

Alabama Drycleaning Environmental Trust Fund
Policies and Procedures
August 2020

Consideration of Cost Proposals and Payment Requests

- Current versions of Cost Proposal and Payment Request forms are available on the Board's website at www.drycleaningtrustfund.alabama.gov
- The Board will limit quarterly authorizations of all cost proposals to 75% of average quarterly income from prior fiscal year. For the fiscal year between October 1, 2018-September 30, 2019, the average quarterly income was \$56,401.50, therefore the Board will authorize up to \$42,301 per quarter during Fiscal Year 2020. The average quarterly income will be recalculated at the November 2020 Board meeting.
- Cost Proposal Authorizations will be granted based on priority ranking of the site by ADEM and date the Cost Proposal was received.
- Only Cost Proposals and Payment Requests that are received by the submission cut-off date at the Board office with original notarized signatures are eligible for consideration. Two original Cost Proposals/Payment Requests must be received at the Board office before the submission cut-off date. A courtesy electronic copy should be sent to the Board Engineer at acousins@acessllc.com however, the electronic copy will not be considered unless the original signed notarized forms are received at the Board office and stamped in prior to the submission cut-off date.
- The Potentially Eligible Party must be current with payment of fees to the Department of Revenue on the Revenue quarterly filing date.
- The Board will not hold Cost Proposals or Payment Requests, thus, if a Cost Proposal or Payment Request is not authorized, it needs to be resubmitted in the quarter to be considered.
- Do not submit Cost Proposals unless ADEM has required additional work. Do not submit more than One Cost proposal for consideration per quarter, unless specifically discussed with ADEM and the Board Engineer. (For example, do not submit Cost Proposals for multiple groundwater monitoring events except for UIC permits).
- Only submit one Payment Request for each authorized Cost Proposal. No splitting of Cost Proposals.
- Only submit a Payment Request when all work is completed for a site. If ADEM determines that work is incomplete, the Payment Request will not be considered by the Board. (For example, if IDW has not been properly disposed, ADEM will determine that the work is not complete and the Payment Request will not be considered).
- A Cost Proposal is only valid for one year (i.e. 4 Quarterly Board meetings). If a Payment Request is not submitted within 4 quarters following authorization, the Cost Proposal will be void and will not be eligible for reimbursement. The ADEC may submit up to 2 requests for extensions accompanied by a valid reason for not completing the work (i.e. can't achieve off-site access). After 2 extensions, if the Payment Request is not received, the Cost Proposal will

be void and no work completed will be reimbursable under that Cost Proposal Authorization. If no request for extension is submitted, the Cost Proposal will become void.

- The Department of Revenue will not process Payment Requests unless the name, address, and tax ID form exactly match information previously submitted to the Department of Revenue. The Board does not have access to the Department of Revenue forms to check, so if something is wrong (spelling of name, street address, tax id number), they will Green slip the Payment and it will be delayed. If something has changed, a revised W9 form should be submitted with the Payment Request.
- Authorization of costs under a Cost Proposal is not a project budget. Each section of approved cost is approved based on unit rates, time and materials to complete the Scope of Work required by ADEM. If the entire Scope of Work is not performed or if out-of-scope activities (not required by ADEM) are performed, the Board expects that the final costs submitted for payment represent the actual required work performed, which is less than authorized.
- The Board needs an updated Form W-9 each year before the Responsible party can receive a payment from the fund. A copy of the form is available on the Board website.

Reasonable Rates and Reimbursement

- The Board has adopted the Reasonable Rate schedule for maximum allowable labor rates approved by the Alabama Department of Environmental Management (Alabama Tank Trust Fund Rates), effective August 2018. Those rates are posted on the Board website at www.drycleaningtrustfund.alabama.gov
- Reasonable rates for other items (i.e. field equipment, drilling, analytical, etc.) will be updated after ADEM (Trust Fund) finalizes the new rates. The rates will be published on the Board website when effective.
- Three quotes are required for any activity/action that does not have a maximum reimbursable rate on the Board's website. (for example, any laboratory analysis, piece of equipment, remediation subcontractor and IDW disposal, etc.). Failure to provide three quotes with the Cost Proposal may result in non-consideration of the Cost Proposal.
- Often, Cost Proposals are approved with a budget for items that do not have published reasonable rates (for example, office supplies, shipping, well sampling materials, etc.). In order to be reimbursed for any item that does not have a Board approved Reasonable Rate, the Payment Request must include a copy of the actual invoices or receipts for the items. If an invoice or receipt is not included, the item cannot be reimbursed, even though a budget was authorized for the items.

