Alabama Department of Environmental Management

# ALABAMA UNDERGROUND AND ABOVEGROUND STORAGE TANK TRUST FUND

## REIMBURSEMENT AND REASONABLE RATE GUIDANCE

October 2026

# ALABAMA UNDERGROUND AND ABOVEGROUND STORAGE TANK TRUST FUND REIMBURSEMENT AND REASONABLE RATE GUIDANCE

## EFFECTIVE October 1, 2026

### SUMMARY

The Alabama Underground and Aboveground Storage Tank Trust Fund Reimbursement and Reasonable Rate Guidance document has been prepared to provide tank owners/operators and approved Alabama Tank Trust Fund Response Action Contractors information regarding the procedures for receiving reimbursement for eligible investigative and corrective action site activities and to provide reasonable allowable rates for typical activities performed at Underground Storage Tank (UST) and Aboveground Storage Tank (AST) sites that are determined to be Trust Fund eligible. Cost proposal and payment request forms have been developed and should be used to obtain pre-approval for funding and for documentation of site expenditures. The most recent version of the forms is available upon request from UST Corrective Action Staff. The latest version of the forms should be utilized and may be a draft version. These forms are required to be used to obtain pre-approval of site expenditures and to document eligible expenditures at release incident sites determined to be eligible for participation in the Alabama Underground and Aboveground Storage Tank Trust Fund (ATTF).

This guidance provides general information about the Tank Trust Fund and specifically includes a description of various investigative and corrective action activity scenarios and the maximum allowable rates established for the various scenarios and units of work commonly performed at UST and AST release sites. Activities not listed or those activities referenced as site specific rates in this guidance will be evaluated on a case-by-case basis. Cost proposal approval and reimbursement will be based on reasonable rates charged for those types of activities as determined by the Department.

The maximum allowable unit rates have been established based on a review of ATTF payment requests received, surveys conducted by the Department of laboratories, contractors and consulting firms and comparisons to other state underground storage tank program reasonable rates. For some activities, Tank Trust Fund Response Action Contractors and/or the subcontractor firms (laboratories, drillers, etc.) may be able to charge lower rates than those listed on the attached pages. In this situation, the Tank Trust Fund Contractor and subcontractors should only charge the actual cost of conducting that activity. Tank Trust Fund activities should not be charged at a higher rate than would typically be charged at a non-Trust Fund eligible site. The Department will only reimburse actual expenses and proper documentation must be submitted with the payment request in order to receive reimbursement.

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## APPLICABILITY

This Reasonable Rate Guidance applies to the current version of the Unit Rate Cost Proposals and Payment Requests submitted by the tank owner/operator and Tank Trust Fund Response Action Contractors This guidance serves to support requirements as stated in the Code of Alabama, Title 22, Chapter 35, Alabama Underground and Aboveground Storage Tank Trust Fund Statute, and the Alabama Department of Environmental Management, Water Division, Water Quality Program Volume II, Chapter 335-6 -16 regulations..

This guidance is meant for individuals with existing technical expertise and skill in the area of hydrogeological investigations, emergency response, risk assessments, and remediation. Certain submissions required by ADEM involve the practice of engineering and /or land surveying, as those terms are defined in Code of Alabama 1975, as amended § 34-11-1 to 34-11-37; and/or the practice of geology, as that term is defined in Code of Alabama 1975, as amended § 34- 41-1 to 34-41-24. It is the responsibility of any person preparing or submitting such information to ensure compliance with these laws and any regulations promulgated thereunder, as may be required by the State Board of Registration for Professional Engineers and Land Surveyors and/or the Alabama Board of Licensure for Professional Geologists. All submissions, or parts thereof, which are required by State law to be prepared by a licensed engineer, land surveyor, or geologist, must include the engineer's, land surveyor's, and/or geologist's signature and/or seal(s), as required by the applicable licensure laws of the State of Alabama. (Excerpt from ADEM Alabama Environmental Investigation and Remediation Guidance, Revised February 2017).

This guidance is intended to address procedures for receiving pre-approval and reimbursement for investigation, assessment, and remediation of sites and to address the interim replacement and permanent restoration of potable water supplies. This guidance does not address issues involving payments to third parties who bring suit relative to an UST or AST release. Information regarding third party coverage is found in the Code of Alabama, Title 22, Chapter 35, Alabama Underground and Aboveground Storage Tank Trust Fund, and the Alabama Department of Environmental Management, Water Division, Water Quality Program Volume II, Chapter 335-6 -16 regulations.

## DEFINITIONS, PERSONNEL CATEGORIES AND ACRONYMS

### Definitions

For the purposes of this guidance only, the following definitions apply:

| | |
|---|---|
| Adder | An additional amount that is added to an established unit or scenario to reflect a greater amount of the particular item than defined in the original unit or scenario. |

| | |
|---|---|
| Commission | The Alabama Environmental Management Commission |
| Deductible | The amount of financial responsibility that must be expended as approved costs by the owner/operator prior to any reimbursement of eligible expenses. UST releases require a $5,000 deductible. AST releases require a $10,000 deductible. |
| Director | The Director of the Alabama Department of Environmental Management |
| Motor fuel | All grades of gasoline including gasohol or any gasoline blend, any components used in any gasoline blend, ethanol, number 1 diesel, number 2 diesel, or any diesel blend, biodiesel, kerosene, and all aviation fuels. |
| Proof of payment | The acceptable evidence that the invoices included in the reimbursement application have been paid. The acceptable methods include copies of canceled checks or notarized statements signed by Response Action Contractor stating they have received payment. |
| Reasonable cost | The monetary amount or range, as determined by the Department, which is commensurate with a response action, where the Department's determination is based on an evaluation of typical costs expected for the particular response action under review, with respect to the activities' scope and complexity. |
| Weekly Rental | Rental equipment is often rented on a weekly basis. A week is defined as three (3) to seven (7) consecutive days. |

## Personnel Category Descriptions

The following personnel categories are provided to define the level of expertise and experience that allows for a person to be billed at the described Tank Trust Fund maximum allowable labor rates. These definitions are only intended to apply to this guidance.

PG - An Alabama Licensed Professional Geologist

PE - An Alabama Registered Professional Engineer

Project Manager - A full-time employee of the Approved Response Action Contractor who has the experience and expertise to oversee the required site activities and manages the costs and activities for that scope of work. There is typically only one project manager for each scope of work. This person usually has a college degree and typically has a minimum of 5 years of full-time experience in investigation, remedial planning or the design phase of environmental project management. This person should have a BA, BS or postgraduate degree in engineering, geology, or other appropriate field of science. This person should also have supervisory and project management experience.

Staff Engineer - A person who graduated from an accredited college or university with a degree in engineering and is experienced in performing investigation and remedial actions at motor fuel sites. This person works directly under the direction of the firm's Alabama Registered Professional Engineer in accordance with applicable State of Alabama laws and regulations.

Staff Geologist - A person who graduated from an accredited college or university with a degree in geology and is experienced in performing investigative and remedial actions at motor fuel sites. This person works directly under the direction of the firm's Alabama Licensed Professional Geologist in accordance with applicable State of Alabama laws and regulations.

Staff Scientist - A person who graduated from an accredited college or university with a degree in geology, engineering, environmental science, chemistry, biology or other related field and is experienced in performing investigation and remedial actions at motor fuel sites.

Draftsman - An employee of the Approved Response Action Contractor who prepares tables, maps, drawings, etc. for the required plans/reports.

Technician - An employee who carries out technical field related activities, such as sampling and maintaining remediation equipment. A technician typically receives direction from the project manager, PE or PG, staff engineer or geologist to perform their duties.

Clerical - An employee of the Approved Response Action Contractor who types documents, files documents and performs general clerical related activities under the supervision of the project manager or PE/PG.

## Acronyms or Abbreviations

The following acronyms or abbreviations are intended for use in this document only.

| | |
|---|---|
| ADEM | Alabama Department of Environmental Management |
| ALDOT | Alabama Department of Transportation |
| ALT | Alternate |
| ARBCA | Alabama Risk-Based Corrective Action |
| AS | Air Sparge |
| AST | Aboveground Storage Tank |
| ASTM | American Society of Testing and Materials |
| ATTF | Alabama Tank Trust Fund |
| ATV | All-terrain vehicle |
| Biox | Biological amendment |
| BTEX | Benzene, toluene, ethylbenzene, and total xylenes |
| CA | Corrective Action |
| CAP | Corrective Action Plan |
| CD | Compact disc |
| CFR | Code of Federal Regulations |
| Chemox | Chemical oxidation |
| COC | Chemical of Concern |
| CP | Cost Proposal |
| DEMOB | Demobilization |
| DMR | Discharge Monitoring Report |
| Doc | Document |
| DPVE | Dual Phase Vapor Extraction |
| EDB | Ethylene dibromide |
| EDC | 1,2 Dichloroethane |
| EMA | Emergency management agency |
| EW | Extraction Well |
| FID | Flame ionization detector |
| FOM | Fractional organic matter |
| FP | Free product |
| FPR | Free product recovery |
| FT | Feet |
| GW | Ground Water |
| GWM | Groundwater Monitoring |
| HR | Hour |
| HSA | Hollow stem auger |
| ID | Internal diameter |
| IDW | Investigation derived waste |
| IRS | Internal Revenue Service |
| ISCO | In-situ chemical oxidation |
| Kw | Kilowatt |
| LTR | Letter |

| | |
|---|---|
| MCL | Maximum contaminant level |
| MEME | Mobile enhanced multi-phase extraction |
| MOB | Mobilization |
| MtBE | Methyl tertiary butyl ether |
| MW | Monitoring well |
| NAPH | Naphthalene |
| NAMR | Natural Attenuation Monitoring Report |
| NOR | Notification of Requirement to Conduct Investigative and Corrective Actions |
| NPDES | National Pollutant Discharge Elimination System |
| O&M | Operation and Maintenance |
| ORP | Oxidation Reduction Potential |
| OSHA | Occupational Safety and Health Administration |
| P&T | Pump and Treat |
| PAH | Polycyclic Aromatic Hydrocarbon |
| PE | Professional Engineer licensed in Alabama |
| PG | Professional Geologist licensed in Alabama |
| PID | Photoionization detector |
| PPM | Parts per million |
| PR | Payment Request |
| PVC | Polyvinyl chloride |
| QA/QC | Quality assurance and quality control |
| Req | Required |
| RM | Risk Management |
| RNA | Remediation by natural attenuation |
| RPT | Report |
| RW | Recovery well |
| SEMR | System effectiveness monitoring report |
| SOW | Scope of work |
| SPCC | Spill Prevention, Control and Countermeasure |
| SVE | Soil vapor extraction |
| TCLP | Toxicity Characteristic Leaching Potential |
| TPH | Total petroleum hydrocarbons |
| UIC | Underground Injection Control |
| UST | Underground storage tank |
| VOC | Volatile Organic Compound |
| YD | Yard |

# GENERAL GUIDANCE

The following information is a general overview of key components of the Alabama Tank Trust Fund program. Owner/operator participation in the Tank Trust Fund is voluntary. An owner/operator may elect to use another financial responsibility mechanism to meet the financial responsibility requirements for ADEM Admin. Code r. 335-6-15-.43

## Eligibility of Releases

The Alabama Tank Trust Fund provides financial coverage for motor fuel releases from aboveground and underground storage tank systems that are determined to be eligible for participation in the Trust Fund. Tank owners/operators are notified of eligibility by the Department after the proper reporting of a release. If the Department determines that a release of motor fuels may pose a threat to the environment or the public health, safety or welfare, the Department may require additional assessment and/or remediation activities to occur through the issuance of a "Notification of Requirement to Conduct Investigative and Corrective Action" (NOR) letter. An owner/operator does not have to file an application to receive eligibility. However, an owner/operator may be asked by the Department to provide information about the tank system operations to determine substantial compliance and verify eligibility of the release to participate in the Trust Fund. Typically, a letter of eligibility or ineligibility is issued with the NOR letter.

The Department assigns a unique release incident number to the release when additional site activities are required. This release incident number should be on all documents submitted to the Department to facilitate proper handling and review of the documents.

