,000 a piece to have the well re-drilled. Kenyon indicated that seems high. I was going to say about \$2,000. Then you have to hookup. Kytta confirmed it includes hookup but the actual drilling shouldn't be that much. Schwindt indicated that is about what we paid Thein that came in. Theirs were about \$3,000 a well. I never did see the cost that Braun charged when they replaced these wells over here so I don't know what they exactly paid.

Neubauer suggested planning \$2,000 to \$3,000 per well to replace any wells that are destroyed. Library Square I and Library Square II it didn't matter even over here when it was done. It didn't matter who the contractor was.

Geris noted but there is a foundation -- there is a stairwell tower. Neubauer indicated so if you are planning so that would be one of those things. Geris noted to plan for that.

Huber asked. What is your sense of timing right now? Geris indicated we are in final stages of negotiating our purchase agreement with the entity that wants to purchase part of the building. As soon as that gets ironed out. It is in the final stages.

Neubauer indicated I think what we would need is we are going to break ground on June 15 then we need time to get Roger Schmidt to come in and put his magic bentonite into the wells that would be abandoned. We would like to wait until as late as possible to do that so the remediation system continues to work as long as possible. So we need a little bit of lead time to ensure he can get in and get out. I think he could do six wells in a day. It won't be a big issue. Geris indicated we will keep you informed as things progress.

Schwindt indicated what I have done on the other projects is just work with whoever is actually doing the construction onsite. Geris indicated we may be hiring a commercial contractor to do the steel frame. Schwindt just coordinates the abandonment and replacement of remediation system components with construction of your building.

Letter of Regulatory Assurance. Neubauer asked. Do we need a letter of assurance from the Health Department too? Radig indicated he sent some information to Brett but I haven't received the application form. Neubauer noted the lender likes to have those on hand.

Footings Under Sidewalk. Schwindt asked. Do you think you will have to excavate those old footings under the sidewalk? Geris noted according to Brett he said yes. Mike agreed. Actually, I'm thinking the sidewalk all the way around the building is going to have to be replaced.

Schwindt indicated if you have to do the excavating to get the foundations out I don't know what the soil boring will tell you beforehand if you have to go and tear all that stuff out. You might want to meet with your engineer. Geris thinks it is just a matter of needing room. We'll see. Neubauer has pictures from Titus Excavating. I am just trying to remember if they went from the sidewalk all the way down or whether it was removed or fell out part ways and then only the deeper stuff remained. I can't remember. Neubauer indicated they went straight back from the sidewalk and took out everything that they could.

Geris asked. Do you need to vote on whether to follow the recommendations? Or are you all OK with that? Schwindt indicated I haven't had a lot of time to study this but based on what I did look at, it looks like that would be a reasonable approach.

Helbling asked. Do you want to make a motion to clear it up so they have something? Is that something you want to do?

Glatt asked. What should the motion be on? That we are OK with the recommendations based on the information we have.

Neubauer noted abandonment of the wells marked in red which would be 2001, 2005, 2004, 2006, 2002, 2009 and 2008. Helbling asked if there was a document number to tie that to. Radig noted when I reviewed it, it looks fine. Schwindt asked. Would there be any merit to keeping 2008 and 2009? Kytta indicated they are the only two that are kind of out of the way. They are way out on the edge. Schwindt asked. What about 2001 and 2002 just for vapor recovery? Or would we be better at spacing 2004 or 2006? Radig indicated he has to have something under the building. Kytta noted again the radius of influence from SVE has over-doubled MPE so we are still going to have good coverage. Glatt added the reason we are abandoning these is because free product hasn't shown up in a while and to continue these operating if they are still impacting the site. Schwindt noted those are the ones that are showing free product as well.

Motion. Glatt moved and second by Schwindt to adhere to the recommendations of the February 1, 2010 LBG letter which indicate the wells 2008, 2009, 2002, 2004, 2006, 2005 and 2001 would be abandoned upon construction on that site. In addition, the exterior wells 2003, 2013, 2010, 2012 and 2011 would need to be kept intact or if damaged replaced. All ayes. Motion carried.

