

MANDAN REMEDIATION TRUST (MRT)
November 1, 2011

Meeting: 219th Official Meeting
Date: November 1, 2011
Location: Mandan City Hall, 205 2nd Ave. NW
Time: 10:00 A.M.

The MRT meeting was called to order by Jim Neubauer. Fritz Schwindt and Dave Glatt were present. Marilyn Mertz, North Dakota Department of Health, and Mayor Tim Helbling were present.

Minutes. October 4, 2011 minutes were reviewed. Schwindt had revisions.

Motion. Glatt moved to approve the October 4, 2011 minutes, as amended; second by Schwindt. All ayes. Motion carried.

Pay Request. Brady Martz & Associates PC tax return preparation for MRT 2010 tax returns for \$435.00. The tax returns were filed on October 15, 2011.

Motion. Schwindt moved to approve Brady Martz invoice for MRT 2010 tax preparation of \$435; second by Glatt. All ayes. Motion carried.

LBG. No invoice from LBG for the month of October.

Pay Request. City of Mandan statement for wastewater industrial charges ending September 30, 2011 for \$783.97 plus the \$1.45 for July - August 2011.

Motion. Schwindt moved to approve city of Mandan's wastewater industrial charges for \$785.42; second by Glatt. All ayes. Motion carried.

Pay Request. City of Mandan third quarter billing for MDU and water charges of \$12,330.76 that was given to Scott Radig back in October. It also includes the insurance premiums for the buildings.

Motion. Glatt moved to approve payment to the city of Mandan for \$12,330.76 covering utility bills and insurance for the 2011 third quarter for the remediation system; second by Schwindt. All ayes. Motion carried.

RTO. Schwindt -- The temperature was reduced on the thermal oxidizer. It had been set at 1,500 degrees when we first started and we had some discussions with LBG starting last fall about possibly reducing the temperature to save some energy costs. We could do a reduction from 1,500 to 1,200 degrees without making any permit modifications with the Health Department so that's what we did in September. It should help change the operating costs on it a little bit.

Fence. Schwindt -- Did not look at it today to see if it was all done. Recently, I came over and helped Dakota Fence put some schedule 80 three-quarter inch pipe down the middle of each panel so now we have 3 feet of loose fencing on each side rather than the 6 feet, which would catch a lot of wind and blow. We tried that to see if we could reduce the amount of stretch in the fence. I don't know if they got that other 1 foot piece in yet.

Neubauer – Haven't noticed it at all so it looks just fine.

Schwindt -- It was a black fence and the schedule 80 was a gray-colored pipe so it didn't look too obtrusive to me.

AG's Opinion. Neubauer -- Have we heard from the Health Department's attorney on their opinion whether the city of Mandan can borrow from the MRT?

Glatt -- Maggie Olson will be talking to Malcolm Brown. She was not as positive as Brown was. I think the intent of that money was to go toward remediation.

Schwindt -- It wouldn't change the intent of the money. What we have heard so far is it would probably be paid back within a year or so. We certainly still have funds available for remediation purposes during that time.

Glatt -- We also talked about the Trust. We had suggested questions to Brown regarding insurance coverage. She suggested getting some quotes. We haven't really gotten any quotes from companies to determine which are available and what are the costs? And what they would cover for the Trust. When we are getting to that point we can meet with the broker and say we are ready to go. The intent is to have some insurance to get us through a certain point where everybody is comfortable. If that is the path to go forward, we may want to look at because the state is still a liable party in all of this and there is some liability on the city's portion. I think the intent is to have that insurance to get us through that time period as each year goes on the question of responsibility is less and less.

Neubauer – Do we have a time frame as the attorneys work we could say we would like an answer from Olson and Brown by...on the loan?

Glatt – I can have Olson work with him.

Neubauer – I would want to pursue the insurance with Tag [Anderson].

Glatt – I will double check. I think we are fine at our end. Initially, we talked to a broker and asked, is this stuff available? We had the sense that it was. Now we just have to find out. Are we in a position now to get that insurance?

Neubauer – Is that a question we want to pose to LBG?

Glatt – Yes, I think that would be good and also in the scheme of things how does LBG see us? Maybe it does make sense to check on insurance companies. We still have a couple of years.

Schwindt – The crux of the issue to me is what is the timing on it? If we are still a number of years away from completing the free-product removal is there a rush to get insurance right now? Part of the issue was, when we had that conversation with them a year ago because the market conditions then was a good time to buy insurance because rates were cheap, but we don't need the insurance for another 3 or 5 years so it would be expensive insurance.

Glatt – It would be good to get an update from LBG now. Should the system be shut down in some areas?

Neubauer – What is the site strategy closure now? Can we close that and finalize that so we can define where our endpoint is and then we can shop for insurance?

Glatt – Once we have that information it would be helpful to an insurance company. I can check with Radig to see where we are at on the Strategy. I think it was shut down and a couple of years of monitoring.

Schwindt – I think a good share of the system they are just operating the SVE portion of it on a really intermittent basis because there are not a whole lot of volatile gases that they are pulling off anymore.

Glatt – Then there would be the question what would be the cost of this abandonment? Do you want everything abandoned? Do you want some wells left?

Schwindt – We need to maintain some wells along the BN property line. It doesn't hurt to continue to operate the SVE on a very limited basis in some of the other areas of the city.

Glatt – I agree. My question would be as they shut the wells down and turn them back off, how do they get measurable or significant gas to come through or is that going down?

Schwindt – I don't think they have that capability of routinely monitoring that kind of thing because you would have to go in and sample each manifold basically and I don't know if they do that at all.