Eligible owner/operators are entitled to reimbursement of reasonable costs from the Tank Trust Fund resulting from the release of motor fuels from an UST only for releases that were discovered and subsequently reported after September 30, 1988. Eligible owners or operators are entitled to reimbursement of reasonable costs from the Tank Trust Fund resulting from the release of motor fuels from an AST only for releases that were discovered and subsequently reported on or after August 1, 1993.

## Tank Trust Fund Eligibility Requirements for Underground Storage Tanks

To participate in the Tank Trust Fund, every owner or operator of an UST containing motor fuel is required to establish and maintain Trust Fund eligibility in accordance with the following requirements as stated in ADEM Admin Code r. 335-6-16-.04:

a) Registration of the tank(s) with the Department.
b) Annual payment of Trust Fund and Underground Storage Tank Regulatory Fees for each UST until such time as permanent closure requirements of Chapter 335-6-15 of the ADEM Administrative Code are satisfied, if any. The Trust Fund Fee is currently

set at $0 at this time. You may check ADEM Admin. Code r. 335-6-16-.07(5) to determine if any changes to this amount have been made.

c) The owner or operator remains in substantial compliance for each UST.
d) Every owner or operator of an UST is required to maintain financial responsibility in the amount of $5,000 per occurrence ($25,000) aggregate or another amount if required by the Commission, by any one or combination of the following: insurance, guarantee, surety bond, letter of credit or qualification as a self-insurer by demonstration of a tangible net worth in the amount of $25,000.

## Tank Trust Fund Eligibility Requirements for Aboveground Storage Tanks

To participate in the Tank Trust Fund, every owner or operator of an AST containing motor fuel is required to establish and maintain Trust Fund eligibility in accordance with the following requirements as stated in ADEM Admin Code r. 335-6-16-.05:

a) Registration of the tank(s) with the Department.
b) The owner or operator remains in substantial compliance for each AST.
c) The owner or operator must comply with the NPDES Permit requirements as stated in ADEM Admin Code r. 335-6-6-.03 and 335-6-6-.12(r) and the SPCC requirements stated in Code of Federal Regulations (CFR) Title 40 Part 112 (40 CFR 112).
d) Every owner or operator of an UST is required to maintain financial responsibility in the amount of $10,000 per occurrence or another amount if required by the Commission, by any one or combination of the following: insurance, guarantee, surety bond, letter of credit or qualification as a self-insurer by demonstration of a tangible net worth in the amount of $25,000.

## Releases Not Eligible to Participate in the Fund

The terms underground and aboveground storage tank do not include any of the following, and their associated releases are therefore not eligible for coverage under the Alabama Tank Trust Fund:

1. Farm or residential tank of 1,100 gallons or less capacity used for storing "motor fuel" for noncommercial purposes;

2. Tanks used for storing heating oil for consumptive use on the premises where stored;

3. Septic tank;

4. Pipeline facility (including gathering lines) regulated under:
   i. The Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1671, et seq.), or
   ii. The Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2001, et seq.), or
   iii. State laws comparable to the provisions of law in subparagraph (i) or (ii) above;

5. Surface impoundment, pit, pond or lagoon;

6. Storm-water or wastewater collection system;

7. Flow-through process tank.

8. Liquid trap or associated gathering lines directly related to oil or gas production and gathering operations; or

9. Storage tanks situated in an underground area (such as a basement cellar, mine working, drift, shaft, or tunnel) if the storage tank is situated upon or above the surface of the floor

10. Other underground storage tanks exempted by the administrator of the federal Environmental Protection Agency; and

11. Piping connected to any of the above exemptions.

12. Pipeline terminals, refinery terminals, rail and barge terminals and tanks associated with each.

In addition, the following UST or AST systems are excluded from the requirements of ADEM Administrative Code r. 335-6-16 regulations:

1. State and Federal government entities whose debts and liabilities are the debts and liabilities of a state or the United States.

2. Any UST or AST system holding hazardous waste listed or identified under Division 14 of the ADEM Administrative Code, or a mixture of such hazardous wastes and motor fuels.

3. Any wastewater treatment tank system that is part of a wastewater treatment facility regulated under Chapter 335-6-5 or 335-6-6 of the ADEM Administrative Code.

4. Equipment or machinery that contains motor fuels for operational purposes such as hydraulic lift tanks and electrical equipment tanks.

5. Any UST system whose capacity is 110 gallons or less.

6. Any emergency spill or overflow containment UST or AST system that is expeditiously emptied after use.

## Tank Trust Fund Funding Mechanisms

The Tank Trust Fund is funded by a Trust Fund Fee and a Tank Trust Fund Charge. The Tank Trust Fund Fee is currently established at $0 per tank. The Tank Trust Fund Charge is currently established at $0.01 per gallon. The Tank Trust Fund Charge is collected by the Alabama Department of Revenue at the first withdrawal from bulk location. The current fee and charge amounts are stated in ADEM Admin Code r. 335-6-16-.07(5) and (6).

## Per Occurrence Indemnification Limit

The total amount of reimbursement available from the Tank Trust Fund as a result of a release from underground or aboveground storage tanks shall not exceed under any circumstance the per occurrence indemnification limit established under ADEM Admin Code r. 335-6-16-.09, which shall be determined by the Commission upon recommendation of the Trust Fund Management Board, on an annual basis. In no event shall combined claims against the fund for payment of response action and third-party claims exceed the per occurrence indemnification limit. Effective February 12, 2024, the per occurrence indemnification limit is set at two million dollars ($2,000,000), less the applicable deductible.

## Approved Response Action Contractors

In order to receive reimbursement from the Tank Trust Fund, an owner/operator must select and hire an Approved Tank Trust Fund Response Action Contractor to perform the required site activities. A current list of the Approved Alabama Tank Trust Fund Response Action Contractors is mailed to each owner/operator with the Trust Fund Eligibility letter. The Department also maintains a list of Approved Response Action Contractors on the ADEM website at www.adem.alabama.gov. The list is currently located under the ADEM Programs, Waste/Remediation, Tank Trust Fund section of the website.

If a Response Action Contractor is to be retained by the owner/operator, the Department must be notified in writing of such a selection within twenty (20) days of reporting a release. A contractual agreement must be established between the owner or operator and the contractor, and the Department must be provided a copy of the contractual agreement.

ADEM Admin. Code r. 335-6-16-.16 describes the process to apply for Approved Response Action Contractor status. Currently, the Department allows for proposals for consideration to be submitted each fall. This typically occurs in October. Firms may lose their approved status by failing to comply with regulations requiring adequate experienced personnel, insurance, or failing to perform work in a timely manner. Performing work in a quality manner is also a requirement of maintaining an approved Response Action Contractor status.

## Documentation of Personnel Performing Response Actions

The Unit Rate Cost Proposal and Payment Request process involves the use of units and has streamlined the overall approval and payment process. However, the submitted technical reports associated with the cost proposals/payment requests must contain the personnel names, personnel categories and dates of site activities performed in order to provide proper documentation of the site work. The boring logs must contain the name of the person in the field who logged the boring and the date of the drilling. A section of the report should contain the names and personnel categories who prepared the tables and figures and who interpreted the site data and wrote the report. The project manager name for the particular scope of work should be included. Persons who performed key field tasks should be included in the report to identify who gauged the wells, who sampled the wells, who collected the soil samples, who logged the borings, etc. The staff who performs the operation and maintenance activities should continue to be listed on the SEMR reports.

Reports may be deemed deficient if inadequate personnel name, activity and date information is included in the associated reports.

## REASONABLE RATES AND UNITS

The Department has established unit rates for certain scopes of work typically performed at eligible UST and AST release incident sites. Through a review of payment requests submitted to the Department, input from Response Action Contractors and their subcontractors, a comparison of other state UST financial assurance fund rates and a review of submitted labor rates, the Department has established a list of maximum allowable rates and units that will be reimbursable at eligible release incident sites when the work performed is properly performed and documented in the required technical reports and plans.

A list of maximum allowable rates can be viewed in the current version of Unit Rate Cost Proposal Form 31 and current version of Unit Rate Payment Request Form 32 in the section labeled "Maximum Allowable Rates". Both Forms 31 and 32 are combined in the current version of the Unit Rate Workbook file available upon request from UST Corrective Action Staff. Please note that there may be updates to these units/rates over time and you should check the ADEM website on a periodic basis for any new information regarding reimbursable rates and units. For the field equipment rental or usage items listed, the maximum allowable rate includes shipping and handling charges.

The "Basis for Unit Rates" section of the Unit Rates forms lists the personnel, number of hours and activities performed for typical scopes of work performed at eligible release incident sites. These tables document the derivation of the units included on the cost proposal and payment request forms. These descriptions can be viewed on the Unit Rate Cost Proposal and Payment Request workbook file in the section labeled "Basis for Unit Rates".

### Eligible and Ineligible Costs

Whenever in the ADEM Director's determination, a release of motor fuels may pose a threat to the environment or the public health, safety or welfare, and the owner or operator of the underground or aboveground storage tank has been found to be eligible for Tank Trust Fund coverage, the Department will disburse monies available in the fund to provide for the reimbursement of certain items/activities. These items are all subject to pre-approval and a determination of a reasonable cost.

A reasonable cost is defined as the monetary amount or range, as determined by the Department, which is commensurate with a response action, where the Department's determination is based on an evaluation of typical costs expected for the particular response action under review, with respect to the activities' scope and complexity. Proposed hourly rates or other work units/costs must be competitive with similar charges by other approved contractors, or they may be rejected by the Department if they are determined to represent unreasonable costs.

### *Eligible Reimbursable Items*

The following items are typical types of activities that are covered under the Tank Trust Fund. There may be other activities covered which are not specifically listed below.

- Investigation, assessment, and remediation of sites contaminated by a release of motor fuels which may consist of clean-up of affected soil and waters, using cost effective alternatives that are technologically feasible and reliable, and that provide adequate protection of the public health, safety and welfare and minimize environmental damage, in accordance with corrective action requirements of ADEM Admin. Code r. 335-6-15.

    - Preliminary and Secondary Investigations
        - Drilling costs for borings and wells
        - Experienced labor for plan and report preparation
        - Experienced labor for field activities
        - Logging of borings
        - Overseeing well construction
        - Sampling of borings/wells and surface water bodies
        - Overseeing waste management
        - Surveying of well locations
        - Water well inventory
        - Obtaining adjacent property owner information
        - Analytical charges
        - Disposal of investigative derived waste material

    - Groundwater Monitoring and Surface Water Sampling
        - Experienced labor for plan and report preparation
        - Experienced labor for field activities
            - Sampling of wells and surface water bodies
            - Overseeing sampling waste management
        - Analytical charges
        - Disposal of investigative derived waste material

    - Risk Assessments
        - Experienced labor for plan and report preparation to evaluate sites for risk and the establishment of corrective action limits

    - Free Product Removal
        - Experienced labor for plan and report preparation
        - Overseeing waste management
        - Disposal of extracted free product and groundwater, etc.
        - Performing or overseeing free product removal activities

    - Development of Corrective Action Plans
        - Experienced labor for plan and report preparation

        - Preparation of required permits for waste management and/or remediation
        - Pilot testing as necessary

    - Implementation of Corrective Action Plans
        - Experienced labor for report preparation
        - Finalizing equipment design
        - Experienced labor for evaluating cleanup technology effectiveness and optimization of the cleanup system
        - Purchase or rental of equipment and materials to be dedicated to the site for corrective action
        - Installation and bringing to operational status the corrective action system
        - Operation and maintenance costs of corrective action system
        - Utility bills directly associated with the remediation
        - Telemetry phone bills directly associated with the remediation

Cost to prepare cost proposals and payment requests

- Costs to prepare CPs and PRs are already included in unit rates
- Cost to prepare an addendums may be eligible for reimbursement if approved by the Department
- Un-approved Cost Proposals are eligible for reimbursement if the Department required the submittal of the cost proposal. Where multiple CPs for a similar scope of work are submitted, the Department will only reimburse for the preparation for one CP since they are all similar.

