

Minnehaha Creek Watershed District

REQUEST FOR BOARD ACTION

MEETING DATE: June 28, 2018

TITLE: Authorization to execute a contract with Wenck Response Services for final removals of refrigeration equipment and contaminants at 325 Blake Road

RES. NUMBER: 18-059

PREPARED BY: Michael Hayman

E-MAIL: mhayman@minnehahacreek.org **TELEPHONE:** 952-471-8226

REVIEWED BY: Administrator Counsel Program Mgr.
 Board Committee Engineer Other

WORKSHOP ACTION:

<input type="checkbox"/> Advance to Board mtg. Consent Agenda.	<input type="checkbox"/> Advance to Board meeting for discussion prior to action.
<input type="checkbox"/> Refer to a future workshop (date):_____	<input type="checkbox"/> Refer to taskforce or committee (date):_____
<input type="checkbox"/> Return to staff for additional work.	<input type="checkbox"/> No further action requested.
<input checked="" type="checkbox"/> Other: Requesting approval at June 28, 2018 Board Meeting	

PURPOSE or ACTION REQUESTED:

Authorization to execute a contract with Wenck Response Services, a subsidiary of Wenck Associates, to finalize decommission of the refrigeration system at 325 Blake Road and conduct floor cleaning throughout select areas of the facility to finalize preparations for demolition and asbestos abatement.

The contract with Wenck Response Services includes two phases of work, detailed in two separate proposals:

1. Glycol removal and system disposal
2. Facility floor cleaning to remove heavy metal contaminates and mercury

The work will be conducted under one contract in order to complete the final phase of refrigeration decommission and cleaning in a timely and efficient manner.

PROJECT/PROGRAM LOCATION:

325 Blake Road North, Hopkins

PROJECT TIMELINE:

- March 2018 – Initiate pre-demolition planning
- April-May 2018 – Conduct decommissioning services including removal of refrigeration systems
- April-May 2018 – Develop final plans and specifications for demolition and abatement of facility
- June-July 2018 – Conduct final removals and floor cleaning
- July 2018 – Release bid package, conduct site tours and award contract
- August-December 2018 – Demolition and abatement of 325 Blake Road facility

PROJECT/PROGRAM COST:

Fund name and number: 325 Blake Road Stormwater Management, 3145

Current fund balance: approximately \$2,500,000.00

Requested amount of funding: \$56,454

Is a budget amendment requested? No

Is additional staff requested? No

PAST BOARD ACTIONS:

September 22, 2011	RBA 11-085	Authorization to Purchase 325 Blake Road
August 23, 2012	RBA 12-080	Authorization to initiate feasibility
June 13, 2013	Draft Feasibility	No Action Required
June 27, 2013	Public Hearing	No Action Required
July 25, 2013	RBA 13-078	Ordering of 325 Blake Road Stormwater Management
January 23, 2014	RBA 14-005	Authorization to initiate demolition planning
January 29, 2015	RBA 15-010	Authorization to complete additional asbestos investigation
May 25, 2017	RBA 17-037	Authorization to apply for Brownfield Gap Financing
July 27, 2017	RBA 17-044	Authorization to contract for environmental investigation
October 12, 2017	RBA 17-062	Authorization to apply for funding assistance for 325 Blake
March 22, 2018	RBA 18-026	Authorization to decommission and remove equipment
March 22, 2018	RBA 18-027	Authorization to contract for demolition services

*Board actions listed in this RBA relate to acquisition, project ordering and demolition planning. Additional Board actions are cataloged and available for review.

SUMMARY:

The Minnehaha Creek Watershed District (MCWD) owns the property at 325 Blake Road in Hopkins and, consistent with its goals set forth upon purchase of the property, is progressing plans for regional stormwater management, stream and riparian improvements, greenway expansion, and site redevelopment.

The refrigeration system within the building must be decommissioned and removed prior to demolition activities commencing. As part of this work, in March 2018, the MCWD entered into an agreement with Wenck Associates – Wenck Response Services (WRS) for decommission and removal of the refrigeration equipment and associated hazardous materials at 325 Blake Road. This work consisted of four steps; 1) removal and disposal of the brine solution from the refrigeration system, 2) removal and disposal of the brine distribution system (piping), 3) removal and disposal of mercury, and removal of the distribution system (piping) from the ammonia refrigeration system, and 4) transport and disposal of the hazardous and non-hazardous pipe material.

Since April 2018, WRS has been conducting decommission work in accordance with the approved scope of work for each element of the project. Through that process, WRS was able to reduce costs to the MCWD through two avenues. First, WRS was able to secure a recycling contract with a local facility that was interested in accepting all of the aluminum cooling “fins” from the brine pipe system throughout the building. This resulted in savings of approximately \$35,000. Secondly, upon removal of all mercury from the ammonia system, testing of the pipe material during removal indicated lower quantities of hazardous material for disposal than previously projected. The decrease in hazardous waste resulted in a \$16,000 reduction in disposal costs.

