

LOUISIANA MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND COST CONTROL GUIDANCE DOCUMENT

I. INTRODUCTION

A. Philosophy

The Motor Fuels Underground Storage Tank Trust Fund (hereinafter referred to as “the Trust Fund”) was established by Act 767 on July 15, 1988, as a means of helping underground storage tank (hereinafter referred to as “UST”) owners, operators, or responsible parties (hereinafter referred to as “owners/owner”) meet the financial responsibility requirements set forth by the Environmental Protection Agency. The Trust Fund was initially financed through a per-tank fee of \$100 set up by the Act. On July 26, 1990, Act 1014 was passed, changing the fee structure from a per-tank rate to a rate based on the number of gallons delivered to a UST. On June 16, 1995, Act 336 of the 1995 Regular Session of the Legislature was passed increasing the fee from \$27.00 to \$72.00 for each delivery of 9,000 gallons of fuel to a UST. This fee is collected by bulk operators and remitted to the Department of Environmental Quality (hereinafter referred to a “the Department”) on a monthly basis.

The Trust Fund is managed by the Department’s Financial Services Division, Trust Fund Management Section, and is designed to reimburse costs incurred during the rehabilitation and remediation of affected soils, groundwater and inland surface waters at motor fuel contaminated UST sites, provided these costs are necessary and appropriate. The Trust Fund will reimburse only those costs which return the site to the use and occupancy in effect at the time the release occurred. It is the mission of the staff involved in processing the reimbursement requests to ensure that the integrity of the Trust Fund is not jeopardized by the incorporation of inappropriate and excessive expenditures.

Because there is a limited amount of money available to perform cleanups, it is necessary to control costs for investigation and remediation activities. The purpose of this guidance document is to provide members of the regulated community, and those involved in providing services to them, with general information concerning the Trust Fund, as well as specific information regarding allowable and non-allowable costs, and accepted rates (Appendix B).

For specific legal requirements and applications, consult the latest and full version of the Underground Storage Tank Regulations, and Louisiana Revised Statutes 30:2194 et seq and 2195 et seq.

B. Definitions

The terms defined below shall have the following meanings.

Advisory Board – a board which consists of the Secretary of the Department or his designee, two members appointed by the president of the Louisiana Oil Marketers Association, one member appointed by the Mid-Continent Oil and Gas Association, and two members who represent the RAC community appointed by the Secretary of the Department.

Corrective Action Plan (CAP) – a plan submitted to the Department for rehabilitation and remediation of sites contaminated by a UST release into the soils, groundwater, and inland surface waters. This plan must address the cleanup of any affected soils, groundwater, and inland surface waters. The plan must utilize cost effective methods that are technologically feasible and reliable. Furthermore, the plan shall ensure adequate protection of the public health, safety, and welfare, and minimize environmental damage, in accordance with the site selection and cleanup criteria established by the Department. All costs addressed in this plan must be in accordance with the most current Motor Fuels UST Trust Fund Cost Control Guidance Document.

Date of Release - the specific date in which evidence indicates that a release (leak) is occurring or has occurred. If a tank is out-of-service, the date of release is the last date of operation.

Eligible Participant – for releases occurring prior to August 1, 2001, any owner of an underground storage tank who has registered a newly installed or operating tank with the Department prior to the date of a release, has paid the annual tank registration fees along with any late payment fees, and has met the financial responsibility requirements imposed by R.S. 30:2195.9. In addition to the above requirements, for releases occurring between July 15, 1988 and September 2, 1989, and on or after August 1, 2001, the owner must also be in substantial compliance with the UST regulations/statutes. (See definition of substantial compliance)

Motor Fuels – All grades of gasoline including, but not limited to, gasohol, No. 1 diesel, No. 2 diesel, kerosene, and all aviation fuels. Liquid petroleum (LP) gas shall not be included in this definition of motor fuel. Effective September 6, 1991, this term shall include new and used motor oil that is used for lubricating engines of motor vehicles. If, however, used oil is determined to be a hazardous waste by the United States Environmental Protection Agency, used oil shall no longer be included in this term.

Operating Tank – a tank that is actively receiving and dispensing motor fuels, including a tank which actively receives used motor oil.

Owner - 1. the current owner of the land under which the tank is buried; 2. any legal owner of the tank; 3. any known operator of the tank; 4. any lessee; 5. any lessor. If one person defined as the owner complies, it shall be deemed compliance by all persons defined as owners.