    - The interim replacement and permanent restoration of potable water supplies
        - Provision of alternate water supply
            - Replacing private or public water wells
            - Replacing damaged or threatened private or public water lines
            - Treatment of spring water supplies

- When, in an effort to determine the source of a release, an owner or operator is required by the Department or other emergency management agency to perform testing of tanks and associated piping or investigative actions, and the Department determines the source of the subject release to be other than the tanks or piping for which the testing or investigative actions were required, the Department will, where the owner or operator has been found to be eligible for Tank Trust Fund coverage and subject to the provisions of the ADEM Admin Code r. 335-6-16 regulations, disburse monies available in the Tank Trust Fund to provide for the cost of testing of tanks, piping and investigative actions, to the extent required by the Department.

- Equipment
    - Bailers & drums
    - Sample containers

- Daily or weekly unit charges for equipment rentals
- Dedicated remediation systems

- Off-site disposal of excavated soil with TPH concentrations exceeding 100 ppm from a closure of tanks/piping which is directly associated with an eligible release incident. The amount of soil and costs to transport and dispose of the soil are subject to approval by the Department.

### *Items Ineligible for Reimbursement*

The following items may not be eligible for reimbursement. This is not a complete list of ineligible items/activities. Eligible reimbursable items are approved on cost proposals. Response Action Contractors should request clarification and/or approval from the Department if there is a question regarding the eligibility of an item/activity for reimbursement prior to its use. In the event a contractor includes an ineligible item on a cost proposal and it is not initially disallowed by the Department, the Department reserves the right to not pay for that ineligible item on the payment request.

- Response actions performed prior to approval of an associated cost proposal
- Investigative and/or corrective action alternatives not implemented in a manner acceptable to the Department
- Per-diem charges that do not follow the per-diem guidelines
- Costs of replacement, installation, closure and/or retrofitting of affected tanks and associated piping or testing of such tanks and associated piping which is not connected in direct association with a suspected or confirmed release. Additionally, any equipment, labor or installation costs not integral to site rehabilitation or provision of an alternate water supply are not eligible
- Cost of equipment purchases such as the following:
    - Drilling Rigs, earth moving equipment, groundwater sampling pumps, and photoionization detectors
- Costs associated with environmental audits and property transfer audits
- The required deductible of $5,000 or $10,000, as applicable
- Closure site assessment activities and reports
- Tank System Testing (unless eligible by ADEM Admin. Code r. 335-6-16-.08(3))
- Tank System Removals
- Tank System Installations
- Soil removal costs associated with closure activities. The Department may authorize over-excavation of soils on a site-by-site basis
- Phone charges
- Office equipment
- Camera rentals or purchases
- Vehicle rental
- Fuel charges

- Survey equipment
- Hand augers and soil samplers
- Tool kits and hand tools
- Rush charges not approved by ADEM
- Charges presented which exceed actual costs
- Charges presented for payment which are not documented on invoices
- Charges associated with a non-motor fuel release
- Charges associated with a release discovered prior to 10/01/1988 for an UST release
- Charges associated with a release discovered prior to 8/1/1993 for an AST Release
- Other items not listed that are determined to be ineligible by the Department
- Charges requested that are not adequately documented in the associated plan or report
- Disposal of wastes at an unpermitted facility/location

## Allowable Pass-Through Charges

Since the Department reimburses the owner/operator or Tank Trust Fund Contractor when the scope of work is complete and not on a periodic or monthly basis, a "pass-through" amount as described in this section is allowed for certain charges. It is expected that the Tank Trust Fund Contractor pays the subcontractors providing services at the release site in a timely manner and in accordance with agreed upon payment terms. Should a site inspection or other information available to the Department reveal a discrepancy between the work performed and the charges included in the payment application, the Department may deny payment or may require the Tank Trust Fund to be reimbursed. Failure to pay a subcontractor after the Trust Fund reimburses a tank owner/operator or Tank Trust Fund Contractor may constitute a discrepancy and the payment request may be subject to cost recovery.

The maximum allowable pass-through amounts for invoices/bills from entities not associated with the Approved Alabama Tank Trust Fund Contractor is 10%

Response Action Contractors are not allowed a pass-through charge on work performed by their own affiliated laboratory, drillers, construction, MEME truck, etc.

For situations not listed above, the Department will approve the allowable pass-through charge on a case-by-case basis.

Various forms allow for the entry of no requested amount of pass-through charge, or the entry of a 10 % pass-through amount. For those columns on the forms labeled "Pass-Through", the Response Action Contractor leaves the field blank when requesting no pass-through, or selects the 10% amount from the drop-down box on the forms.

## Reimbursable Per Diem

Trust Fund Contractors may request reimbursement for per diem based on the actual time in the field performing approved activities and subject to the defined reimbursement guidelines.

Employees of the Approved Response Action Contractor Firm are allowed per diem in the following circumstances:

Daily Per Diem - In the field for more than 6 hours at the Trust Fund eligible site

- Performing field work at a location at least 50 miles from the employee's office or home
- Form E must be completed and submitted on both the Cost Proposal and Payment Request
- In the field includes direct travel to the site, site work and direct travel back to the office

Extended Daily Per Diem – In the field for more than 12 hours at the Trust Fund eligible site, but do not spend the night

- Performing field work at a location at least 50 miles from the employee's office or home
- Form E must be completed and submitted on both the Cost Proposal and Payment Request
- In the field includes direct travel to the site, site work and direct travel back to the office

Overnight Per Diem – Field work requires at least 2 days

- Performing field work at a location at least 80 miles from the employee's office. The Department may approve overnight per diem for a location between 50 and 80 miles from the firm's office, if due to the nature of the scope of work, the overnight stay would be more cost efficient to the Trust Fund and/or more appropriate from a safety perspective
- Form E must be completed and submitted on both the Cost Proposal and Payment Request
- Overnight stay requires a copy of a hotel invoice for each Response Action Contractor employee requesting overnight per diem that indicates the overnight motel/hotel stay in or very near the release incident location and adequately documents the overnight charge

- The individual must spend at least 6 hours at the release site (and/or returning to home office) on the last day to claim overnight per diem for that day

Drilling Firm, Subcontractor or Remediation System Installation Firm Employees are allowed per diem in the following circumstances:

Daily Per Diem and Extended Day Per Diem – Not Allowed

Overnight Per Diem – Field work requires at least 2 days

- Performing field work at a location at least 80 miles from the employee's office. The Department may approve overnight per diem for a location between 50 and 80 miles from the firm's office, if due to the nature of the scope of work, the overnight stay would be more cost efficient to the Trust Fund and/or more appropriate from a safety perspective
- Overnight stay requires a copy of a hotel invoice from at least one crew member that indicates the overnight motel/hotel stay was in or very near the release incident location and adequately documents the overnight charge
- Per-diem charges must be listed as a line item on the driller, subcontractor or remediation system installer's invoice
- The individual must spend at least 6 hours at the release site (and/or returning to home office) on the last day to claim overnight per diem for that day

## Re-Use of Remediation Equipment

In an effort to provide for more cost effective cleanups, provide for re-use of equipment and reduce overall charges to the Trust Fund, the Department encourages the re-use of remediation equipment such as off-gas treatment units, SVE systems, and DPVE systems at other Trust Fund eligible sites. Where a unit can be used at another Trust Fund site, the owner/operator of the current site can receive reimbursement for the shut-down of the system and the dismantling of utility connections and fencing. The receiving owner/operator can be reimbursed for the charges associated with loading and transporting the equipment and the reasonable cost to refurbish the treatment system, if necessary. The owner/operator and Response Action Contractor should contact the ADEM project manager(s) for the release sites involved to coordinate the re-use of equipment.

# COST PROPOSALS

Participation in the Tank Trust Fund requires that a cost proposal be submitted which proposes the cost for performing required site activities prior to the actual implementation of the activity. The exception to this requirement is the development of a Secondary Investigation Plan, an Additional Well Installation Plan, a Free Product Removal Plan, Well Abandonment Plan and a Groundwater Monitoring Plan. These plans will have the costs to prepare them included in the cost proposal submitted for the implementation of the plan and are requested by the Department in most cases. The Alabama Tank Trust Fund pre-approves site activities prior to implementation. In order to receive reimbursement for site costs, the cost proposals should be submitted prior to the initiation of the site activities, unless otherwise directed by the Department. The Department will review the scope of work and the proposed costs contained in the cost proposal and will issue a letter of approval to the tank owner/operator and send a copy to the selected Approved Response Action Contractor.

The Unit Rate Cost Proposal Form and Payment Request Forms (ADEM Forms 31 and 32) are available upon request from UST Corrective Action Staff.

## Submittal of Cost Proposals

In accordance with ADEM Admin. Code r. 335-6-16-.10, cost proposals are required to be submitted to the Department and approved by the Department prior to initiating site activities to be eligible for reimbursement for those activities unless emergency site stabilization was conducted or the owner/operator was otherwise directed by the Department. The Department uses the cost proposals as a cost control mechanism and as a means to obligate funds from the Alabama Tank Trust Fund to be provided at projected time periods. The Department has established a format for the submittal of the cost proposals and has established procedures by which the cost proposals will be evaluated.

Most cost proposals will also be accompanied with a detailed plan for investigative or sampling activities. Operation and Maintenance cost proposals which are implementing the previously approved corrective action plan should have a brief summary plan accompany the cost proposals indicating the scope of work to be performed and the number of wells/constituents proposed to be sampled.

## Proper Forms

The Department will only accept cost proposals which are submitted on the official "Alabama Tank Trust Fund Unit Rate Cost Proposals and Payment Requests" forms 31 and 32. No modifications to the forms should be made. Alabama Tank Trust Fund Contractors will utilize

the Form 31 (may be DRAFT) to enter in information regarding proposed costs. Cost proposals received by the Department that have been altered, modified or do not meet the Department's requirements may be denied and/or returned to the owner/operator without review.

Typically, the forms submitted will include the three (3) Part I forms (CP Part I Info, CP Part I Page 2 and CP Part I Total), the CP Part II Summary Form, Form E and appropriate subcontractor quotes. If Form D is completed, any of the line items requiring bids/quotes should automatically have the bid/quote attached to the cost proposal. If no per diem is requested for the scope of work, then Form E does not need to be submitted. If Form F is completed, then Form F must be included in the cost proposal submittal.

The CP Part II Summary Form is created by selecting the "View CP Part II Summary" button located in the left-hand margin of each worksheet. Information typed on Forms A, B, C, D, E and F is summarized on the CP Part II Summary Form. Appropriate quotes from subcontractors (Soil disposal firms, waste haulers, MEME vendors, system installation contractors, etc.) should be included as applicable with Form D. If Form E or F is used, those forms should be submitted.

To print the Cost Proposal, you may select the "Print Entire CP" button on the CP Part I Info form or directly from the summary page. This action will print all three (3) Part I forms, the CP Part II Summary Form, and Form E or F as applicable.

### When to send in the cost proposals

For sites that are required to perform a Preliminary Investigation, the Department issues a pre-approved cost proposal. This ADEM generated cost proposal can be signed by the owner/operator and/or the selected Approved Tank Trust Fund Response Action Contractor. The signed cost proposal should be submitted to the Department with a copy of the executed contract between the tank owner/operator and Response Action Contractor.

Unless otherwise directed in writing by the Department, cost proposals should be submitted within thirty (30) days of receiving a directive from the Department that a site activity is to be conducted. One variance for this is the submittal of cost proposals for ongoing operation and maintenance activities for remediation systems. Those associated cost proposals should be submitted ninety (90) days before the end of the field period for the last approved cost proposal. Typically, four cost proposals are submitted for a year of O&M activities at one time. Groundwater monitoring events are typically conducted every 4 months, so 3 groundwater monitoring cost proposals are typically submitted with a groundwater monitoring plan. However, this number may be less if directed by the Department.