Radig reminded them that the city environmental ordinance requires the developer to submit a site health and safety plan to the Health Department for approval prior to construction. Neubauer indicated if you run into bad stuff you need a plan. Huber indicated to Geris that she e-mailed that to them.

Schwindt indicated just for clarification where is 2003 located and 2009. Is the foundation wall going to be to the south of where those are at or is it going to be to the north? Geris responded. Well, no, it will be to the west. Mike noted where the foundation wall will be and two posts. This is out in the open. It is close to the foundation but it is out. Just trying to understand where you are going to be excavating in relationship to that, Schwindt replied. Geris indicated there is just a little square here that has the stairway coming from the second story down. Schwindt indicated so the main building will be south of that. Geris answered. Yes, the main building is south. Schwindt clarified that we won't have to worry about maintaining the two lines that run from 2003 back over to the manifold. That is what I was trying to understand. These lines will run from these wells going up this well back to the manifold so when you get to this excavation site here, we can just cap those lines off then we don't have to worry about anything penetrating through the foundation walls. Geris asked. Do you have a map that shows the direction of the pipes so I can give that to Brett? Neubauer has a copy in his office.

Geris asked. How is the remediation process going? Is it going along pretty well? Kytta responded it is going very well. In fact, we will talk about the annual report which will show the footprint over time. You can see that the footprint has really shrunk to the point where this last monitoring cycle there are only five wells remaining in the city that have more than a foot of product. If you go back historically, there are dozens

with the highest one being at the end of the property line. We are very pleased with the progress. Geris noted from what your map shows, there is just this little spot under our building.

Glatt asked. How is the water table? Radig indicated this year the water table has risen. Neubauer indicated those snapshots are here. It is what it is today. The next monitoring event it may change but over time and series of monitoring events you get a better picture.

Geris and Mike relayed their thanks. The Hopfaufs left the meeting.

Neubauer asked. Are there any other issues from a trust standpoint? There were none.

LBG's Update. Kenyon provided an update.

System Operation. We are down to a handful of wells over a foot. The highest is 3.7. There are only two wells over 2 feet. The blob is getting smaller. It's doing what we expected it to do.

Neubauer asked. Is there a point when you can just release that to the air without having the Health Department say you need to burn it?

LBG is watching it. Kytta indicated we want to take a closer look at that. The quick look that they did is that we are probably a little ways away from it because our makeup gas is increasing but not that much. Part of that is we are concentrating on the SVE on the dirtiest areas. Another thing from an operation standpoint is that wells under Main Street that we shut down in December have a shallow connection under the curb so we don't want to have any broken pipes. Kenyon indicated the guys have been out measuring the wells at the Furniture First lot. Can you get us a well construction diagram to help them do what they do? Schwindt has documents but hasn't put it all together yet. Do we need a surveyed elevation on those? Or can we approximate from a monitoring well out on First Avenue? It is up to you, Kytta says. We are not using them for the groundwater flow contour. Basically, we are just using them to determine thickness and if there is free product there or not. It is free product thickness. We are more interested in where the screen is at and total depth -- those two things. As they gauge them we will see what sediment is filling in. Schwindt did get some of those borings. They put 15 foot screens in all the wells so they are basically back to what was there before.

Morton County. Kytta stopped over there this morning with the system. Essentially there are two legs: the east leg and the west leg. The east leg is in. They now have the concrete almost all busted up for the west leg. So there is about 2 weeks left to complete that. On the second week when they got to the weight room area, which is the area where we are seeing the stinkiest soils, we did have one complaint from upstairs. But once they connected in that east line they connected it to the SVE

system so that seemed to help. We anticipated running into a lot more stained concrete than we found so far. Glatt indicated he did not see much when he was down there. You could smell a little odor but you had to search for it. The concrete is not stained as badly as thought. I think everybody kind of thought they would run into quite a bit of it. The weight room is kind of the worst area.