Response Action Contractor (RAC) – a person who has been approved by the Department and is carrying out any response action excluding a person retained or hired by

such person to provide specialized services relating to a response action. When emergency conditions exist as a result of a release from a motor fuel underground storage tank, this term shall also include any qualified person performing department-approved emergency response actions during the first seventy-two hours following the release.

In accordance with Act 336 of the 1995 Regular Session of the Legislature, a motor fuel underground storage tank owner who is an eligible participant and a response action contractor will not be reimbursed for response actions (excluding emergency response actions performed during the first seventy-two hours following a release) performed at its own site. Underground motor fuel storage tank owners will not be reimbursed for response actions (excluding emergency response actions performed during the first seventy-two hours following a release) performed by a response action contractor who is known to have performed actions which contributed to or resulted in the release.

Note: Any repair work to a UST system must be performed by a worker certified in UST system installation and repair. This work is not reimbursable under the Trust Fund.

Site Investigation – defines the horizontal and vertical extent of all portions of a contaminant plume (phase-separated, adsorbed, and dissolved) caused by a UST as quickly and as cost effectively as possible.

Specialized Service – activities associated with the preparation of a reimbursement application, laboratory analysis, or any construction activity, including construction of trenches, excavations (including landfill and transportation charges), installing/plugging and abandoning monitoring or recovery wells, installing/plugging and abandoning borings, heavy equipment work, surveying (including drafting), plumbing, and electrical work which is carried out by a response action contractor or subcontractor hired or retained by a response action contractor in response to a discharge or release or threatened release of motor fuels into the groundwater, surface waters or subsurface soils.

A written request must be submitted to and approved by the Trust Fund Management Section in order to clarify if a specific activity, other than those listed above, is considered a specialized service.

Substantial Compliance – an owner of an underground storage tank that has registered that tank with the department; has generally complied with the state and federal laws and regulations applicable to underground storage tanks, and noncompliance with such laws and regulations has not caused or contributed to a release; has met the financial responsibility requirements imposed by La. R.S.30:2195.9, and has promptly notified the secretary of any third party claim or suit filed against him.

Technical Services – activities performed by a response action contractor, including but not limited to oversight of all investigation field activities; all reporting, planning, development of correction action plans; design of remedial activities; performance of groundwater and discharge monitoring; performance of operation and maintenance of remedial systems; and oversight of specialized services performed by a subcontractor.

Third Party Claim – any civil action brought or asserted by any person against the Secretary of the Department and any owner of any underground storage tank for damages to person or property when damages are the direct result of the contamination of

groundwater, inland surface waters or subsurface soils by motor fuels released during operation of storage tanks that were being operated in substantial compliance as provided for in R.S. 30:2194 through 2195.10. The term “damages to person” shall be limited to: damages arising directly out of the ingestion or inhalation of petroleum constituents from water well contamination or inhalation of petroleum constituents seeping into homes or buildings and the term “damages to property” shall be limited to: the unreimbursed costs of response action and the amount by which real property is proven to be permanently devalued as a result of the release.

C. Responses to Questions Regarding the Motor Fuels Underground Storage Tank Trust Fund

1. Who is an eligible participant in the Trust Fund?

Any owner of an underground motor fuels storage tank who has registered a newly installed or operating tank with the Department prior to the date of the release, has paid the annual tank registration fees along with any late payment fees, and met the financial responsibility requirements for the amounts not covered by the Trust Fund is eligible to participate in the Trust Fund. For releases which occurred between July 15, 1988, and September 2, 1989, and on or after August 1, 2001, the owner must also be in substantial compliance with state/federal laws and regulations pertaining to underground storage tanks.

2. Are any releases not covered under the Trust Fund?

Releases that are NOT covered under the Trust Fund include:

- a. Releases from motor fuel (excluding new and used oil) USTs when the release occurred prior to July 15, 1988.
- b. Releases from new and used oil USTs when the release occurred prior to September 6, 1991.
- c. Releases from USTs which are owned by state or federal governmental entities.
- d. Releases from any UST whose capacity is 110 gallons or less.
- e. Releases from USTs which are part of an airport hydrant fuel distribution system.
- f. Releases from UST systems with field-constructed tanks.
- g. Releases from any USTs containing substances other than “motor fuels.” (See definition of motor fuels as provided in Section B).
- h. Releases from non-commercial farm or residential use USTs with capacity of 1,100 gallons or less.
- i. Releases which occurred between July 15, 1988, and September 2, 1989, and on or after August 1, 2001, if it is determined that the site was not in substantial

compliance with state and federal laws and regulations applicable to underground storage tanks and the rules and regulations adopted pursuant thereto.