### Where to send in the cost proposal

All cost proposals are to be submitted within the appropriate AEPACs schedule, or in rare cases, electronically to the ADEM Project Manager. It may be mailed to the following address:

Alabama Department of Environmental Management
Groundwater Branch
Attn: ADEM Project Manager
Post Office Box 301463
Montgomery, Alabama 36130-1463

If you are not aware of the ADEM project manager for a particular UST or AST release, please call (334)270-5655 and request the name of the specific project manager for that incident.

## Cost Proposal Review Time Frames

The Department should review all submitted and properly prepared cost proposals within 120 days of receipt. Should a scope of work and associated cost proposal need to be implemented quickly due to public safety, potential environmental damage or other time dependent reasons, the ADEM project manager should be contacted and a review timeframe discussed. If a Response Action Contractor has not received a copy of the cost proposal approval or denial letter after 120 days, then they should contact the ADEM project manager.

## Cost Proposal Addendum

Where the owner/operator requests an increase in the scope of work and wishes to have those costs covered under the Trust Fund, a cost proposal addendum may be requested to cover additional scopes of work or unforeseen site circumstances. The owner/operator or the selected Response Action Contractor should notify the appropriate ADEM UST Corrective Action Section Project Manager immediately and request an addendum to cover additional eligible and reasonable costs. The Department may approve all or a portion of the requested costs. The Department will issue an addendum approval letter to the owner/operator with a copy sent to the Response Action Contractor documenting the additional approval.

Procedures are in place, which allows the ADEM staff to discuss proposed additional work over the phone or to receive faxes or e-mails to help expedite the request for approval of addendums. Upon concurrence with the proposed additional activities, the Department can then issue an addendum to the previous approved cost proposal for the additional work to be performed. Please be advised that the addendum should be approved prior to the initiation of the additional site activity.

If an addendum amount is approved by ADEM, the Response Action Contractor should modify the cost proposal form that was previously approved and add the ADEM approved additional scope of work or charges to the cost proposal form so that the approved items will be transferred to the payment request worksheets associated with that particular cost proposal.

The cost to prepare an addendum is subject to the level of effort required to prepare the addendum request. The unit amounts are listed on the CP and PR Unit Rate forms and are

detailed in the "Basis" section. An addendum preparation unit may not be approved if a complete new unit is being added to a cost proposal since the unit may already contain costs to prepare a cost proposal and payment request.

There are two cost categories that do not require an addendum if they go over the originally approved amount. However, any additional charges will be subject to review on the payment request. These items are:

1) P er-diem charges that exceed the approved amount. Form E must be completed in detail and submitted with the payment request. If additional overnight per diem is requested, the required hotel documentation must be submitted.

2) MEME event water disposal charges or development/purge water disposal charges. For additional water disposal charges, an invoice documenting the amount of the water disposal costs must be submitted.

## Pre-Approved Cost Proposals for Preliminary Investigations

For Trust Fund eligible sites, the Department issues a pre-approved cost proposal when the scope of work that is required is a Preliminary Investigation. The Department typically issues the pre-approved amount in a letter that is mailed/emailed out with the Trust Fund Eligibility letter. The owner selects an Approved Response Action Contractor to perform the work within twenty (20) days of receipt of the Trust Fund Eligibility Letter and enters into a contractual agreement. A copy of the agreement is supplied to the Department. The tank owner/operator and/or the Response Action Contractor sign the appropriate section of the pre-approved cost proposal and should return the document to the Department within twenty days of receipt.

## Emergency Authorizations for up to $50,000

If an initial response, abatement measure or initial free product removal is necessary to properly stabilize a site and prevent significant continuing damage to the environment or risk to human health, the Department may issue an authorization of up to $50,000 which may be reimbursable from the Tank Trust Fund. Payment requests will be reviewed to determine if charges were necessary, eligible and reasonable. The authorization letter will include the cost proposal/payment request number assigned to the emergency authorization. The Department will mail a pre-approved cost proposal for the $50,000 (or other appropriate amount as approved) to the owner indicating what unit charges are being pre-approved and will designate the timeframe for which coverage is approved.

Increased labor rates may be requested when a Trust Fund Contractor responds to an ADEM declared emergency response. For an emergency response to a Trust Fund eligible release which has been designated in writing as an emergency by the Department's Groundwater Branch Chief or UST Corrective Action supervisors, an emergency labor rate may be charged. These rates are limited as follows:

- The use of the emergency labor rate is limited to a maximum of three (3) days
- The rates are capped at 1.5 times the current maximum allowable rate for Trust Fund Contractor field personnel
- Form F is used to request emergency labor rates in the section titled "Emergency Response"
- The application of the emergency rates must be approved by the Department in writing prior to submitting a payment request.
- A written description of the emergency response conducted and field personnel utilized should accompany each payment request and be included in the initial abatement report.

## Cost Proposals and Change of Response Action Contractors

If a cost proposal is approved for implementation that was submitted by one Response Action Contractor, another Response Action Contractor is not allowed to use that cost proposal for site work. Another cost proposal which is signed by the new Response Action Contractor and tank owner/operator must be submitted for review if the owner/operator changes Response Action Contractors to work on an eligible release incident. This situation will require the owner/operator to submit a copy of the new contractual agreement to the Department. Please request the ADEM site project manager to create a schedule in AEPACs for this submittal.

## Cost Proposals Denied by the Department

In some cases, the Department may not approve cost proposals that were submitted in accordance with an approved corrective action plan or other approved plan. Where the cost proposals were properly submitted but are not needed due to a site management decision by the Department, the Department will reimburse a reasonable amount for the preparation of the cost proposal(s) that were not implemented. The requested amount for cost proposal preparation can be selected on Payment Request Form "A" Office in the unit titled "CP Preparation". Typically, the costs for CP preparation in this situation would be included on the next payment request to be submitted. Approval for the CP preparation cost(s) should be requested as an addendum to an existing previously approved or future cost proposal. Due to the automated preparation of the cost proposals, only one unit will be approved for reimbursement where multiple cost proposals of the similar scope of work were proposed.

Cost proposals that are submitted and not requested by the Department, or which contain errors in preparation, may not be reimbursed.

# PAYMENT REQUESTS

## Submittal of Payment Requests

The Department requires that all Payment Requests (Applications for Reimbursement) for costs of response actions eligible for reimbursement shall be submitted in the format established by the Department and described in this guidance. The Payment Requests can be submitted only after the completion of pre-approved scopes/phases of work. The Department requires written documentation of the activities conducted to be submitted in the required format prior to or concurrently with the submittal of a Payment Request. Required plan and report formats are described in other UST Corrective Action Section guidance. Only one payment request is allowed to be submitted per approved cost proposal. Multiple or interim requests for payment are not allowed. Once the approved scope of work is completed and an acceptable plan/report is submitted to the Department, the owner/operator/consultant may submit a request for payment. Payment requests should be equal to or less than the associated cost proposal.

## Proper Forms

The Department will only accept payment requests which are submitted on the current "Alabama Tank Trust Fund Unit Rate Cost Proposals and Payment Requests" forms 31 and 32. The Unit Rate Payment Request is included with the Unit Rate Cost Proposal workbook file. The payment requests are available upon request from UST Corrective Action Staff The form is currently located under the ADEM Programs, Waste Remediation/Underground Storage Tanks, Tank Trust Fund, section of the website. The form is not to be modified or changed. Alabama Tank Trust Fund Response Action Contractors will utilize the form worksheets to enter the required information to be submitted on the forms. Submitted payment requests which are altered, modified or do not meet the Department's requirements may be denied, and may be returned to the owner/operator without review.

The forms submitted will include the four (4) Part I forms (PR Part I Info, PR Part I Page 2, PR Part I Signature(s) and PR Part I Total), the PR Part II Summary Form, and Forms E and/or F, as appropriate, Tank Trust Fund Contractor Invoice and appropriate subcontractor invoices. If no per diem is requested for the scope of work, then Form E does not need to be submitted. If Form F is completed, then Form F must be included in the payment request submittal.

The PR Part II Summary Form is created by selecting the "View PR Part II Summary" button located in the left-hand margin of each worksheet. Information typed on Forms A, B, C, D, E and F is summarized on the PR Part II Summary Form. If Form E or F is used, those forms must be submitted. Appropriate invoices from subcontractors must be included as applicable.

To print the Payment Request, you may select the "Print Entire PR" button on the PR Part I Info form or directly from the summary page. This action will print all four (4) Part I forms, the PR Part II Summary Form, and Form E and F, as applicable.

## When to Submit the Payment Request

The payment request can be submitted when the scope of work is complete and the associated plan/report is submitted to the Department. In order to receive reimbursement for pre-approved site costs, the payment request must be submitted within eighteen **(18) months** of the date of the approval of the associated cost proposal.

## Where to Send in the Payment Request

***(1) One full copy*** of the payment request containing Part I forms and Part II forms that have data entered on the forms with original signature(s) and all required invoices and other documentation, and ***(1) one copy of the first four pages*** of the payment request (Part I) should be submitted in the appropriate AEPACs schedule, or if necessary, electronically to ALtankfud@ADEM.ALabama.gov. In rare cases, it may be mailed to the following address:

Alabama Department of Environmental Management
Attention: Permits & Services Fiscal Branch
Post Office Box 301463
Montgomery, Alabama 36130-1463

## Proof of Payment for Deductible

The owner or operator must provide "Proof of Payment" of the first $5,000 of eligible response action costs for an eligible UST release incident. This is the required owner/operator's financial contribution. For eligible AST releases, the owner/operator must provide proof of payment of $10,000 of eligible site expenditures. A canceled check must accompany the first payment request submitted for processing. If a canceled check is unobtainable, a notarized statement that the owner/operator has paid the first $5,000/$10,000 of eligible expenses may be submitted with payment request #1.

Failure to provide the proof of payment will result in denial of the payment request until the proof of payment is provided. No reimbursement will occur until sufficient evidence of payment of the owner's contribution is provided. The Department will notify the owner/operator if the proof of payment is not included in the first request for payment. It will be the owner/operator's responsibility to submit additional information to the Department in a timely manner so that future reimbursement can occur.

For some sites, the required $5,000/$10,000 deductible may be applied to an emergency funds allocation letter. Please carefully read the Department's approval letters to determine which payment request is required to reflect the owner/operator deductible payment.

## Invoices

Proper invoices must be included with the payment request that is submitted for potential reimbursement. An original invoice that is provided to the tank owner/operator from their selected Response Action Contractor which includes the name of the Response Action Contractor, the related cost proposal/payment request form, a date of the invoice, and the time period the charges were incurred, must be included with the payment request.

The Response Action Contractor must also provide an original invoice for all work performed by subcontractors. All invoices submitted with a payment request must be the **original** invoice. This includes but is not limited to laboratory invoices, drilling invoices, equipment vendor invoices, utility bills, MEME vendors, construction/system installation invoices, soil and water disposal invoices, equipment rental invoices, and hotel bills. If invoices do not provide sufficient detail, the Response Action Contractor may be required to submit a more detailed invoice from their subcontractor. Landfill disposal invoices from the approved landfill are required to be submitted.

Response Action Contractors who perform their own analyses, drilling, MEME events and/or system installation activities are required to submit a detailed invoice which documents the charges for these activities that are conducted "in-house". The level of the detail should be similar to the level of detail that a subcontractor would provide for the same activities and similar to the detail provided on the quote that was submitted with the cost proposal.

The Department may request additional clarification on Response Action Contractor invoices and subcontractor invoices if sufficient detail is not provided to determine that the cost requested is reasonable.

## Payment Request Review Timeframes

The Department begins the process of reviewing the payment request upon submittal. The payment requests are entered into a tracking database and a periodically updated list of pending payment requests is available for viewing on the ADEM website.

Payment Requests which are deficient will be placed in an inactive status until the deficiency is addressed. If the deficiency is not addressed in a timely manner, the Department will either deny the payment request or make partial payment.

Contingent upon availability of funds, the Department shall process all complete payment requests within sixty (60) days of receipt of the payment request. If certain costs are considered as not being reasonable or eligible for reimbursement, the Department may issue a check for the amount of the payment request not in question and provide a fifteen (15) day period in which the owner or operator or contractor may present such information as is necessary to justify the disallowed costs. Following review of such information, the Department may agree to pay the previously disallowed costs, or any portion thereof, or may again disallow the costs for payment.