Neubauer noted they busted up concrete in the hallways on those runs and it doesn't look like the concrete is dirty. What explains the contention that the carpet is all full of diesel and peeling back? Kenyon responded. I imagine it has to do with the carpet installation quality. Kytta indicated a long time ago Fritz said he thought it was the glue. I am coming to that same conclusion. That concrete looks as good as any other concrete. Helbling indicated it could have been moisture too that could have penetrated the concrete at some point. Schwindt responded. Normally, that wouldn't affect the glue. It just looks like it will fall apart. Kenyon added. It just may have a little bit of petroleum in it. It's gone now. Kytta indicated the concrete looks pretty good. The sand layer underneath it also isn't that stinky either. When you get into the clay, it is really stinky. My last trip over there they were just breaking the last of the concrete out in the weight room so I haven't been able to see anything done since then, Schwindt explained. They were just taking the concrete off. They weren't doing any excavating.

East Line/End. Schwindt asked. Is the east line completely in and backfilled? Kytta indicated the east line is in and completely backfilled with the exception of where they are going to connect in because the one thing that we are going to do that is going to be additional is the weight room (is the worst area) where they will take out some extra soil and add another lateral leg into the weight room. Once we have the concrete up and the soil out it just makes sense to add another leg or two depending on how it works out into the weight room there. So that is the plan. When I was there this morning they had the concrete cut but didn't have it out in the weight room yet.

The completion date on the contract is February 28, 2010. Also, just the message that it took a little longer to get the epoxy and carpeting costs to the county. There were a number of issues that we ran into there as far as compatibility with diesel and making sure that we get a good joint because we have fresh concrete and old concrete. We have some cost information that we gave them earlier and some follow-up this morning. So I just pass the message along that they did want to meet with you at some point in the near future – possibly the March meeting. I think they meet next week so after that.

Schwindt asked. What are the costs on sealing the floor? Kytta indicated they are looking at a couple of different scenarios of doing it either just doing the epoxy and having that as being the final coat and also doing it with carpeting. We are still finalizing the numbers so I consider these as being ballpark. If they should finish in carpeting it is right around \$45,000 for the affected areas by what we are doing. If they just do the epoxy coating then there are a couple of different options there. It is in the \$35,000 range for doing it all. The \$45,000 is for a sealing and carpeting over it. The carpeting costs are not for the entire floor, but just for the remediation area or the area affected by

the saw cuts. They have now asked us to get the cost for sealing the entire floor. Our understanding was to just seal the areas that had been affected. Helbling asked. Why would you just seal certain areas and leave the majority of the building without sealing? Doesn't even make any sense; just leave it all unsealed or seal it up. Kytta responded. Even if you seal the whole thing there are partitions down there and what not so you are not really sealing it per se. Square footage wise you can take these numbers and double them because the areas that are affected is almost half of the square footage down there so when you figure the economies of scale if you just double these numbers and you would be pretty close I would say.

Schwindt asked. I don't suppose there is any way of selecting a part of the building where there is obvious staining or something like that. You would have to go in and tear all the carpet off and clean the floor in order to see where you are going to start from. Right? Kenyon commented that would seem to make sense. Schwindt noted that when we were talking sealing my impression was that we were looking at sealing the whole floor and re-carpeting the whole floor.

Helbling indicated it doesn't make any sense I think to do part of it. What do you gain?

Schwindt indicated I think I understand what you said the \$45,000 would do half the floor basically the disturbed area. Kytta responded, yes. We would be probably looking at \$90,000 to do everything because the carpeting costs for the entire floor was about double what the carpeting cost was just for the area affected by the remediation. Schwindt indicated I don't know what we gain by just sealing the areas where we disturb/put new concrete in.