- j. Releases from UST systems that were registered temporarily or permanently out-of-use and were never put into service.

3. Who will receive payment from the Trust Fund for work performed?

The owner of the UST system will receive payment for eligible work contracted prior to August 1, 1995. Act 336 of the 1995 Regular Session of the Legislature requires the Department to pay the response action contractor for work contracted for on or after August 1, 1995.

4. Does being a participant in the Trust Fund fulfill the financial responsibility requirements specified in the Underground Storage Tank Regulations?

As a participant in the Trust Fund, a UST owner has fulfilled the financial requirements of the regulations except for the amounts that are not covered by the Trust Fund. These amounts include any non-allowable costs and the “deductible.” The deductible for each release is taken from eligible costs and is similar to those amounts specified in some insurance policies. The deductible must be paid by the Trust Fund participant before any monies are disbursed from the Trust Fund. The participant may use any of the other mechanisms provided for in the regulations to demonstrate financial responsibility. The deductible amounts which must be paid by the owner for each occurrence before funds are disbursed from the Trust Fund are as follows:

- a. If the leak occurred between July 15, 1988, and December 31, 1989, the deductible is \$10,000.
- b. If the leak occurred between January 1, 1990, and July 14, 1992, the deductible is \$15,000.
- c. If the leak occurred between July 15, 1992, and June 15, 1995, the deductible is as follows depending on the total number of tanks owned:

| | |
|-------------------|----------|
| 0-12 tanks | \$ 5,000 |
| 13-99 tanks | \$10,000 |
| 100 or more tanks | \$15,000 |

- d. If the leak occurred on or after June 16, 1995, the deductible is \$5,000.

The deductible amounts listed above also apply to third-party claims. The Trust Fund Advisory Board reviews these amounts annually and may recommend adjustments to the Secretary of the Department.

The date of release is the specific date in which evidence indicates that a leak is/was present or confirmed. If a tank is out-of-service when evidence of a release is discovered, the confirmed leak/release date is the last date of operation.

5. What are the Maximum Disbursements?

- a. The following payments represent maximum disbursements from the Trust Fund per occurrence:
 - 1) For owners of petroleum underground storage tanks that are located at petroleum marketing facilities, or that handle an average of more than 10,000 gallons of petroleum per month based on annual throughput for the previous calendar year, \$1,000,000 minus the applicable deductible.
 - 2) For all other owners of petroleum underground storage tanks, \$500,000 minus the applicable deductible.
- b. The following payments represent maximum annual aggregate amounts disbursed per owner from the Trust Fund for costs incurred from July 1 to June 30 of each year:
 - 1) for owners of 1 to 100 petroleum underground storage tanks in Louisiana, \$1,000,000; or
 - 2) for owners of 101 or more petroleum underground storage tanks in Louisiana, \$2,000,000.
- c. The disbursed amounts listed above include third-party claims, however, a separate deductible is required from the owner.

6. How may the Trust Fund be used to reimburse costs for response actions?

Whenever the Department determines that a discharge from a motor fuels underground storage tank owned by an eligible Trust Fund participant has contaminated soils, groundwater, or inland surface waters to an extent that threatens the environment or public health, safety, or welfare, the Department will obligate funds from the Trust Fund to provide for:

- a. investigation of the contaminated site;
- b. interim replacement and permanent restoration of potable water supply where the tank discharge has contaminated the supply;
- c. rehabilitation and remediation of contaminated UST sites to the extent necessary to return the site to the use and occupancy in effect at the time the release occurred; and
- d. payments of third-party claims that result in a final judgement against the tank owner and the Secretary of the Department for eligible damages caused by a release.