# COMPLETING FORMS

## Completing Cost Proposal Forms

The following information is provided to clarify and assist in the preparation of cost proposals. A copy of the Unit Rate Cost Proposal ADEM Form 31 is available upon request from UST Corrective Action Staff or you may request a form to be emailed by contacting the Groundwater Branch at (334)270-5655.

### *Part I*

The cost proposal is made up of two parts. Part I must be completed in full in order for the cost proposal to be approved. The fields that need to be completed are highlighted in yellow.

Be sure to select the use of macros. The forms will not function without the macros enabled. The Response Action Contractor should save each prepared and submitted cost proposal, as the payment request is prepared using some of the information entered on the cost proposal.

#### *I.1 Cost Proposal Information*

Cost Proposal Number:

- This is the next consecutive cost proposal number for the release incident. Please enter numerals, for example: "12"; rather than "twelve". The Response Action Contractor may add another identifier below the cost proposal number which identifies the cost proposal per their accounting process.

Date of Cost Proposal:

- Enter in the date of the preparation of the cost proposal by the Response Action Contractor. It should be the same date that the Response Action Contractor signs the cost proposal. Enter the date in mm/dd/yy format. For example: 03/01/13. The date will display as 03/01/2013.

UST or AST Incident Number:

- Enter the assigned incident number. Use dashes to separate the fiscal year, month and consecutive number. Example: UST13-10-06.

Facility I.D. Number:

- Enter the UST or AST Facility ID number that was valid at the time of the assignment of the release incident number. Example: 12345-123-456789.

### *I.2 Facility Information*

Facility Name:

- Enter in the registered facility name that was in place at the time of the reporting of the release. Please do not change the name, even if the site has a different facility name today.

Facility Address:

- Enter in the address for the facility. This may be updated as addresses change through the years. Please be sure the address matches the Department's records. The input cell is divided into two sections, one for the address and the other for the city, state, and zip code.

### *I.3 Owner Information*

Owner Name:

- Enter in the name of the tank owner or operator at the time of the discovery of the release. If the responsibility was changed to another owner/operator after the original notification letters were issued and the Department concurred with the change, enter in the current responsible party name.

Owner Address:

- Enter in the owner or operator's mailing address. The input cell is divided into two sections, one for the address and the other for the city, state, and zip code.

### *I.4 Response Action Contractor Information*

Approved Response Action Contractor Name:

- Enter in the name of the Approved Response Action Contractor who is under contract with the owner or operator to perform site activities. This firm must be a currently Approved Response Action Contractor.

Approved Response Action Contractor Address:

- Enter in the mailing address of the Approved Response Action Contractor. The mailing address must correspond to a currently approved firm listed on the Approved Response Action Contractor List.

Project Contact:

- Enter in the name of the Approved Response Action Contractor project manager who will manage the scope of work to be performed under this cost proposal.

Project Contact Phone #:

- Enter in the phone number for the project manager who will manage the scope of work to be performed under this cost proposal.

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Project Contact E-mail:

- Enter in the e-mail address of the listed Approved Response Action Contractor project contact.

Employer Tax Number (IRS):

- Enter in the Approved Response Action Contractor employer tax number.

### *I.5 Activity Information*

- Place an "x" in the yellow box to indicate the scope of work to be performed for this cost proposal. There may be several items selected. If a scope of work is not listed, it should be described in the area titled "Activities/Other/Brief Summary of Activities".

Activities/Other/Brief Summary of Activities:

- Describe activities to be performed under this cost proposal which are not listed in the items listed above under section I.5. Also provide a brief description of the activities to be performed under this cost proposal. This area should be utilized to more clearly describe the scope of work to be performed.

### *I.6 Subcontractor Information*

Enter in the name of the firms that have been selected to be used for performing parts of the scope of work that are not associated with your firm. This may include drilling services, MEME vendors, system installation firms, analytical services, etc. It may also include the names of utility firms providing power, water and/or sewer services to the site for remediation. If more than 7 subcontractors are being used, provide the remaining names on an additional sheet to be provided with the cost proposal.

### *I.7 Certification of Cost Proposal – Owner/Operator/Contractor Signature*

**Signature(s)** are to be obtained for electronic submittals by use of the AEPACs system. Otherwise, the form can be signed and mailed to the Department. These signatures are obtained after the preparation of the specific cost proposal. Enter in the date as the date of signature.

### *I.8 Trust Fund Obligation Information*

Estimated Total Cost of All Anticipated Response Actions:

- Enter in the estimated total cost of all anticipated response actions. This figure should be increased or decreased, as appropriate, over time.

Total of previously approved cost proposals:

- Enter in the amount of the previously approved cost proposals. Do not include the current cost proposal or other un-approved cost proposals that are pending. This figure should be increased, as appropriate, over time.

Total proposed costs to date (Approved costs plus costs proposed in this cost proposal):

- The spreadsheet will calculate this updated figure based on information entered by the Response Action Contractor.

### *I.9 Cost Proposal Amount*

The spreadsheet will provide the subtotals and total based on the information entered on Forms A through F. If you are preparing this cost proposal as cost proposal #1, the owner's required contribution will need to be entered into the appropriate field.

## *Part II*

Part II of the cost proposal form is comprised of Forms A – F. The Response Action Contractor should select the quantity of each "unit" or amount, as appropriate, and enter the appropriate number/amount into the fields provided.

### *Form "A" Cost Proposal - Summary of ATTF Report and Plan Preparation Scenarios and Units*

This section contains units known as report and plan scenarios for scopes of work that are based on Response Action Contractor labor expenditures. A description of the activities and the typical labor category performing the tasks are located in the "Basis of Unit Rates" section of the cost proposal/payment request forms. The plans and report units/scenarios on Form A do not typically include field labor/tasks. Field labor/tasks are identified on Form B. A description of several scenarios and units is provided below to clarify how these units/scenarios would be selected.

The "adder" function is allowed to be proposed when a scope of work exceeds the typical number of days, wells, samples, etc. that were assumed as part of the definition of the unit/scenario.

Where additional wells need to be installed to define the extent of contamination, an "Additional Well Installation Plan" would be selected based on the number of additional wells proposed. There is one plan unit for up to 4 additional wells, and another plan unit for greater than 4 wells. This would be selected on a cost proposal to reflect additional necessary work performed after the initial Preliminary Investigation and Secondary Investigation.

Off-site access costs are reimbursed based on the type of property being accessed and the level of effort necessary to obtain written access. Off-site access for residential properties is based on one fee for each residential property where access needs to be requested. Since it is typically more time consuming to obtain off-site access for a commercial property and for ALDOT right-of- way, those units are based per property but the maximum allowable unit charge is higher.

A GW Monitoring Plan is selected when this is a "stand alone" plan and is not part of another scope of work. For example, the cost to prepare a groundwater monitoring plan is already included in the Secondary Investigation Plan, Adders for plans, Additional Well Installation Plan, and Corrective Action Plans, and therefore the selection of "GW Monitoring Plan" would not be selected on a cost proposal where those types of activities or similar activities are already proposed on the same cost proposal. Reimbursement for the preparation of a groundwater monitoring plan will be available approximately once per year as a stand-alone groundwater monitoring plan. A brief scope of work indicating the wells to be sampled and the COCs to be sampled should be included with each groundwater monitoring cost proposal within a cover letter or in the "Activities/Other/Brief Summary of Activities" section.

A frequently performed scope of work is a groundwater monitoring event with several free product removal events. An example of this cost proposal preparation for Form A is as follows:

> Example: (as of 2013)
> For a scope of work that will include a groundwater monitoring event for the sampling of 11 wells for BTEX/MTBE and Naphthalene and one or more free product removal events, then the Response Action Contractor would select a quantity of "1" for the GW Monitoring Plan, a "1" for the NAMR/GWM report, a "1" for FPR Plan – all free product recovery, and a "1" for FPR Report "adder" amount to Groundwater Monitoring. Where there are more than 3 MEME/Injections events performed during the scope of work, an "adder" may be requested.

ARBCA reports are based on units for a Tier 1/RM1 and/or a Tier 2/RM2. Most ARBCA evaluations are a combination of a Tier 1 and Tier 2. The terms RM1 and RM2 are terms which will be used in a future ARBCA guidance document.

When an insufficient number of wells were originally selected for the calculation of Groundwater Resource Protection values, or when additional wells, such as recovery wells, have been installed after the risk assessment was accepted, the allowable charge for the calculations on a per well basis is the "Adder > 12 wells Gas COCs or Adder> 12 wells Diesel COCs. In addition to the Adder which is based on a per well basis, the Response Action Contractor may request funding on Form F for the modification to the ARBCA inputs, the preparation of a new map showing the distances from the source area, the submittal of the pertinent parts of the ARBCA Tier II forms and a description of the revised evaluation. The approved amount will be based on a case-by-case basis at this time.

Corrective Action Plan (CAP) development is now two parts – (1) a Corrective Action (CA) Evaluation and recommended corrective action method and then (2) the design of the corrective action system or methodologies. Where the type of corrective action is not known when the cost proposal is due for submittal, then the cost may only have the CAP Development. This CA evaluation will contain all pertinent history of the investigations and interim corrective action that has occurred, proposed corrective action goals and supportive documentation, receptor survey, a comparison of various types of potential corrective action technologies and a

recommendation of the type of corrective action that should be performed. The cost proposal may also contain a unit for performing a pilot test(s) to help in the evaluation of corrective action technologies. This unit also contains labor to communicate with the Department the results of the CA evaluation so that the Department may provide comments regarding the potentially selected corrective action technology before the CAP is developed.

When a Response Action Contractor already has selected the appropriate corrective action after discussion with the Department, a cost proposal may contain both a unit for the "CAP Development – CA evaluation" and one of the design categories titled "CAP Development" (see Form A).

The cost to prepare a modification to an existing CAP will vary from site to site. These costs should be proposed using Form "F".

### *Form "B" Cost Proposal– Summary of ATTF Field Scenarios and Units*

Proposed field labor charges, analytical charges, mileage, per diem, and equipment charges are listed on Form "B". Labor for overseeing drilling activities and collecting soil samples are based on a per well footage basis rather than an hourly rate. Investigation reports will require that the names of the personnel who log the borings be included and if inappropriate and/or inexperienced personnel are utilized, the report may be deemed deficient and reimbursement for the work may not occur.

The labor charges are based on a per well footage basis with various options for the type of material being drilled, the depth of the well, and the type of well installed.

> Example:
> A secondary investigation plan includes a proposal to install seven (7) 2" Type II monitoring wells to depths of 30' and a Type III well with a 35' outer casing and with inner casing to 45'. The charges for fieldwork for drilling oversight are:
>
> 7 wells x (current rate)/well =
> 1 Type III Well drilled in porous material to 45' =
>
> The Response Action Contractor would select a quantity of "7" in the Porous Material 0 – 30', and a quantity of "1" by the Type III well porous depth of 0-60'.

The Response Action Contractor can select a variety of other field units as appropriate for the scope of work to be performed. If a licensed surveyor is to be used, three (3) quotes from area Alabama Licensed Land Surveyors should be obtained and presented with the cost proposal to justify the proposed charge. The selected quote amount should then be entered in the green box under the "Unit $" column for the Professional Survey unit on Form D.

A soil sampling setup unit has been added to the cost proposal and payment request forms. This allows for time for the Response Action Contractor to prepare for subsurface soil sampling activities both in the office and in the field. It is based on 4 borings/wells for the base unit, but allows for an adder for each additional 1- 4 borings/wells being installed at a site.

An Emergency Response unit has been added to the cost proposal form. The unit is populated when hours are entered into Form F in the Emergency Response section.