Kenyon explained. Just keeping in mind the areas that were disturbed were not disturbed because they were impacted. They were disturbed to put the drain tile in an advantageous location. Those two things didn't come together because that is not how it worked. Helbling added. From a Health Department's standpoint, I'd think you either pay for it all to do it right or not pay for any of it. Glatt indicated if you look back at the last monitoring data of the Health Department standpoint, I don't know if we need to do anything. Kenyon commented. It is not a health risk. Glatt continued. It is more of a stigma. Kenyon indicated currently, if the water came back up again there could be a health risk. Schwindt asked. Initially, a couple of years ago wasn't your proposal selected sealing in some of the rooms when you put those numbers together? Or you had a number of \$20,000 or \$25,000? Kenyon indicated that proposal went all the way from A to Z with a lot of gradations in the middle. You could pick what you wanted. Schwindt noted there was one piece in there about putting the epoxy on the floor. Kenyon – I know we had an epoxy number but couldn't tell you what the numbers were. Schwindt is trying to understand what the scope of the work was.

Kenyon indicated one of the options was to take out the current walls and everything and put a monolithic coating on the floor and build it back out again. I don't recall. The one was to do a "spot treat". Glatt asked. So do you notify the county

commission? Neubauer responded. They have already asked LBG to look at sealing up as much as possible. We have already got the direction from them to get that number. Glatt asked. Who is calling the meeting in the future with the county commissioners and saying this is the bottom line? Helbling indicated you would want some direction back from LBG from your board saying if you don't agree with them, their plan, that we highly recommend that you do it right and don't come back to us again.

Kytta indicated when he checked with Paul Trauger and Bruce Strinden this morning it sounded like they wanted to look at the whole thing. They are asking to get a cost for the whole thing now so I can relay that message back to him that's your desire also. Neubauer agrees that is fair. Schwindt is still trying to understand the necessity or the value of trying to go in and put an epoxy and lay it down on the floor. Kenyon indicated it's one of those things, if you are going to put any down you might as well put it all down, but do you need any? Schwindt indicated that's why I'm struggling. The original stuff we did for them didn't have any floor treatments at all. It was just restore it back to concrete. It was up to them to decide. Somewhat aesthetically what they want to do Neubauer noted. At the end of the day if the MRT agrees to pay a portion of total costs, wouldn't it be official to say if you do it, do it right? You're going to sign off and you are not going to come back and ask for anything more. If we don't do the epoxy, do we open ourselves up to them coming back and saying, well we wanted to do this. Glatt questioned based on what remediation has done in the past, monitoring done, if there isn't a health issue in that basement then is there any responsibility to participate?

Kenyon indicated that is an argument toward a treatment of those stained areas of concrete that still might be off gassing and contributing to the vapor called a vapor barrier and liquid barrier but that again doesn't fit the areas disturbed by the remediation. Neubauer asked. Is there a potential with the system that gets involved if the groundwater comes up? We have the collector system now in place to collect whatever comes up, which potentially could stain and work its way through the concrete. Obviously, this is supposed to take care of that as best that it can. Kenyon indicated the only plausible scenario could be involved would be if the groundwater would come up so catastrophically fast the system couldn't handle it or if the pumps broke down and you had a three-day power outage from an ice storm, e.g., some of those catastrophic scenarios.

Glatt indicated when we reach our endpoint at some point that water isn't going to be as contaminated as it was in the past. Radig noted that might be a long time. We're not going to have a foot of free product sitting on the hill. Kenyon noted you will still have the dissolves. Kytta indicated that was the whole point as far as why we are doing the water treatment system because if it is just a water problem it is a problem. It would still be replaceable. Glatt asked. How much is a water problem? And how much is a diesel cost? I am trying to work those costs out. The epoxy may be part of the diesel problem.