Eligible Personnel

- Only personnel that have a resume on file with the Board are eligible to work on Alabama Drycleaner sites. Please provide resumes for any personnel who were not included in the ADEC renewal application when the Payment Request is submitted.

Investigation Derived Waste

- Proposed cost for management of Investigation Derived Waste (IDW) varies greatly depending on the vendor chosen and the disposal facility. ADEM has provided the guidance below for

management of IDW from drycleaner sites. Because the Hazardous Waste Regulations (Division 14) apply, all drycleaner sites are subject to the storage and proper disposal requirements. Because the Board only meets quarterly and IDW storage requirements are generally either 90 or 180 days (depending on the generator classification), all ADECs shall include costs for IDW management for every activity where IDW is generated. The Board requires that you obtain three prices for management of the IDW, which shall be included with the Cost Proposal submittal information. Include three quotes for disposal as hazardous waste, and three quotes for disposal as non-hazardous waste, in the event the waste meets the "Contained Out" determination. The Board will authorize the lowest hazardous waste quote, but expects the ADEC to select the lowest cost option for disposal, if the waste is eligible to be disposed as non-hazardous waste.

- Costs for IDW management shall include quotes for disposal of the waste as hazardous waste and non-hazardous waste, in the event that ADEM approves disposal as non-hazardous waste. The ADEC is responsible for determining any treatment/disposal facility fees and including that in the costs for disposal or transportation of the waste. Costs shall be presented as disposal costs, transportation costs and stop fee.
- If the IDW will be disposed at a solid waste disposal facility in Alabama, you must provide a copy of the ADEM pre-approval letter with the Payment Request. Cost for ADEM pre-approval will only be reimbursed if a copy of the letter is attached.
- If IDW costs were authorized, a Payment Request that does not include IDW expense will be considered incomplete.
- If a manifest for proper disposal is not provided with the report to ADEM, the report will be considered incomplete, and the Board will not consider the Payment Request until all documentation has been submitted.

ADEM Guidance Regarding Management of Investigation Derived Waste

"Investigative derived waste (IDW) generated at drycleaner sites is subject to a hazardous waste determination pursuant to ADEM Administrative Code rule 335-14-3-.01(2).

Generators/consultants must determine if the waste is a listed waste found in 335-14-2-.04 of the Code. It is the Department's interpretation that any detectable concentration of PCE renders the waste "listed" unless a contained-in/contained-out determination is made. Work plans should reflect the proper management of IDW based on as generated concentrations of PCE.

The following ADEM guidance documents are available on the Board's website:

- Remediation Waste Contained-in Policy Guidance
- Hazardous Waste Determination
- Remediation and Investigation-Derived Waste
- Waste Disposal Approvals

Board Policy on Environmental Covenants

The Alabama Drycleaning Environmental Trust Fund Board decided at the August 14, 2014 meeting that costs associated with preparation and filing of an Environmental Covenant are not reimbursable under the Alabama Drycleaning Environmental Trust Fund.

Board Policy on UIC Permit Monitoring Cost Proposal Approval

The Alabama Drycleaning Environmental Trust Fund Board decided at the February 15, 2018 meeting to allow authorization of monitoring costs for sites with an Underground Injection Control (UIC) permit to submit a single Cost Proposal for Quarterly monitoring at the beginning of each calendar year. Payment Requests may be submitted quarterly, with the Cost Proposal number followed by -A, -B, -C, and -D to represent the quarterly monitoring reimbursement. The ADEC must submit a copy of the UIC permit to the Board Engineer prior to submitting the Annual Cost Proposal.

(NEW) Board Policy on Addendums and Scope Modifications

The Board will only reimburse for the amount authorized on a cost proposal unless an addendum is approved by the Board. If actual costs will exceed authorized costs, an addendum must be submitted with an explanation for the increased costs.

If a Scope of Work cannot be completed as authorized (i.e. access cannot be obtained which prohibits installation of a monitoring well, groundwater not encountered during drilling at proposed depth, etc.), the Alabama Drycleaning Environmental Consultant (ADEC) shall contact ADEM before proceeding with mobilization or making a decision about how to proceed to determine if the Work Plan needs to be modified.