Travel:

Travel charges are the proposed hours and miles to be traveled selecting the most direct route to the site. On the cost proposal, the Response Action Contractor would enter in the current mileage rate which applies to the time period the travel will occur. The current applicable mileage rate is entered as a decimal amount: example – 0.54 (as of 2013). Then, the **one-way mileage** from the Response Action Contractor office to the site is entered in the field to the right of the mileage rate field. The number of round trips proposed to be made to the site is listed below the mileage. If the Response Action Contractor is combining travel with another site, then a round trip would not be appropriate. In this case, the actual mileage to be charged to the release incident would be entered in the field marked "Other Mileage". The Department will confirm the miles proposed utilizing publically available trip/mapping software. The "Other Mileage" field is **not** intended for use to add mileage for trips beyond round-trip amount, such as miles to the hotel or eating location.

The Department limits mileage reimbursement for one trip to 450 miles one way and 900 miles round trip. Reimbursable mileage rates vary each year. The current maximum allowable mileage rate is established on a yearly basis. This information is presented in an annual memorandum posted on the ADEM website at www.adem.alabama.gov.

Personnel Time –

Enter in the number of hours that are proposed for travel to the site and to return to the home base per labor category. ADEM will evaluate using an average of 50 miles per hour of travel speed to estimate hours needed to travel. Travel time should be limited to only those essential personnel needed to perform the required scope of work.

Per Diem –

To request reimbursement for per diem, Form E must be utilized. The information entered on Form E will automatically transfer to the Travel section of Form B provided the distance to the site is greater than 50 miles and the mileage is input in the Travel section of Form B. Per diem is only allowed in accordance with procedures described in a previous section of this guidance.

Equipment and Equipment Kits:

This section is for various equipment and equipment kits that are proposed for use at the site. The items that are included in each kit are detailed in the "Basis for Unit Rates" and "Maximum Allowable Rates" section of the form. If the Response Action Contractor does not own a particular piece of equipment or the Response Action Contractor is proposing to use equipment not specifically listed, then a copy of the rental firm's quote is required for items that the Response Action Contractor does not own. The quoted price for the item(s) should be entered on Form "D" in the "Other Miscellaneous items/rentals (receipts required)" section. The shipping and handling charges are reimbursable and should be included in the requested amount on Form "D". If the rented item will be used at various sites, the daily charges and the shipping/handling charges should be prorated to reflect only the proposed daily charge for the item to be used at the particular release incident site of concern. The Department will determine the reimbursable reasonable rate for each item rented from a rental firm.

If the Response Action Contractor does not own an FID/PID, then the equipment kit amount that normally contains that item can still be selected. The **additional** cost of the rental of the FID/PID (or other equipment item contained in a "kit") should be placed on Form "D" in the Rental Section.

Example: (as of 2013)
A one-day groundwater monitoring event is proposed. The Response Action Contractor selects the field kit for Groundwater Monitoring which is $160/day. This kit is defined as a Combustible Gas Indicator/PID/FID for $50 + An interface probe/water level for $10 + a Multimeter for $100 = $160/day. The Response Action Contractor does not own a PID, so he/she can select the Groundwater Monitoring Kit and then the difference between the quoted rental price of the PID( to include shipping and Handling and quote must be attached) is placed on Form D in the "Rental" category. If the PID is rented for $79.99, then the Response Action Contractor would enter in $29.99 on Form D.

Postage and Shipping:

The Fund will allow one flat rate per cost proposal to pay for necessary copying, packaging, shipping and transportation of documents. The cost to prepare the required CD for report and large plan submittal is included in this unit. Sample shipping is set for most sampling scopes of work. If shipping of samples is estimated to exceed the set amount (currently $50), then the set amount is not selected and an estimated amount is entered into the "Postage/Shipping (documentation required) field.. The current allowable rates are listed in the "Maximum Allowable Rates" section.

Analytical Samples:

The Response Action Contractor should select the proposed method to be used for analyses from the method drop down boxes, and then enter in the quantity of the samples proposed. An appropriate number of QA/QC samples may be included. The number of QA/QC samples proposed should be clearly presented in the technical plan accompanying the cost proposal. A pass-through charge can be selected if the laboratory is not associated with the

Response Action Contractor. Either the field is left blank or a 10% amount is selected from the drop down box to indicate a pass-through charge is requested. (See the "Allowable Pass Through" section of this guidance for further detail).

Rates for chloride, foaming agents, Total Organic Carbon, and Total Dissolved Solids will be project specific and the requested charge is supported with a written quote from the selected laboratory. Additional compounds not listed may be added to the form. An alternate analytical method not listed for the COCs may also be added, but is subject to approval by the Department and will require justification in a written plan to accompany the cost proposal.

### *Form "C" Cost Proposal – Drilling*

Form C will contain the proposed costs associated with drilling borings/wells and abandoning wells. The Fund will reimburse for a drilling mobilization/demobilization up to 450 one way miles. More than one mobilization may be allowed when a Secondary Investigation is being performed and one set of wells is installed and, after receiving the site data, it is then determined that additional wells are required. In this case, a second mobilization may be allowed and must be approved through the addendum process prior to the second mobilization. The current maximum allowable mileage rate is a combined amount covering the drilling device and all support vehicles driven to the site and is based on the current maximum allowable mileage rate.

A base fee of $300 is allowed for each mobilization/demobilization combined event. The Response Action Contractor enters in the proposed number of mobilization/demobilization events proposed for the scope of work. The quantity of miles is also entered in with a maximum allowable number of total miles being 450 for each mob/demob event. A mob/demob event includes all driller owned vehicles. The mileage amount entered is the one way mileage from the driller's location to the UST site.

A direct push rig may be the drilling unit proposed or a skid steer or track mounted drilling unit may be needed due to site conditions. The maximum allowable mileage is different for these types of vehicles than for a standard air rotary or HSA rig, but the maximum mileage is also 450 miles. A mob/demob base fee of $300 is also allowed for these units. Multiple mob/demob events may be proposed through the addendum process, if warranted, and the Department approves the additional charges.

Descriptions for various drilling units are included on the cost proposal and payment request Form C. Rates vary based on the size of the wellbore and the type of material being drilled.

Monitoring well/recovery well abandonment by over-drilling and subsequent tremie grouting refers to the entire length of well casing being drilled out or pulled and the entire borehole filled with grout using a tremie pipe to place the sealing material. If a driller only drilled the top 3 – 5' of the casing out and then filled the intact well casing with grout, then this action would be defined as "MW/RW Tremie Grout Abandonment" and the allowable charge would be limited to the (current)/ft unit rate.

Per diem for drillers is only allowed for an overnight stay. Requesting the overnight per diem requires the drill crew to spend the night in the town where the drilling work is located or within a close proximity such as about 10 miles. A hotel receipt for at least one member of the drill crew must be submitted documenting the overnight expenditure. The invoice must include the location of the motel/hotel. Overnight per diem is only allowed when the site is located more than 80 miles from the driller's home base. The Department may approve overnight per diem for a location between 50 and 80 miles from the firm's office, if due to the nature of the scope of work, the overnight stay would be more cost efficient and/or more appropriate from a safety perspective. Approval for an overnight stay under these circumstances requires a copy of a hotel invoice for at least one member of the crew requesting overnight per diem that indicates the overnight motel/hotel stay in or very near the release incident location.

A pass-through charge can be selected if the drilling firm is not associated with the Response Action Contractor. Either the field is left blank or 10% is selected from the drop down box in the row titled "Pass Through" to indicate a pass-through amount is requested. (See the Allowable Pass-Through section of this guidance for further detail). Investigative drilling is allowed a maximum 10 % pass through.

The Air Rotary Rock Drilling per foot categories are for Type II wells. These drilling rates would be used more frequently when bedrock is very shallow and a Type III well is not required. Most drilling at depth into bedrock will involve the installation of a Type III well. Rock coring is rarely used for drilling at UST sites but is available if needed.

For drilling related items that are unusual or are not already captured on this Form, the proposed activity/item can be included in the "Other (receipts required)" section. It is anticipated that the "Other" category will be rarely utilized, but is present for an unusual situation. It is not available to add on items that are defined within the normal drilling scopes of work on Form C.

### *Form "D" Cost Proposal– Sub Contractors/Vendors/Utilities*

Proposed scopes of work that will be performed by subcontractors, other vendors, utility bills, permit fees and some in-house construction or system installation activities are submitted on Form "D". Charges for work tasks that are not performed by personnel associated with a Response Action Contractor firm are allowed a pass through of 10%.

A professional survey of the property by a licensed surveyor can be listed on Form D. Three quotes should be obtained and provided with the cost proposal.

MEME events should have the quotes broken out into two parts. The first charge will be for the MEME event and the firm's flat rate for their water transportation fee. The second part of the quote will be the estimated water disposal cost based on the amount of water to be produced and the proposed disposal charge at a permitted disposal facility. The total proposed dollar amount for the water disposal will be entered on the line beneath the event duration.

Fees that are listed on form D are only the fees or permit charges that the permitting agency charges to file the request or application. The labor charges to prepare the permits or applications are included on Form A. Current ADEM fees are not currently listed on the reasonable rate schedule at this time. Since these fees are subject to change, please check the ADEM Division 1 regulations for a listing of current permit application fees or contact the ADEM project manager for the release incident of concern to determine the current permit fee charges.

Plans and Cost Proposals for Development and Purge Water:

> For each scope of work proposed where sampling will occur and purge water or well development water will be generated, the Trust Fund Contractor shall include in a plan/scope of work the procedures for developing and purging the wells, measuring the purge water amounts and the selected storage, transportation and disposal options. For Trust Fund eligible sites, a quote for transportation/disposal charges estimated to exceed $250 should be attached to the cost proposal which includes the name of the final disposal facility. Estimates of disposal costs less than $250 are also required to submit the name of the final disposal facility, but a quote is not necessary.
>
> Plans which do not contain the following details regarding development/purge water management will be considered deficient. Technical details which must be provided include estimated water amount, temporary storage plans, location of any offsite storage and transportation details, and the name of the facility where final disposal will occur.

For soil excavation projects, the vendor quote(s) are required as well as the details regarding the proposed charges. These are to be included on Form D.

> Example: (as of 2013)
>
> > The scope of work proposed is the implementation of the approved corrective action plan to include the excavation of 300 tons of petroleum contaminated soil which will be removed, loaded, hauled and transported to an approved landfill. There may be as many as three different vendors involved in these activities. On the vendor quote, the price per ton/yard of soil removed should be proposed and the Response Action Contractor enters the details on Form D under the Excavation field and the Solid Waste Disposal (to include hauling/handling) field. A quote from the landfill must be provided listing the proposed disposal charge per ton. The allowed pass-through amount for each subcontractor quote would be a maximum of 10%.

### *Form "E" Cost Proposal– Per Diem*

Form E is for listing proposed per-diem charges to be incurred by employees of the Response Action Contractor Firm for which approval for future reimbursement is being requested. The form has three areas which reflect projected time to be spent to travel to and work at the specific release incident site for which coverage is requested: for 6 – 12 hours, for more than 12 hours, and for an overnight stay. The estimated dates of requested coverage and personnel classification should be included. Estimate the hour of departure and return based on the scope of work to be performed. Form E must be submitted with the Part I and CP Part II Summary forms when per diem is requested.

Each individual day of requested per diem for each person should be listed. For the cost proposal, a projected date/month/year that the per diem will be requested for each individual personnel classification should be listed. Actual employee names are not required on the cost proposal; however, personnel categories are required. It is understood that is unlikely that the projected date will match the actual date of fieldwork, but this information is necessary to determine eligibility for requesting per diem.

For scopes of work which require the listing of more requested daily and individual per diem requests than are available on the current form, additional sheets are located immediately below the initial sheet. Typing additional information on subsequent sheets will automatically allow more than one Form E page to be printed. This may be applicable to large scopes of work where numerous field days are warranted.

> Example: (as of 2013)
> A sampling event is proposed to occur over 2 days at a location 110 miles from the Response Action Contractor's office. A technician is proposed to leave the office on May 1, 2013 at 7:30 am. The sampling requires 2 days of work effort at the site and since it is more than 80 miles away from the office, an overnight stay is allowed. The technician is proposed to return to the office on May 2, 2013 at 5 pm. The amount of per diem to be claimed is $85 per day for a total of $170. The proposed city where the technician may spend the night should be included on the form. This information would be typed in on two separate lines on Form E one for the first day (departure) of travel and one for the second day (return).

