

**MINUTES OF THE SPECIAL MEETING
OF THE HOUSING AND REDEVELOPMENT
AUTHORITY OF AUSTIN, MINNESOTA**

May 20, 2002

A special meeting of the Housing and Redevelopment Authority was held on May 20, 2002, at 9:00 AM at the HRA Office. The meeting was called to order by Chairman Lang. Present were Commissioners Jorgenson and Nordin. Also present were Executive Director Mahan, Randall Sippel of Peer Environmental, Shawn Klauer President of Central Soil Remediation and Jane Everson-Volz attorney representing Central Soil Remediation.

RAILROAD YARD REDEVELOPMENT PROJECT – ENVIRONMENTAL CLEAN-UP BID AWARD.

The Board of Commissioners reviewed eight (8) bids received to remove contaminated soil from the HRA's Railroad Yard Redevelopment Project. The bids ranged from a high of \$747,500 to a low of \$364,925. The two lowest bids were only \$825 apart. The bids called for two options to remediate contamination: 1.) Thermal treating, simply burning off contamination by running the soil through a burning machine, or 2.) Have trucks haul the contaminated soil to an approved landfill site. The low bid from Carl Bolander and Sons Co. for hauling away the material was \$364,925. The next lowest bid was submitted by Central Soils Remediation (CSR), a thermal treating operator, in the amount of \$365,750.

Randall Sippel of Peer Environmental, the firm that put the bid documents together, explained the reasoning used to approach remediation in two ways: Thermal treating or truck hauling. He disclosed the required retention storm water pond posed an advantage for the truck hauling approach due to the cost savings of borrowing site fill to refill the hole created through excavation.

Ms. Jane Everson-Volz, attorney for Central Soils Remediation, presented a letter citing three major arguments why Central Soils should be the winner:

- 1.) Thermal treatment provides the least future liability to the City.
- 2.) Bolander did not attend the pre-bid meeting, hence they violated the conditions of the bid procedure and should not be considered a responsive bidder.
- 3.) Attorney Volz asserted an unscrupulous connection existed between Bolander and a sister company Special Waste Disposal in that "shenanigans" were performed on this bid between the two companies.

The letter also cited a lawsuit may be filed if the bid is awarded to Bolander. Both Executive Director Mahan and Randall Sippel of Peer Environmental questioned the level of risk in depositing contaminated soil at an MPCA approved landfill. Secondly, Director Mahan advised Bolander did visit the site on a previous bid to remove existing concrete slabs, trees, foundations and grade topsoil off the subject property. Finally, if CSR were to file a lawsuit, the HRA attorney would respond accordingly.

After considerable discussion it was moved by Commissioner Nordin and seconded by Commissioner Jorgenson to approve the low bid from Carl Bolander and Sons Co. in the amount of \$364,925 contingent upon the findings of the HRA attorney to determine the HRA's legal standing to proceed with the low bid. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

ADJOURNMENT: There being no further business it was moved by Commissioner Jorgenson and seconded by Commissioner Nordin to adjourn the meeting. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Richard Lang, Chairman

SEAL

Mickey Jorgenson, Secretary/Treasurer