Schwindt thought that was why we were considering the epoxy because of the staining in the concrete, but you are saying there is not a whole lot there. There might

be some areas that are not like in the patrol room or whatever it was called where there was some staining there. I guess if that's the area that we are looking at treating then I don't have near as much of a problem but to just go in and treat the area where we dug the trench. Kenyon asked. Were there problems? Schwindt responded. Yeah! Why are we doing that? Maybe there is a communication issue between us and the county or the county and LBG on what they wanted or didn't want. It seems like we need to have some kind of a conversation with the county before they say go ahead and hire these guys to come in and do the concrete. Kenyon added. If you do just the stained concrete, now you have to go and tear up a bunch of tile carpet to see what is or isn't stained. I don't know if that has been done comprehensively. Schwindt – probably not. Kenyon indicated I don't think it has. Kytta added. Some of the rooms have tile in them so it is not just a matter of tearing up carpet. It's a matter of tearing up tile and replacing tile.

Kenyon indicated the purpose of this work was not to identify stained areas in the concrete. It was only to deal with them as we encountered them while we put this system in. Schwindt indicated maybe my assumption is wrong too. I guess I was thinking the county was looking at redoing all the flooring in the basement so that would be torn up some place along the line in order to replace it all, but if that isn't their intent then you can't really do an assessment on where it is stained or not stained.

Neubauer' guess is that when the carpet tiles were peeling up in the hallways that has to be permeated with diesel. Therefore, the whole concrete floor or the whole thing has now sucked up all the diesel from the ground and the entire floor is contaminated but it is not. So you say you go in and replace – still peeling up all the carpet and taking it all out and replacing it with something. Is it the trust's responsibility? Or is it the county's responsibility?

Kenyon responded. I'm sitting on the fence a little bit. Hope you understand that. The trust may pay for those parts that cover impacted concrete. Not necessarily the areas that were disturbed, because there were areas that were disturbed that weren't impacted because that is where you had to go to put the pipes in.

Glatt suggested talking to the county before they move forward with any purchasing and spending any money so we have an understanding. Schwindt indicated in light of the excavation now in your evaluation saying that this concrete is not stained and contaminated as much as everybody kind of assumed it was. So now we have some better idea of what the concrete is like. Does it even pay to do this extensively? Because you do have carpet that is coming loose, what are you going to do with that? Are you going to tear it up? Are you going to reglue it? Are you going to replace it?

Helbling's assumption was that they were going to go in and take out all the flooring in the basement. They had their flooring up so you might as well seal it off and be done forever. I'm sure they got the cost to do that if we are going to be on the hook for part of this so let's do a piecemeal job.

Kenyon indicated being an elected board there are as many opinions as there are people on the board. So we are essentially trying to give them a range of cost of possibilities.

Schwindt says it has been helpful so I understand what the range of possibilities we are dealing with when they are talking to us about our participation.

Glatt suggested we should commit a date from them sooner than later and sit down to talk about cost and scope of work so we don't get too far down the road.

Kenyon indicated I'm sure they want to spend as little as they can. Schwindt added I'm sure and they want to get as much participation as they can get.

Neubauer asked for direction. Schwindt suggested talking to Paul Trauger and tell him we have some concerns and would like to visit with them before they decide what their intentions are as far as sealing the floor. Neubauer will visit with Trauger.

LBG Report. Kenyon indicated at the last meeting we gave you estimates for 2010 to be changed by the cost of living index. I think it was about a 3.26 percent bump based on that index.

Kytta gave a quick summary. Fluid levels -- last year we cut back significantly on the winter event and also the spring and fall event or the summer and fall event. The full event where we get all the wells was in the second quarter. We cut back on that significantly last year. We aren't necessarily proposing any more significant cuts of that. Bio respiration is the same -- the 2 events. Remediation -- last year our budget was \$308K. So we are down to \$287K this year. Kenyon referred to this comparison last year. The budget for this year and last year is about \$30K and we ended up spending about \$27K or \$26K. For the bio respiration test in 2009 the budget was \$33K and the invoice \$29. We are under on all those budgets.

Kytta referred to a handout from last time. Going back to 2007 our annual budget was \$381K and we have come in under budget each year by about 5 percent or a little more. So this year we are \$20,000 again less. Like I mentioned the last time, the significant costs savings is going to come in when we can start shutting down MPE. This is assuming I would say one last year of MPE.