### *Form "F" Cost Proposal– Other Plan/Report, Other Field Tasks, CAP Modification*

Form F is provided to allow for the proposal of a scope of work that is not listed on Forms A or B. The tasks to be conducted for that scope of work are to be described in the boxes provided for each labor category. This form is also used for CAP modifications since each modification will vary in complexity from site to site.

This form can also be utilized when a Response Action Contractor does not want to charge the maximum allowable unit/scenario amount or cannot justify the unit charges. Form F can be used

to enter in a lower total proposed amount for the scope of work to be performed.

For situations where a Response Action Contractor responds to an emergency event which has been determined by the Department, in writing, that the event requires an immediate response, field labor hours can be entered in the appropriate section of Form F. A 1.5 multiplier can be applied to emergency field work. (See the Emergency Authorizations for $20,000 section for more detail.)

## Completing Payment Request Forms

The following information is provided to clarify and assist in the preparation of payment request forms. Please note that an approved cost proposal utilizing the Unit Rate Form 31 should be completed, submitted and approved by the Department prior to the initiation of the site work and prior to submittal of the payment request (Unit Rate Form 32). Any addendums that are requested should have been approved prior to the submittal of the payment request. Both forms 31 and 32 are combined in a workbook and are available upon request from UST Corrective Action Staff.

Response actions performed prior to approval of an associated cost proposal may not be eligible for reimbursement. If the cost of completing eligible response actions is expected to exceed the amount of an approved cost proposal, an addendum request must be submitted and approved by the Department to allow additional funds to be obligated. This approval should occur prior to the submittal of a payment request.

Prior to completing the payment request, the Response Action Contractor should update the cost proposal section of the workbook to be sure that the ADEM approved CP costs are entered.

### *Part I*

The payment request is made up of two major parts. Part I must be completed in full in order for the payment request to be processed. The fields that need to be completed are highlighted in yellow on the form. Most of the release incident site, owner/operator and Response Action Contractor information is automatically populated from the cost proposal Form 31 to the payment request Form 32 and is not highlighted in yellow but is required to be completed. If information needs to be corrected, then the cost proposal form may need to be updated so that the new information is transferred to the payment request.

Be sure to select the use of macros. The forms will not function without the macros enabled.

The following is information regarding the proper completion of Part I of the Payment Request Form 32.

### *I.1 Payment Request Information*

Payment Request Number:

- The payment request number must match the associated cost proposal number. Please enter numerals, for example: "12"; rather than "twelve". The number will populate automatically from Part I of the cost proposal at the time it is generated.

Date of Payment Request:

- Enter in the date of the preparation of the payment request by the Response Action Contractor. It should be the same date that the Response Action Contractor signs the payment request. Enter the date in mm/dd/yy format. For example: 03/01/13.

UST or AST Incident Number:

- Enter the assigned incident number. Use dashes to separate the fiscal year, month and consecutive number. Example: UST13-10-06. The number will populate automatically from Part I of the cost proposal.

Facility I.D. Number:

- Enter the UST or AST Facility ID. number that was valid at the time of the assignment of the release incident number. Example: 12345-123-456789. The number will populate automatically from Part I of the cost proposal.

### *I.2 Facility Information*

Facility Name:

- Enter in the registered facility name that was in place at the time of the reporting of the release. Please do not change the name, even if the site has a different facility name today. The name will populate automatically from Part I of the cost proposal.

Facility Address:

- Enter in the address for the facility. This may be updated as addresses change through the years. Please be sure the address matches the Department's records. The address will populate automatically from Part I of the cost proposal.

### *I.3 Owner Information*

Owner Name:

- Enter in the name of the tank owner or operator at the time of the discovery of the release. If the responsibility was changed to another owner/operator after the original notification letters were issued and the Department concurred with the change, enter in the current responsible party. The name will populate automatically from Part I of the cost proposal.

Owner Address:

- Enter in the owner or operator's mailing address. The address will populate automatically from Part I of the cost proposal.

### *I.4 Response Action Contractor Information*

Approved Response Action Contractor Name:

- Enter in the name of the Approved Response Action Contractor who is under contract with the owner or operator to perform site activities. This firm must be a currently Approved Response Action Contractor. The name will populate automatically from Part I of the cost proposal.

Approved Response Action Contractor Address:

- Enter in the mailing address of the Approved Response Action Contractor. The mailing address must be associated with a firm's office currently listed on the Approved Response Action Contractor List. The address will populate automatically from Part I of the cost proposal.

Project Contact:

- Enter in the name of the project manager who managed the scope of work performed and is responsible for the information provided. The name will populate automatically from Part I of the cost proposal. Update this appropriately if the proposed project manager was different than the actual project manager responsible for the completed scope of work.

Project Contact phone #:

- Enter in the phone number for the project manager who managed the scope of work performed under the approved cost proposal. The number will populate automatically from Part I of the cost proposal. If the number is different than proposed on the cost proposal, please update the phone number on the cost proposal to have the correct contact phone number transfer to the payment request.

Project Contact E-mail:

- Enter in the e-mail address of the listed Approved Response Action Contractor project contact. The e-mail address will populate automatically from Part I of the cost proposal form.

Employer Tax Number (IRS):

- Enter in the Approved Response Action Contractor employer tax number. The number will populate automatically from Part I of the cost proposal form.

### *I.5 Designation of Payment*

When the owner/operator has not paid the Response Action Contractor for the work performed, the owner/operator and the Response Action Contractor can agree to have the reimbursement mailed directly to the Response Action Contractor. Please enter in the owner/operator's name and address or the Response Action Contractor's name and address, as appropriate. This information will direct the reimbursement to be sent to the listed entity.

### *1.6 Scope of work Beginning and End dates*

Date work began for the scope of work, and date the work was completed for scope of work.

### *I.7 Activity Information*

Place an "x" in the yellow box to indicate the activities performed under the approved cost proposal and for which reimbursement is requested under the payment request. There may be several items selected. If a scope of work is not listed, it should be described in the area titled "Other Activities Conducted". The activities performed should match the activities proposed on the approved cost proposal.

Other Activities Conducted:

Describe activities that were actually conducted under the approved cost proposal which are not listed in the items listed above under section I.7.

Provide completion date for this phase of work activities:

- Enter in the completion date for work activities performed. This is typically the date of the report submitted documenting the work performed under the associated approved cost proposal.

Provide proposed completion date for all site activities:

- Enter in the projected date when <u>all</u> investigation and cleanup activities will be complete. This should be updated with each payment request submittal as the date becomes more definitive.

### *I.8 Subcontractor Information*

Enter in the name and address of the firms that performed various scopes of work that are not associated with your firm. This may include drilling services, MEME vendors, system installation firms, analytical services, etc. It may also include the names of utility firms providing power, water and/or sewer services to the site for remediation.

### *I.9 Certification of Payment*

The owner/operator/corporate official selects option 1 or 2 to certify the status of the payment to the Response Action Contractor.

### *I.10 Certification of Payment Request Information*

Signatures are required to be obtained through the AEPACs system for this section. An owner, operator, or the project manager of the contracting firm responsible for performance of response actions must authorize this section

### *I.11 Trust Fund Obligation Information*

The total amount of previously approved payment requests is to be entered into this section. If the owner/operator or the current Response Action Contractor does not know the total of the previously approved payment requests, the Department can provide this information to the owner/operator and/or Response Action Contractor upon request.

The total of payment requests paid to date plus the requested amount needs to be provided on this form. The estimated percent of completion of the entire corrective cleanup project to date should be provided.

### *I.12 Payment Request Amount*

The payment request amount will populate when cost data are entered into Part II forms. The Response Action Contractor should verify that all cost figures have been properly added and the total amount requested is accurate. If payment request #1 is being submitted, the owner/operator's required contribution of either $5,000 or $10,000 must be entered into the appropriate block.

The approved CP amount will be automatically transferred into Section I.12 from the Cost Proposal Part I Total form. If an addendum was approved, then the addendum amount must be entered into the cost proposal section of the workbook by the Response Action Contractor so that the Department's total approved cost proposal amount is properly presented. The payment request amount should be less than or equal to the cost proposal amount. If the payment request exceeds the approved Cost Proposal Amount, the PR may be denied or partially paid.

### *I.13 ADEM Approval Signatures*

FOR ADEM USE ONLY

## *Part II*

Part II of the payment request form is comprised of Forms A – F. The Response Action Contractor should select the quantity of each "unit" that was pre-approved and performed and enter the appropriate number into the fields provided. Only the actual work units that were performed should be included on the payment request.

### *Form "A" Payment Request- Summary of ATTF Report and Plan Preparation Scenarios*

This section contains report and plan units for scopes of work that are based on actual performed scopes of work. These are Response Action Contractor labor expenditures. Only those scopes of work that were completed should be included on the payment request. The plans and report units/scenarios on Form A do not typically include field labor/tasks. Those charges can be included on Form B.

Please review the cost proposal completion section of this guidance to understand the procedures to complete Form A. In the event that a cost proposal was approved but not implemented, the Response Action Contractor can request consideration for this expenditure in the unit described as "CP Preparation". There is only one unit for all types of cost proposal preparations.

The Response Action Contractor may have completed a scope of work that was not listed on Form A and prior approval would need to have been obtained. The "Other Plan/Report" scenario may be marked and details regarding the labor categories and hours are entered on Form F. This can also be used if a Response Action Contractor only partially completed a scope of work and is not requesting full reimbursement, or does not wish to request the full Unit amount. Cap Modification charges and Emergency Response labor rate charges are listed on Form F as well.

### *Form "B" Payment Request– Summary of ATTF Field Scenarios*

Drilling Activities:

Actual field labor units should be noted on Form B of the payment request. Any increases in costs should have been approved by the Department through the addendum process. The Response Action Contractor should enter in the quantity of wells/borings installed in the appropriate footage categories as done for the cost proposal.

Other Field Activities:

Other field tasks performed by the Response Action Contractor can be entered in this section. Pre-approval for activities should have been obtained. Field work performed

but not listed as a unit may be entered on Form F. This "other" unit should have received prior approval by the Department, unless it is a situation where the Response Action Contractor performed the approved scope of work but is charging less than the unit amount. The other field work total will automatically transfer to Form B.

Analytical Samples:

The actual number of samples analyzed should be entered in the appropriate sections. The invoiced cost of the samples should be entered. A pass-through charge, if appropriate, may be selected. All analytical charges must be documented with an invoice. This includes analyses performed by the Response Action Contractor's associated laboratory. The Response Action Contractor's invoice should provide a breakdown of the analytical charges if the analyses are performed in-house. The actual cost of the analyses may be less than the maximum allowable rate, so the payment request may be less than the approved cost proposal.

Travel:

Travel charges are actual hours and miles traveled. On the payment request, the Response Action Contractor would enter in the current mileage rate which applies to the time period the travel occurred. The mileage rate is entered as a decimal amount: example – 0.565. Then, the one-way mileage from the Response Action Contractor office to the site is entered in the field to the right of the mileage rate field. The number of round trips actually made to the site is listed below the mileage. If the Response Action Contractor is combining travel with another site, then a round trip would not be appropriate, instead, actual mileage charged to the release incident would be entered in the field marked "Other Mileage".

The Department limits mileage reimbursement for one trip to 450 miles one way and 900 miles round trip. Reimbursable mileage rates vary each year but are currently set at $0.565 per mile.

Personnel Time:

Enter in the number of hours incurred for travel to the site and to return to the home base per labor category. Where round trips were not taken to the site and back to the firm's office, any hours for travel as part of a "circuit" trip where multiple sites are visited in a day can be included, but only for those hours traveled to the release site itself. Only actual traveled miles associated with the specific release incident site should be placed on the form for potential reimbursement. Labor charges for travel time should be limited to only those essential personnel needed to perform the required scope of work and that matches the labor rates approved on the cost proposal.

