



Alabama Department of Environmental Management  
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February 26, 2018

MEMORANDUM

TO: Alabama Tank Trust Fund Response Action Contractors

FROM: Dorothy Malaier, Chief   
UST Corrective Action State and Federal Funds Section

RE: **Revised Maximum Allowable Labor Rates**  
Alabama Underground and Aboveground Storage Tank Trust Fund  
Effective Date – March 1, 2018

The Trust Fund Management Board has approved new maximum allowable labor rates for work performed on or after March 1, 2018 at Tank Trust Fund eligible sites. These rates can be used for approved eligible release incident labor activities performed on or after March 1, 2018 and will be utilized in the Trust Fund Unit Rates. The maximum rates are not required for use if a firm's rates are lower than these maximum allowable rates.

The maximum allowable labor rates for work performed on or after March 1, 2018 are as follows:

LABOR CATEGORY	HOURLY RATE
Alabama Licensed Professional Geologist	\$120
Alabama Registered Professional Engineer	\$120
Project Manager	\$104
Staff Geologist	\$ 87
Staff Engineer	\$ 87
Staff Scientist	\$ 81
Technician	\$ 63
Draftsperson	\$ 63
Administrative Assistant	\$ 51



Since the cost proposals which have already been prepared or will soon be prepared are in various stages of preparation and implementation, please note the following guidelines which discuss various scenarios regarding cost proposal/payment request issues.

Cost Proposals to Be Submitted to ADEM:

Effective immediately, Trust Fund Contractors may begin using the revised labor rates for preparing cost proposals for labor to be performed on or after March 1, 2018.

Cost Proposals Submitted to ADEM but not yet approved by ADEM:

For cost proposals already received by the Department and not yet approved, the labor rates will be modified by the UST Corrective Action Section staff to afford the Tank Trust Fund Contractor the opportunity to utilize the revised rates when work is performed on or after March 1, 2018.

Previously approved cost proposals for a scope of work that includes work performed both before March 1, 2018 and after March 1, 2018 (such as O&M CPs that cover from Jan 1 through March 31)

For situations where a cost proposal was approved for a time period that will include the charging of labor hours before March 1, 2018 and after March 1, 2018, the associated payment request should include the previous rates, not the new revised rates. The next O&M period that provides for all work to be performed after March 1, 2018 can utilize the revised rates.

Previously approved cost proposals that will include labor charges on or after March 1, 2018 where the associated payment request has not yet been submitted:

For those cost proposals previously approved that will be implemented on or after March 1, 2018, the revised rates can be utilized and can be included in a future associated payment request.

The use of these revised rates may cause the payment request to exceed the previously approved cost proposal amount. Where an exceedance is due solely to the use of the higher rates, an addendum will not be necessary to be submitted.

The Department has developed new draft Unit Rate Cost Proposal and Payment Request Forms. These form are available on the Department's website under the UST Program information section.