Schwindt asked. Are you still doing all the monitoring north of First? Kenyon indicated they are not doing every well. They are looking at the key ones. Kytta added. The only time we do every well is the annual event, the second quarter. But the number of wells was cut down last year and that would include north of First. We are still monitoring some of those wells. Kenyon indicated they've learned these wells enough to know which ones they need to look at.

Schwindt asked. Part of the closure or the reduction in operating north of First we had that discussion. Do we need to keep monitoring the wells that we are closing

down? So we are still in the phase where we need to collect data on those wells north of First. Kytta responded right and that's why we are not recommending a reduction this year. We will answer some of those questions tomorrow night I think, Kenyon stated. That may manifest itself at other sites we've done this on well specific, date specific, or time frame specific measurement so you know upfront what data you are going to get and it is negotiated upfront as opposed to. Radig agreed it is the way to do it so everybody is clear and how long we are going to do it unless something shows up. Then you go back through the loop.

Kenyon noted that they don't have the final treatment numbers for January since this is the 2nd day of the month. We will send them to you when we get them.

Schwindt asked. Should we take action on these before you leave or do you want to wait till the next meeting in March? Do you need them? Kenyon indicated you gave us thumbs up so we are already spending your money.

Annual Report. Kenyon discussed the annual report. The format is very basic: 2009 -- What did we start? What did we get done? What did we spend? What will we do in 2010? It was the second year of full scale system operation. It's only the second year where everything has been operated. I've modified the system for Furniture First. We have directional wells under Main. We have optimized the system. We are focusing on problem areas. We ceased the MPE in areas where it didn't make any sense anymore. We are still doing SVE in those areas. We modified and tweaked the water treatment system to make sure we continue to meet our permit, reduce our costs and all the reconstruction activities from system installation are done.

Map. This is the map of the original system as it was put in. The red blogs are areas where the system has been modified or refigured: 3 of those for redevelopment and the big long blog in Main Street; 4 wells under Main Street. The systems are somewhat a dynamic thing. The next one is recovery totals.

Recovery Totals.

Liquid recovery: 47,000 plus gallons in 2009;
Vapor recovery: each one has a 2009 number;
Bioattenuation: 41,000 gallons of diesel --1.7 million;
Hydrocarbons: 1.7 million pounds of hydrocarbons out of the ground and 410,000 of that was in 2009.

We looked then at remediation recovery totals. There are two graphs. One is in gallons all except for methane. We are headed toward 250,000 gallons but the curve is starting to flatten out. We hit the inflection point back in early 2009. That is a signal that the remediation is starting its last phase; beginning of the end. Then you look at the next one which is pounds of hydrocarbons where we add the methane back in where you can see we are nearing 1.8 million pounds. The shape of that graph is essentially the same. We are entering the last chapter of remediation.

We will go through the four product contours. You will see there is a September 2006 with a substantial blob of free product there. In October 2007 where it gets smaller; 2008 you see a lot more blue as well as the footprints disappearing and then the October - December 2009 where it is getting even smaller. We have those 5 wells over a foot and 2 wells over 2 feet.

What has been spent on the remediation at the end of 2009? We had spent \$16.6 million in total; \$12.9 million of that was planned tasks. Those are tasks that include things that weren't planned like First Street reconstruction, as an example, and some of the park things that were restored. Some of the things that were included in the remediation but did not anticipate them coming into this. You can see this curve somewhat mimics the product recovery curve in that it is not going up as fast as it used to.

Overview of system costs. We spent \$18.6 million. We currently have \$17.8 million authorized; \$63K outstanding at the end of the year. Some of that is a little bit old but still potentially current. A bunch of that goes away because we are in a new year operation maintenance budget and the last budget is gone. That's the difference between those.

2010 Budget. We just submitted the 2010 budget. We did some markup reductions on some of that – about \$200K. A little bit more on contractors: 58 total contractors; in-state impacted \$8.7 million that was spent on in-state folks.