Per Diem:

To request reimbursement for per diem, Form E must be utilized. The information entered on Form E will automatically transfer to the Travel section of Form B provided the distance to the site is greater than 50 miles and the mileage is input in the Travel section of Form B. Per diem is only allowed in accordance with procedures described in a previous section of this guidance.

Equipment and Equipment Kits:

This section is for various equipment and equipment kits that were used at the site. The technical report should document the use of the various equipment and equipment kits in the description of work performed. The items that are included in each kit are detailed in the "Basis for Unit Rates" and "Maximum Allowable Rates" section of the form. Only those items used at the site during this approved scope of work may be requested for reimbursement.

For those items used at the site that the Response Action Contractor does not own, the rental price for the item(s) should be entered on Form "D" in the "Other Miscellaneous items/rentals (receipts required)" section. The shipping and handling charges are reimbursable and should be included in the requested amount on Form "D". If the rented item(s) was used at various sites, the daily charges and the shipping/handling charges should be prorated to reflect only the daily charge(s) for the item(s) to be used at the particular release incident of concern. An invoice from the rental firm is required. If the invoice is for more than was approved on the associated cost proposal, the requested higher charge is subject to reduction.

If the Response Action Contractor does not own an FID/PID (or other equipment kit element), then the equipment kit amount that normally contains that item can still be selected. The additional cost of the rental of the FID/PID (or other equipment item contained in a "kit") should be placed on Form "D" in the Rental Section. See the cost proposal preparation section on page 38 to see how to place the rental charges on the payment request. A receipt from the rental company is required to be submitted.

Postage and Shipping:

The Fund will allow one flat rate per cost proposal to pay for necessary copying, packaging, shipping and transportation of documents. A flat rate is allowed per scope of work.

The maximum allowable amount for sample shipping is set for most sampling scopes of work. If shipping of samples exceeds the set amount, then the actual shipping invoice must be included in the payment request and the actual amount entered instead on Form B under "Postage/Shipping (documentation required)". The Contractor cannot select both the unit amount for $50 and a site specific shipping amount. The current allowable rates are listed on the Maximum Allowable Rates listing.

### *Form "C" Payment Request- Drilling*

Form C will contain the requested costs associated with drilling borings/wells and abandoning wells. The Fund will reimburse for a drilling mobilization up to 450 total miles. More than one mobilization may be allowed when a Secondary Investigation is being performed and one set of wells is installed and after receiving the site data, it is then determined that additional wells are required. In this case, a second mobilization may be allowed. The second mobilization must be

pre-approved prior to seeking reimbursement. If two mobilizations are requested for coverage, the Response Action Contractor would input the driller's round trip miles to the site and then enter in a "2" in the number of mobilizations. The spreadsheet will multiply the round trip mileage entered by two to produce the total mileage amount requested and add this to the flat fee mob/demob amounts.

Actual footages, units, drilling items etc, which were used at the site during this approved scope of work, are required on this form. A detailed invoice from the subcontracted drilling firm must be attached to the payment request form which documents the charges requested. If the Response Action Contractor performed any of the drilling activities, then those activities must be itemized on the Response Action Contractor's invoice.

Per diem for drillers is only allowed for an overnight stay. Requesting the overnight per diem requires the drill crew to spend the night in the town where the drilling work is located or within a close proximity such as about 10 miles. The name of the town they spent the night in must be provided on the payment request. A hotel receipt for at least one member of the drill crew must be submitted documenting the overnight expenditure. Overnight per diem is only allowed when the site is located more than 80 miles from the driller's home base. The Department may approve overnight per diem for a location between 50 and 80 miles from the driller's office, if due to the nature of the scope of work, the overnight stay would be less costly and/or more appropriate from a safety perspective. If a drill crew member does not stay overnight, then that individual's claim for overnight per diem cannot be reimbursed.

### *Form "D" Payment Request – Sub Contractors/Vendors/ Utilities*

Scopes of work performed under the approved cost proposal by subcontractors, other vendors, utility bills, permit fees and some in-house construction activities are submitted on Form "D". The invoiced amount of the activity that was performed should be entered in the green box as appropriate. Charges for work tasks that are not performed by personnel associated with a Response Action Contractor firm are allowed a pass through of 10%.

A professional survey of the property by a licensed surveyor can be listed on Form D. The surveyor's invoice/bill should be attached to the payment request.

MEME events should have the information broken out into two parts. The first charge will be for the MEME event and the firm's flat rate for their water transportation fee. The second part of the charge will be the actual cost for water disposal at a permitted disposal facility. The total dollar amount for the water disposal will be entered on the line beneath the event duration titled "MEME Water Disposal Amount".

Fees that are listed on form D are only the fees or permit charges that the permitting agency charges to file the request or application. The labor charges to prepare the permits or applications are included on Form A. Documentation indicating payment of these fees is required.

For payment requests which include a request for reimbursement of the transportation and disposal costs of the development and purge water offsite, an invoice(s) from the transport company and disposal facility must be included in the payment request indicating the actual cost of transportation and disposal. The charges can be listed in the "Water Treatment/Disposal" section or in the "Other Miscellaneous items/rentals" section. On-site treatment costs (carbon treatment) must also be clearly documented in the payment request if reimbursement is requested. Reports and payment requests which do not contain sufficient details regarding development and purge water management will be considered deficient. Payment will be delayed until documentation of final disposal is received.

### *Form "E" Payment Request – Per Diem*

Form E is for listing of per-diem charges allowed for employees of the Response Action Contractor Firm. Per diem is only allowed in accordance with procedures described in a previous section of this guidance. The requested amounts should not exceed the amount approved on the cost proposal. If it does exceed, then the charge is subject to reduction or denial.

The form has three areas which reflect time spent traveling to and working at the specific release incident site for which coverage is requested: for 6 – 12 hours, for more than 12 hours, and for an overnight stay.

The form should be filled out completely. The actual dates of travel and fieldwork are to be included. The points of travel to and from are to be completed. Each day of travel and fieldwork should be listed on Form E. For overnight stays, the information should be included on two or more lines as needed. Each person should have their own line of information. Enter in the actual time of departure under "Hour of departure" and the actual hour of return.

> Example: (as of 2013)
> Joe Technician left the office at 7:30 am. The hour of departure should state 7:30 am. Joe returned to his office at 6:30 pm. The hour of return should state 6:30 pm. If Joe were to have spent the night in Huntsville, he would have listed Huntsville in the "City of Overnight Stay" field, and the hour of return would be listed on the next line as 6:30 pm.

The amount of per diem requested for reimbursement will automatically be transferred to the Travel section on Form B. When requesting per diem, Form E is required to be submitted as part of the payment request.

For scopes of work which require the listing of more requested daily and individual per-diem requests than are available on the current form, select the tab on the left side of the worksheet titled "Additional Sheet". Selection of the additional sheet will allow space for the listing of more days and personnel requests for per diem. The extra sheet can be removed from viewing and printing by selecting the tab on the left side of the worksheet titled "Hide Additional Sheet".

### *Form "F" Payment Request – Other Plan/Report, Other Field Tasks, CAP Modification*

Form F is provided to allow for the proposal of a scope of work that is not listed on Form A or B that was pre-approved or as described below. The tasks conducted for that scope of work are to be described in the boxes provided for each labor category. This form is also used for CAP modifications since each modification will vary in complexity from site to site.

This form can also be utilized when a Response Action Contractor does not elect to charge the maximum allowable unit/scenario amount. Form F can be used to enter in a lower total proposed amount for the scope of work actually performed.

## DEPARTMENT REVIEW OF COST PROPOSALS

### Review Timeframes

The UST Corrective Action Section staff will receive and review all cost proposals submitted. The Department should review and either approve or deny all cost proposals within 120 days of receipt. If a Response Action Contractor has not received a copy of the cost proposal approval or denial letter after 120 days, then they should contact the ADEM project manager.

### *Complete Cost Proposal*

If the Department determines that a cost proposal is acceptable and meets the guidelines for submittal, then the Department will issue an approval letter which includes the approved amount of the cost proposal as presented. The responsible tank owner/operator receives the original approval letter and a copy of the approval is mailed to the Response Action Contractor.

### *Deficient Cost Proposals*

If the Department determines that a cost proposal is deficient, then the CP will be denied and a revised cost proposal may be required to be submitted.

### *Department Adjustment of Cost Proposal*

If the Department's review of the cost proposal reveals that costs submitted are not eligible, are not reasonable, or are unnecessary for the scope of work, then the Department will prepare an adjusted cost proposal to be sent back to the tank owner/operator and Response Action Contractor. This revised cost proposal form will identify the scope of work that is approved. The Response Action Contractor will need to revise their cost proposal spreadsheet to reflect the Department's adjustments so that the payment request will be properly prepared at completion of the approved scope of work.

# DEPARTMENT REVIEW OF PAYMENT REQUESTS

## Receipt of Payment Requests

All payment requests should be uploaded to the correct schedule in AEPACs, or in rare situations, emailed to ALtankfund@ADEM.ALabama.gov. A mailing address is also available to the ADEM Permits and Services Section at:

Alabama Department of Environmental Management
Attention: Permits & Services Fiscal Branch
Post Office Box 301463
Montgomery, Alabama 36130-1463

Upon receipt, the Department ensures that an associated cost proposal was approved by the Department. If the work was not pre-approved, then the payment request may be denied. All payment requests should be submitted within eighteen (18) months of the approval date of the associated cost proposal.

## Owner's Required Contribution

Payment request #1 must contain proof of payment for the owner/operator's required contribution (deductible). Reimbursement will not occur if the proof of deductible payment is not included in payment request #1. In rare cases, the contribution may be included in PR#2 if directed or allowed to do so by the Department. However, no reimbursement should be made until the proof of payment is submitted to the Department.

## Auditing of the Payment Request

Upon verification that the scope of work has have been performed by the Response Action Contractor as approved and documented in a plan or report, the ADEM Permits and Services staff will review the payment request document and ensure that all charges match the approved cost proposal amounts and units. Should an item be included at a higher cost than approved, or a request for payment for an item be made that was not approved, then the payment request will be reviewed by the UST Corrective Action Section for an eligibility determination. Payments for response actions, the cost of which exceed the scope or amount of the approved cost proposal for that action, are subject to approval by the Department.

All payments shall be subject to approval by the Department. Should a site inspection or other information available to the Department reveal a discrepancy between the work performed and the work addressed by a payment application, the Department may deny payment or may require the Tank Trust Fund to be reimbursed.

## Partial Payment of the Payment Request

If certain costs are considered as not being reasonable or eligible for reimbursement, the Department may issue a check for the amount of the application not in question and provide a fifteen (15) day period in which the owner or operator or Response Action Contractor may present such information as is necessary to justify the disallowed costs. Following review of such information, the Department may agree to pay the previously disallowed costs, or any portion thereof, or may again disallow the costs for payment.

## Who receives the reimbursement?

Where the owner or operator has submitted a complete application for payment for response action costs but has not paid the Response Action Contractor for these activities or claims, payments will be made by a check written to the Tank Trust Fund Response Action Contractor who provided the response action services. Payments from the Tank Trust Fund will be made directly to the eligible owner or operator in cases where the owner operator submits documentation verifying the owner or operator has paid the Response Action Contractor for response actions.

## RECORDKEEPING

The owner or operator shall keep and preserve detailed records demonstrating compliance with approved investigative and corrective action plans and all invoices and financial records associated with costs for which reimbursement will be requested. These records shall be kept for at least three years, or as otherwise directed by the Department, after corrective action has been completed for a site. (See ADEM Admin. Code r. 335-6-16-.10(k)).

Since Trust Fund Response Action Contractors perform the scopes of work and originate most of these invoices and financial records, the Response Action Contractor is requested to keep and preserve detailed records demonstrating compliance with approved investigative and corrective action plans and all invoices and financial records associated with costs for which reimbursement will be requested. These records shall be kept for at least three years, or as otherwise directed by the Department, after corrective action has been completed for a site.

All payments shall be subject to approval by the Department. Should a site inspection or other information available to the Department reveal a discrepancy between the work performed and the work addressed by a payment application, the Department may deny payment or may require the Tank Trust Fund to be reimbursed.