7. How are funds disbursed from the Trust Fund?

Funds are disbursed from the Trust Fund only after the owner has paid applicable deductible amounts. Disbursements are made from the Trust Fund as follows:

- a. Within the first 72 hours of an emergency situation, owners may use any qualified person to take action to abate an immediate hazard without obtaining cost estimates in advance. These reimbursable activities may include free product recovery, vapor abatement, and the removal of highly saturated soils. After the first 72 hours, a RAC must carry out all work. The Department will take all possible steps to oversee these actions to help avoid cost overruns.
- b. Although advanced estimates are not required before work is begun to remedy or contain immediate hazards, an owner is required to notify the Department within 24 hours that a release is suspected or confirmed. Such notification is required under any of the following conditions:
 - 1) Released regulated substances are discovered at the UST site or in the surrounding area.
 - 2) Unusual operating conditions, such as erratic behavior of product-dispensing equipment, are observed, unless system equipment is found to be defective but not leaking and is immediately repaired or replaced.
 - 3) Monitoring results from a release detection method required by the regulations indicate that a release may have occurred, unless the monitoring device is found to be defective and is immediately repaired, recalibrated, or replaced, and subsequent monitoring does not confirm the initial result, or in the case of inventory control, subsequently collected data does not continue to indicate a loss.
- c. All work must be carried out by a RAC with the exception of the conditions indicated in Section 7.a. above.
- d. If the owner receives notice from the Department indicating that an investigation is required to determine the extent of subsurface contamination and the owner wishes to be reimbursed by the Trust Fund, a contractor from the Department's current RAC list must be chosen. All RAC work plans and cost estimates must be approved by the Department before the investigation work begins. Final cost approval will be determined after the receipt and review of a request for reimbursement by the Trust Fund Management Section. In order to ensure maximum potential eligibility under the fund, all relevant site activities must be conducted in accordance with the regulations and the latest edition of the MFTF Cost Control Guidance Document and other guidance documents provided by the Department (i.e. "Risk Evaluation/Corrective Action Program (RECAP)" and "Ground Water Monitoring and Reporting Guidance Document" prepared by the Department, and "Construction of Geotechnical Boreholes and Groundwater Monitoring Systems Handbook" prepared by the Department and the Louisiana Department of Transportation and Development.)

8. What must the Corrective Action Plan (CAP) budget proposals include and when must an addendum be submitted?

- a. If, after reviewing the Investigation/RECAP report, the Department determines that corrective action is warranted, the owner will be required to obtain at least two proposals outlining technical approaches for corrective action. The owner will review the proposals jointly with the Department to decide which proposed action is more appropriate to expedite the cleanup of the specific site and which is the more cost effective.
- b. The CAP must include costs that are within the guidelines of the Cost Control Guidance Document. CAP costs should include all costs from implementation of the CAP through the final stages of remediation, including all monitoring costs, treatment unit operation and maintenance, plugging and abandonment (P & A) of wells, etc. If the CAP costs become higher than the cumulative CAP budget approved by the Department, an addendum must be submitted to the Department for approval.
- c. If the cost of any specialized service exceeds \$25,000 and the RAC is unable to perform the work, three bids must be obtained from subcontractors and the work must be awarded to the lowest bidder. If the cost of the work exceeds the lowest bid, no more than twenty percent (20%) above this bid (with a maximum of \$20,000) will be reimbursed, provided adequate written justification and an approved addendum to the CAP are submitted with the reimbursement application. If the cost estimate for the construction work is less than \$25,000, three bids are not required. RACs shall be required to retain all paperwork which documents the lowest bidder for a period of four years following reimbursement in order to allow for Department inspection.

It is the responsibility of the RAC to ensure that the bids from the subcontractors are no greater than the rates allowed in Appendix B. In addition, all subcontractors' invoices must contain the same level of detail as the response action contractors. Markup is not allowed to any RAC on work subcontracted to any company affiliated with or related to the RAC.

9. When should a reimbursement application be submitted?

- a. The Trust Fund Management Section will accept the initial request for reimbursement only after completion and submittal of the Site Investigation Report and the Trust Fund Management Section has determined the site eligible. If it is determined that extensive off-site contamination exists from a release at a Trust Fund eligible site or other conditions exist that result in a delayed submittal of the assessment report, an owner or RAC may request that the Trust Fund Management Section allow submittal of the initial application for reimbursement after the contaminant plume has been delineated on the property of the UST owner. This request must be received by the Trust Fund Management Section prior to the submittal of the application.

- b. Subsequent application requests must include, at a minimum, all invoices dated during one calendar quarter: January through March, April through June, July through September, or October through December. A single application may include invoices to the owner that cover more than one calendar quarter. All multiple quarter invoices must be dated within a single state fiscal year, July 1 through June 30. Once an application is submitted to the Department, invoices for the period submitted or any prior period will not be accepted.