The ongoing work at the facility also revealed two final elements for consideration in order to complete full decommission of the facility to a level that is acceptable for demolition and reuse. First, a small glycol distribution system was discovered during decommission of the brine system. Removal of the glycol system (attachment 1) consists of removal and disposal of the glycol solution and removal of the distribution system. The cost of this work is \$12,454.

Secondly, during facility security checks throughout the course of the last two months, water intrusion was discovered in various locations throughout the facility. Testing of the pooled water in various locations indicated levels of heavy metal and mercury above reporting limits. It is believed that the water intrusion was generated from the cooling systems after the facility was defrosted, likely via small leaks. The pooling water was dried during the decommission process, but the remaining concrete contains the presence of heavy metals and mercury above reporting limits.

To facilitate a decision on best course of action, staff requested budgetary estimates from WRS for removal and disposal of the concrete during demolition (as hazardous material) versus the cost to clean the floor and create the opportunity to stockpile and reuse the material as part of the projected redevelopment. The estimate for transportation and hazardous disposal of the concrete floor is approximately \$234,780. Conversely, cleaning the floor to a level that is acceptable for reuse on the site costs \$44,000 (attachment 2).

During recent redevelopment planning meetings, staff discussed reuse of the concrete material with Kraus-Anderson. If the concrete is cleaned to acceptable residential value, which the proposed cleaning will accomplish, Kraus-Anderson would like to reuse the material onsite. By cleaning the floors, the MCWD is positioned to save substantial funds by avoiding transportation and disposal of the concrete floor as hazardous material during demolition.

The proposed work has elements of professional services. Governance policy #6: Executive Limitations states that the Administrator may not purchase any professional service in excess of \$25,000 without competitive process. Staff has not obtained competitive quotes for this work under the rationale that in addition to its specialized knowledge as to the management and disposal of the hazardous and regulated material, Wenck Associates – Wenck Response Services is uniquely qualified for this project based on its history of work for the MCWD on this project, and its knowledge of the 325 Blake Road property and the refrigeration system within it. In addition, there is an urgency to address the condition so that any hazardous substance risks are removed, the site is restored to accessibility, and the timeline for demolition is maintained. For these reasons, the Administrator recommends that the Board proceed without a competitive selection process.

Staff is recommending the MCWD Board of Managers authorize the administrator to enter into an agreement with Wenck Associates – Wenck Response Services for the removal of final refrigeration equipment and associated hazardous materials (floor cleaning) at 325 Blake Road. To further assist the Board in its deliberation, staff will provide a brief presentation at the forthcoming meeting on June 28, 2018.

Attachments:

Two proposals from Wenck Response Services

- Glycol System Draining and Disposal
- Facility Floor Cleaning for 325 Blake Road

RESOLUTION

RESOLUTION NUMBER: 18-059

TITLE: Authorization to execute a contract with Wenck Response Services for final removals of refrigeration equipment and contaminants at 325 Blake Road

WHEREAS, the MCWD established the area between West 34th Street and Meadowbrook Lake as a priority area for capital project improvements aimed at stormwater improvement, streambank restoration and broader community goals;

WHEREAS, the MCWD Board of Managers has developed a series of strategic capital project initiatives within the urban corridor to advance goals of improving the ecological integrity of Minnehaha Creek, while reintegrating the stream corridor into the surrounding urban fabric;

WHEREAS, in 2011 the MCWD acquired the 325 Blake Road property for water resource purposes including stream restoration, regional stormwater management, and corridor habitat and passive recreation improvements, and for the opportunity to integrate these purposes with the public purposes of other bodies;

WHEREAS, the MCWD has moved forward in planning and construction of regional stormwater infrastructure, Minnehaha Creek Greenway expansion planning, site facility decommissioning and demolition, environmental remediation and preliminary redevelopment;

WHEREAS, on March 22, 2018 the Board of Managers authorized a contract with Wenck Response Services for the decommission and removal of refrigeration equipment at 325 Blake Road; and

WHEREAS, Wenck Response Services, through the decommission process, discovered a glycol distribution system and contaminants in various locations on the floor due to water intrusion from the former equipment; and

WHEREAS, Wenck Response Services has advised the MCWD of the appropriate steps and protocols to remove and dispose of remaining refrigeration equipment and associated hazardous materials in accordance with legal and safety requirements, and has the professional expertise to perform this work;

WHEREAS; while the proposed work includes a component of professional services for which MCWD governance policy stipulates competitive selection, in addition to its specialized knowledge as to the management and disposal of the hazardous and regulated material, Wenck Associates is uniquely qualified for this project based on its history of work for the MCWD on this project, and its knowledge of the 325 Blake Road property and the refrigeration system within it, and further there is timing urgency to address the outstanding site condition and to prepare the facility for demolition.

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby authorizes the District Administrator, on advice of counsel, to execute a contract with Wenck Response Services for final removal of equipment and floor cleaning at 325 Blake Road for an amount of \$56,454;

Resolution Number 18-059 was moved by Manager _____, seconded by Manager _____.
Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: _____.

