



Alabama Department of Environmental Management
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June 14, 2022

MEMORANDUM

TO: Alabama Tank Trust Fund Response Action Contractors

FROM: Dorothy Malaier, Chief *D S M*
UST Corrective Action State and Federal Funds Section

John Dean, Chief *J D*
UST Corrective Action State Funds Section

RE: **Revised Maximum Allowable Labor Rates & Equipment Rates**
Alabama Underground and Aboveground Storage Tank Trust Fund
Effective Date – July 1, 2022

The Department has established new maximum allowable labor rates and equipment rates for work performed on or after July 1, 2022 at Tank Trust Fund eligible sites. These rates can be used for approved eligible release incident labor activities performed on or after July 1, 2022 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.

Labor Rates: Effective July 1, 2022

The maximum allowable labor rates for work performed on or after July 1, 2022 are as follows:

LABOR CATEGORY	HOURLY RATE
Alabama Licensed Professional Geologist	\$132
Alabama Registered Professional Engineer	\$132
Project Manager	\$115
Staff Geologist	\$ 96
Staff Engineer	\$ 96
Staff Scientist	\$ 90
Technician	\$ 70
Draftsperson	\$ 70
Administrative Assistant/Clerical	\$ 57



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 July 1, 2022.

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 July 1, 2022.

Previously approved cost proposals for a scope of work that includes work performed both before July 1, 2022 and after July 1, 2022 (such as O&M CPs that cover from May 1, 2022 through July 31, 2022)

For situations where a cost proposal was approved for a time period that will include the charging of labor hours before July 1, 2022 and after July 1 2022, 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 July 1 2022 can utilize the revised rates.

Previously approved cost proposals that will include labor charges on or after July 1, 2022 where the associated payment request has not yet been submitted:

For those cost proposals previously approved that will be implemented on or after July 1, 2022, 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.

Equipment Rates: Effective July 1, 2022

The maximum allowable rate for equipment will also be increased effective July 1, 2022. The new maximum allowable equipment rates will be included on the new draft revised forms.

Drum Cost: Effectively immediately

When drums are utilized on the site for storing soil or liquids necessary in the performance of site activities, the Department will allow an increase in the reimbursable rate to \$75/drum. If a contractor or consultant cannot purchase necessary drums at this rate, then 2-3 quotes may be provided to document current prices for drums.

Revised Unit Rate Cost Proposal and Payment Request Forms:

The Department will develop new draft Unit Rate Cost Proposal and Payment Request Forms to reflect the changes included in this memorandum. These forms will be available on the Department's website under the UST Program, Tank Trust Fund information section in mid-June 2022.