Where are we going in 2010? We will continue to operate the system. Continue to make the system as efficient as it can. Working on modifications for the People's Square project on Collins and Main. Kytta asked. Are there any other potential development things that could be added to that? Huber noted the Berger/Engelter lots are a parking lot. It is The Medicine Shoppe now. The Hedahl's will be the parking for Mandan Place Furniture First. Kenyon mentioned the Iverson building possibly. That's really not part of it. Huber added the grassy spot between the Remediation building and Papa Murphy's. I know at one time we wouldn't have been comfortable decommissioning things. Kenyon noted this is pretty accurate. The current hot button is People's Square.

LEC. Building remedial measures underway.

Fire Hall Bay. There is the possibility that we could remove some of the infrastructure in the Fire Hall bay. There is a cost associated with that for some replumbing and that sort of thing. Are you interested in finding out about that? Or don't you want to open that can of worms?

Neubauer asked. The wells that are still alive or that will be still alive around what we were talking about today, are they plumbed into that system? Glatt added not that you will be abandoning that portion of the wells, you will just not be using. Instead

of two rows, it will be one row. Kenyon indicated I put that in there but I can take it out very quickly and easily. Do you want us to take a formal look at it and come up with a plan on what it would take to do that? What it would cost to do that. What it would get you in terms of access to that bay in the Fire Station. Glatt indicated if it saves us money. I am not as worried about space for Fire Department use, but far as overall need for remediation if that is a cost saving. Kenyon stated. It will probably cost you money. Kytta added. It's not really going to be a cost savings; it is more of a usage for the city if they can get the Fire Station earlier. Kenyon indicated just turn things down and shut things off. Keep it going. Kytta continued. That's why we bring it up as a discussion item.

Neubauer indicated you can leave it in there. I don't think there is a high degree of need for the space right now. Something to keep on the radar that as we move forward there is going to have to be a decommissioning of that bay but I would hate to see us drop a whole bunch of coin into it saying we can spend a whole bunch of money. We can reroute the pipes and reroute the system so it hooks up over to the other Remediation building and we can get rid of this one 3 months earlier or a year earlier. Kytta indicated it is more than a year earlier. The system or equipment would still have to stay in place. So that is what we are getting at. We could consolidate it earlier and really because of what we have left here go get done with one SVE blower. Move the two MPE blowers. Move it so you are basically just taking out the southwest corner of the station so they still could have drive-through and have basically three-quarters of the bay. Neubauer indicated it isn't a high priority. With the addition of the new station on the southeast side they have plenty of room for their stuff and like I said if it is going.

Kenyon noted we thought we should mention it so you can make that decision. Neubauer indicated they can leave it in here because it is something that is on the radar that says sooner or later — even the manifold on the outside of the building could run away but until that point comes to say we can turn these wells off in this system. I don't see a lot of sense in taking out 33 percent of the equipment that is in there, which will give you guys an extra 200 square feet. Kenyon noted it will still be noisy in there.

Future Projects - O&M. Additional possible system modifications to accommodate other developments. It looks like People's Square might be the last one for a while. It is the last essentially vacant lot.

Site Strategy Plan (SSP). We will work on finalizing the SSP. It may leave the formal sensation of accurate remediation portions of the system or remediation in place. There will be a public meeting tomorrow night at 7 o'clock at the fire hall to give public comment.

Radig indicated the only change he made to the one posted on the Website was that one change 101 to .1. That was just a typo.

Kenyon asked. Do we expect any activity? Radig thinks the questions will be on how fast we can release the money. I think that will be more of an issue.

Schwindt agreed. He thinks that is a fairly accurate assessment. Most people – as long as the pumps are running and everything is going fine no big deal. Radig noted a lot of people don't even know it is still going.

Schwindt asked about the additional bio venting. Radig responded. Doing soil borings to assess? No, Schwindt said, pumping air in. Radig noted there was a little misunderstanding when I read the other plan about injection vs. lower rate.