Secretary Date: _____



April 23, 2018

Minnehaha Creek Watershed District

c/o Michael Hayman
Planner and Project Manager
15320 Minnetonka Boulevard
Minnetonka, MN 55345

Re: Proposal, Former Cold Storage Facility, Glycol System Draining and Disposal, 325 Blake Road, Hopkins, MN

Dear Mr. Hayman:

Wenck Associates, Inc. (Wenck) is pleased to provide a scope of work and cost estimate to Minnehaha Creek Watershed District to assist with the decommissioning of the Cold Storage Facility located at 325 Blake Road North, Hopkins, MN.

Project Understanding

We understand you are requesting our assistance in the decommissioning of the former Deli Express Cold Storage Facility located at the address above. This phase of the project includes the draining and disposal of the glycol distribution system at this facility.

SCOPE OF WORK

Wenck is responsible to perform this Scope of Work in compliance with all applicable state, federal, and legal requirements and industry standards. Wenck will complete this Scope of Work in accordance with its health and safety standards.

Our Scope of Work will consist of the following:

- Provide all labor, materials, equipment and tools necessary to drain glycol from the glycol piping at the facility.
- Transport glycol to a disposal facility.
- Dispose of the glycol. Disposal will take place at an approved facility.
- Document this Scope of Work in a report to include: timeline and summary of events, photographic documentation, and disposal documentation.

SCHEDULE

We anticipate we can complete the project in 3 working days. The proposed schedule assumes that we will have full access to the entire facility and the facility will be otherwise un-occupied.

COST ESTIMATE

We will complete the above Scope of Work for a lump sum project cost of **\$12,454.00**. The table below provides a breakdown of our fees and expenses:

Item	# of Units	Unit Cost	Totals
Technicians (3)	72 (hours)	\$90.00	\$6,480
Materials (expendables)	1	\$514	\$514
Equipment and Tools	1	\$960	\$960
Disposal	1	\$4,500	\$4,500
Total			\$12,454

On behalf of the 270+ employee-owners of Wenck, thank you for this opportunity to work with Minnehaha Creek Watershed District. If you have questions or need additional information regarding the information provided in this proposal, please do not hesitate to contact me at (612) 258-4130 or switherspoon@wenck.com.

Sincerely,

Shawn Witherspoon
Wenck Response Services, Inc.



May 14, 2018

Minnehaha Creek Watershed District

c/o Michael Hayman
Planner and Project Manager
15320 Minnetonka Boulevard
Minnetonka, MN 55345

Re: Proposal, Former Cold Storage Facility, Facility Floor Cleaning, 325 Blake Road, Hopkins, MN

Dear Mr. Hayman:

Wenck Associates, Inc. (Wenck) is pleased to provide a scope of work and cost estimate to Minnehaha Creek Watershed District to assist with the decommissioning of the Cold Storage Facility located at 325 Blake Road North, Hopkins, MN.

Project Understanding

We understand you are requesting our assistance in the decommissioning of the former Deli Express Cold Storage Facility located at the address above. This phase of the project includes the cleaning of the floors in this facility. During our security checks of the facility, significant water intrusion was observed. Samples of the water were submitted for laboratory analysis which revealed presence of RCRA 7 metals and mercury above reporting limits.

SCOPE OF WORK

Wenck is responsible to perform this Scope of Work in compliance with all applicable state, federal, and legal requirements and industry standards. Wenck will complete this Scope of Work in accordance with its health and safety standards.

Our Scope of Work will consist of the following:

- Provide all labor, materials, equipment and tools necessary to wash the floors at the facility.
- Power sweep floors to remove loose debris and loose materials
- Hot-water power-wash floors
- Collect all wash water
- Dispose of the wash water. Disposal will take place at an approved facility.
- Document this Scope of Work in a report to include: timeline and summary of events, photographic documentation, and disposal documentation.

Areas to be cleaned are shaded on the attached Figure.

SCHEDULE

We anticipate we can complete the project in 8 working days. The proposed schedule assumes that we will have full access to the entire facility and the facility will be otherwise un-occupied.

COST ESTIMATE

We will complete the above Scope of Work for a lump sum project cost of **\$44,000.00**. The table below provides a breakdown of our fees and expenses:

Item	# of Units	Unit Cost	Totals
Technicians (3)	280 (hours)	\$90.00	\$25,200
Materials, Equipment, Tools	1	\$17,600	\$17,600
Disposal	1	\$1,200	\$1,200
Total			\$44,000

On behalf of the 270+ employee-owners of Wenck, thank you for this opportunity to work with Minnehaha Creek Watershed District. If you have questions or need additional information regarding the information provided in this proposal, please do not hesitate to contact me at (612) 258-4130 or switherspoon@wenck.com.

Sincerely,

Shawn Witherspoon
Wenck Response Services, Inc.