



## Request for City Council Committee Action From the Department of Public Works

**Date:** August 12, 2003  
**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee  
**Referral to:** Honorable Barb Johnson, Chair Ways & Means Committee

**Subject:** Acceptance of a \$300,000 grant from the State of Minnesota's Department of Trade and Economic Development (DTED) to be used to reimburse the Walker Arts Center for expenses incurred while performing cleanup of contaminated soil at the parking ramp site.

### Recommendation:

1. Accept \$300,000 grant from the State of Minnesota's Department of Trade and Economic Development, state grant #CCGP-03-0003-Z-FY03.
2. Amend the 2003 Capital Budget Appropriation Resolution by increasing the PW - Transportation Capital Agency in the State Grants Fund (0600-943-9480) to reimburse Walker for cleanup costs and increasing the Public Works Transportation Agencies revenue in the State Grant Fund (0600-943-9480-3215) by \$300,000 to be reimbursed by the State of Mn's Dept of Trade and Economic Development.

**Previous Directives:** April 8, 2003 MCDA recommendation to apply to the Minnesota Department of Trade and Economic Development contamination Cleanup Grant Program for environmental remediation.

**Prepared by:** Michael W. Sachi, Parking and Skyway Systems Engineer, 673-2159

**Approved by:**

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Klara A. Fabry, P. E., City Engineer, Director of Public Works

**Presenters:** Michael W. Sachi, Parking and Skyway Systems Engineer

### Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

**Background/Supporting Information:**

A grant of \$300,000 has been awarded to the City of Minneapolis from the State of Minnesota acting through the Department of Trade and Economic Development. This grant shall be used to reimburse The Walker Art Center for contaminated soil cleanup, which has taken place on the work site of the City's Municipal Parking Ramp.

Pollution from leaking underground fuel tanks at the Walker Art Center Ramp construction site was found to be more extensive than originally anticipated. The initial soil contamination cleanup budget was \$50,000. The total cost of the cleanup was \$1,092,000, which has been absorbed by the Walker Arts Center. No funds in either the public or private budget were programmed for the cost. The greater than anticipated cleanup cost is due to the unique site soil and groundwater situation and the severe downward slope of the site towards the north. Thus the contamination has moved further and is at the level of the occupied basements of the Walker and Guthrie facilities. The cleanup involved the removal of Diesel Range Organics (DRO) which infiltrated the soil to the depth of 13 to 17 feet below grade. Most of the soil was excavated and hauled to an approved thermal treatment facility in Elk River. Every attempt was made to re-use the soil at the sight, in accordance with MPCA Guidelines. No determination has been made at this time regarding seeking remediation funding from prior property owners.

The development agreement between the City and the Walker Art Center allows for the city to apply for grants on behalf of the Walker for this project. Appropriate applications have been made and now the grant has been awarded. The City's actual costs will not be increased or decreased because of this grant.

Attachment: Grant Award Letter  
cc: Grants & Special Projects