Glatt – How do they assess it?

Schwindt – The closure plan calls for a free-product determination. I don't think they talk about vapor recovery.

Neubauer -- Do they do that oxygen uptake test?

Schwindt – I think so.

Tim Helbling – It would be nice as you determine an area to be clean, if it could be shut down and closed off or whatever and take those logical steps so you don't do it all at once and disrupt a part of the community. The people could see progress.

Glatt – Does the city have any desire for any of those buildings or do you just want them all down?

Helbling – I don't think we have talked. I know the main one I'm sure we have a desire for that to be torn down. We haven't talked about any of the little buildings.

Glatt -- I would think the city may want to entertain having the bigger buildings down.

Schwindt – I would think the remote manifolds would just be done away with.

Helbling – That's where it would be nice just on the city's part if there is an area that is determined to be clean if we could remove them in stages. It's a good message to say things are coming to an end.

Neubauer – A couple of things I think we will need from LBG next November is what they foresee for the upcoming year of 2012 as far as budget wise what we are looking at.

Glatt – And do they see any areas as being close to shut down?

Schwindt -- We still have free-product over at Main and Collins so that is the stuff that goes through the Fire Station and continue soil venting as well so you kind of have to keep that going. Obviously, we had a little diesel coming through the drain system in the LEC through the high groundwaters this summer so to me that needs more polishing. I'm not sure there is anything that we can really isolate right now.

Neubauer – Maybe you shut down A, B, C, D, but you decommission it and take the stuff down in decommission area A in 2012 or 2013 so it is not all at once. So OK let's get rid of this stuff this year. Next year we get rid of this stuff; next year we get rid of--if that is possible.

Glatt – The way I see abandonment is the huts would go down and the pipe is also in the ground.

Schwindt – The one that comes to mind right now might be this area right here [city office] where the manifold is right outside of your office. It has been a long time since we have had any free product here. The other one might be where Library

Square II is at. We got rid of several wells in there when they built it and I don't think there has been any free product. I think there has been free product right on the south side of the LEC. Is that where it has been or is it over by Library Square II? There was one of those wells in there that occasionally had some free-product.

Helbling – You think with the groundwater fluctuating like it is now there should be a good test of what's left.

Schwindt – I think what I would like to see is after the level has come down what shows up, if anything.

Neubauer – Do we need to have a conversation with LBG face to face? Video conference? Or teleconference?

Glatt – Teleconference I think just to go over what they established as a system. Do they see potentially...closing down other areas? Do they see a benefit in closing small areas off? Where we are as a state is are we getting all this information that we need to stay in compliance with the Strategy so you are able to say, we are good to go.

Schwindt – So should we see if we can set up a conference call with them for the January meeting? That will give them a couple of months to look at their data. Would that make sense?

Neubauer – Do you want to talk to Radig? He knows the language to talk to them.

Glatt – January would be good.

Schwindt -- I don't see a rush to get it done in December.

Helbling – It's nice once in a while to get a face-to-face update and the commissioners appreciate that if it fits in. If it doesn't, it doesn't.

Neubauer -- Do you have a video conference in your office? We could have the meeting at the Department.

LEC. Schwindt-- I did check the LEC and it seems like the water going through the system is decreasing a little bit. The best that I could determine it's kind of in that 4,000 gallons a day range right now. I didn't notice any odor when I came into the building. Looking back at their notes, it has been several weeks since they had any kind of odor. I also noticed that both of the treatment barrels are disconnected so it is going directly into the city sewer. There wasn't anybody there that I could talk to about whether they have another barrel on order.

Neubauer -- Was it the last time they bought a cheaper filter?

Schwindt – They had a leak in that one. I don't know what the leak was and they had to modify the tops of the barrels to fit the piping so they were operating on one barrel a month ago and now that one is disconnected and the other one is just shut off. I don't know if Steve Himmelspach knows about that or not.

Neubauer – I'm sure he does.

Schwindt – Especially, now without any kind of treatment.

Helbling –How much product have they been getting out of there in the past?

Schwindt – It's not a product. What they have are some closed barrels with some carbon in them so the water goes through the carbon and we really don't know what's accumulating there.

Glatt – I don't know what the quality of water is so they may not need a whole lot of treatment. I don't know.

Schwindt – There is a leak in the piping system there. There is a drip and there is a bucket sitting underneath that drip. The water has a little discoloration, but I haven't really stuck my nose into it to give it a sniff test. It doesn't look bad.

Neubauer – You would think if it were going through the carbon filter, and there was clean water, why would you disconnect?

Schwindt – I would guess the pressure built up in the barrel. Sitting in the bucket it has a little faint discoloration. I'm sure you get some soil particles and rust going through there so eventually it just plugged up.

Glatt – Didn't the LEC say they would operate?

Schwindt agreed. It was up about 6,000 gallons a day that they were pumping out before so it is dropping some so the groundwater level must be coming down.

Glatt – Are there offices down there now?

Schwindt – I go down there typically before the meetings most of the lights are out. They have lights in the hallways, but I haven't noticed anybody down there. When I was in the room today, there was a guy that came in. He was not the maintenance guy but he was one of the deputies either from the city or county. A gentleman came in that I didn't recognize. We just talked a little bit. I did caulk up that crack in that one manifold.

Meeting. Tentative meeting scheduled for December 6, 2011 at 10:00 a.m.

Motion to Adjourn. Glatt moved to adjourn; second by Schwindt. All ayes.
Motion carried.