Kenyon indicated the bioventing is just a lower rate of SVE. We're not going to inject anything? Schwindt asked. We're not looking at putting in some other things. Radig indicated it's a polishing phase so potentially you could use surfactants or something in some spots that just don't want to.

Process after the Public Meeting. Radig will wait for any additional comments to come in and probably we can at the next MRT meeting make some final decisions on some of these things. We will probably ask LBG for recommendations on which wells to actually continue monitoring throughout the monitoring period. Some things like the estimate on decommissioning, but we have time. That is going to change depending on how many years out it is.

Schwindt asked. Are there other things that we could be considering to further reduce the costs on O&M? Are there things that we are requesting that are not necessary? Are there things that we can do to further economize things? Kenyon responded. SSP can be a player in that because if it goes the way of shutting down manifolds. There are some manifolds that we can pull the power on and going to that monitoring phase that we are not currently doing. And that would certainly save some money. Right now we really can't do that I don't think. Neubauer responded. Until I get the green light from the Health Department. Kenyon continued. There is no provision to allow doing that. Radig stated. Right now Dave and I aren't going to make that decision to shut that down without an input process. Schwindt thinks it has to be these guys — the Department and the Trust making that decision together I would think. Kenyon thinks that would have the biggest and significant impact on the cost. As far as the other stuff, I don't think so. The boys are running doing a pretty good job of it, keeping ahead of stuff and using preventive maintenance.

Kytta indicated as far as monitoring as we discussed earlier, it's premature to be slowing down on that. Bio respiration is just two tests a year. At some point we may want to increase that to move along. Radig stated it may save money to increase it, if you can shut down earlier. Kytta agreed. As he told Radig right now, we are having people from out-of-town do those because it takes dedicated time to get those done. If at some time the MPE system is shut off 10 years down the road maybe we could have Rusty Krikava or Jason Vander Linden do those tests so we don't have to bring somebody from out of town. Schwindt indicated I bring it up because I think we have been able to do some economizing by just having some discussions of what we are doing and not doing. Just like the monitoring, does it pay to do this all over? Just

wondering whether there is anything else that could possibly fall in that same kind of category. Kenyon was kind of thinking but right now it is still kind of operating. The big bump is going to take when the MPE ceases. The big bump is to can those man hours, electricity, not so much gas, SVE. Radig noted the gas will still continue to gradually increase until you can direct vent.

As Builts. Schwindt indicated one of the things we have talked about is getting the as builts updated with the Library Square and also the Furniture First lot. Do you have the auto cad stuff? Or does Ulteig have that? Kytta responded. We've got it. Schwindt talked to Steve Windish recently and he was thinking in terms of being a couple of hour's worth of work. I would have to show him the stuff that we have and the additional detail that I would like to see on the Furniture First lot. He said he would have to take a look at that. I asked whether they have that record but he thought you may have it. Kenyon answered. We do. Schwindt continued. If we go that route we would either have to forward the data to one or two places. It will have to go back to Ulteigs to update it or if the city engineering folks do it here. Neubauer said if it is just getting the auto cad drawings maybe it is just a matter of getting the lines drawn. Kytta interjected. In the past, they have sent us the raw data and we can take it and update our figures from that. That is what we have done in the past. Schwindt asked. Which would be the simplest? Kenyon stated. You send us the data. That way the same draftsman that has worked on it will continue to. Schwindt responded. So we probably don't need to involve Ulteigs. Is that what you are saying? Kenyon indicated probably not, if you have the information.

Kytta clarified. When you say you have the information, do you have the GPS coordinates? Schwindt answered. No, all I have are measurements off the theater building, know where the pipe is at and stuff like that. I don't have GPS coordinates. Kytta stated. It would basically be taking a markup map and updating. Kenyon noted they can do that, if you want to give us a markup map. And it will say right on the map measurements provided by. Schwindt indicated that is fine. Kytta would like the map.

Next Meeting. March 2, 2010 at 10:00 a.m.

Motion to Adjourn. Schwindt moved and second by Neubauer to adjourn the meeting at 3:23 p.m. All ayes. Motion carried.