



Alabama Department of Environmental Management
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1400 Coliseum Blvd. 36110-2400 ■ Post Office Box 301463
Montgomery, Alabama 36130-1463
(334) 271-7700 ■ FAX (334) 271-7950

December 6, 2012

MEMORANDUM

TO: Alabama Tank Trust Fund Response Action Contractors

FROM: Dorothy Malaier, Chief *DM*
UST Corrective Action Section

RE: **Revised Maximum Allowable Labor Rates**
Alabama Underground and Aboveground Storage Tank Trust Fund
Effective Date – January 1, 2013

The Department has developed revised maximum allowable labor rates for work performed on or after January 1, 2013 at Tank Trust Fund eligible sites. These rates can be used for approved eligible release incident labor activities performed on or after January 1, 2013 and will be utilized in the new Trust Fund Unit Rate program beginning in early 2013. 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 January 1, 2013 are as follows:

LABOR CATEGORY	HOURLY RATE
Alabama Licensed Professional Geologist	\$115
Alabama Registered Professional Engineer	\$115
Project Manager	\$ 99
Staff Geologist	\$ 83
Staff Engineer	\$ 83
Staff Scientist	\$ 77
Technician	\$ 60
Draftsperson	\$ 60
Administrative Assistant	\$ 49



Since the cost proposals which have already been prepared or will soon be prepared are in various stages of execution and preparation, please note the following guidance which discusses 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 January 1, 2013.

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 January 1, 2013.

Previously approved cost proposals that will include labor charges on or after January 1, 2013, where the associated payment request has not yet been submitted:

For those cost proposals previously approved that will be implemented on or after January 1, 2013, 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 is currently updating the Reasonable Rate Schedule to reflect the revised maximum labor rates as well as other allowable rates. The revised document should be available in the upcoming weeks.

The Unit Rate procedures will begin to be utilized in early 2013, following the January 16th and 17th Unit Rate Workshops. Written guidance regarding those new procedures will be available in the upcoming months.