Exception: When the RAC is changed during a quarter, a separate application must be submitted for work performed by each RAC.

- c. In accordance with the Environmental Quality Act, payments for eligible damages will be made to third parties who bring suit against the owner and the Secretary of the Department and obtain a final judgement. The owner must be an eligible participant in the Trust Fund and pay the applicable deductible. (See Section 5 regarding maximum disbursements).
- d. Any and all reimbursement costs must be in accordance with the edition of Cost Control Guidance Document in effect at the time the work was performed. Costs shown in a CAP will not be reimbursed if they are not in agreement with the applicable MFTF Cost Control Guidance Document.

10. How is eligibility for reimbursement determined?

If the tank owner has registered the UST tank with the Department prior to the date of a release, has paid the annual tank registration fees along with any late payment fees, and provided the financial responsibility amount imposed by R.S. 30:2195.9 (i.e., canceled check with list of corresponding detailed invoices or Proof of Payment of Deductible Affidavit) in the first application following a release at the site, he is considered an eligible participant and the application is accepted. For releases occurring between July 15, 1988 and September 1, 1989, or on or after August 1, 2001, the owner of the tank must also be in substantial compliance with state/federal UST regulations/laws. All Trust Fund work must be performed in accordance with the current version of the "MFTF Cost Control Guidance Document", "Ground Water Monitoring and Reporting Guidance Document" and "RECAP" prepared by the Department and "Construction of Geotechnical Boreholes and Groundwater Monitoring Systems Handbook" prepared by the Department and the Louisiana Department of Transportation and Development.

If a UST site is determined to have tanks that are registered and tanks that are not registered, and the unregistered tanks contributed to the release at the site, only a portion of the investigation/remediation charges will be considered eligible for reimbursement.

11. How soon must an eligibility determination be requested and what information should be provided to the department?

An eligibility determination may be requested from the Trust Fund Management Section as soon as a motor fuels release has been confirmed by the Department. A request for eligibility must be submitted to the Trust Fund Management Section on a Request for Eligibility Determination Application. The Eligibility Determination Application is available on disk by submitting a self addressed and stamped mailer to the Trust Fund Management Section requesting Microsoft Word 2000, on the internet by accessing <http://www.deq.state.la.us> or by requesting a hard copy from the Trust Fund Management Section.

A letter from the Trust Fund Management Section indicating eligibility, non-eligibility or inadequate documentation provided to allow a determination will be sent to the owner submitting the Eligibility Determination Application. The Trust Fund Management Section must have deemed the release eligible or partially eligible, prior to submittal of the first trust fund application. A site may be determined eligible for reimbursement pending proof of payment of the deductible, which must be provided in the first application following a release at the site.

12. What are the application submittal requirements?

Trust Fund reimbursement packages must be in the format of the most current application form provided by the Trust Fund Management Section. Current forms are available on disk by submitting a self addressed and stamped mailer to the Trust Fund Management Section requesting Microsoft Word 2000, by accessing the internet at <http://www.deq.state.la.us>, or by requesting a hard copy from the Trust Fund Management Section. The goal of the Trust Fund Management Section is to process applications as quickly and as efficiently as possible. Incorrect formatting slows down the process and will not be accepted. Alternate formats will be returned to the originator.

All invoices must be detailed and have accompanying support documentation. This documentation must be legible and must correspond with the amount specified on the invoice. Altered or adjusted invoices will not be reimbursed, with the exception of hand written adjustments to the original invoice which reflect non-Trust Fund eligible items. Subcontractor invoices are subject to the same documentation requirements as the response action contractor.

Applications will be returned to the party receiving reimbursement for the following reasons:

1. The release at the site has not been determined eligible by the Department;
2. The charges in the application are not identified in the correct event category (emergency/initial work, investigation work, monitoring/interim work, corrective action plan work, and report preparation work);
3. The frequency for groundwater sampling events, groundwater reporting events, NPDES sampling events or treatment unit operation and maintenance events is inconsistent with the schedule approved by the Department;

4. Processing of the application will result in an exceedance of the cumulative Corrective Action Plan budget as approved by the Department;
5. A detailed explanation of non-unit price activities is not addressed in the invoices/invoice attachments to the owner;
6. The affidavits contained in the application are incomplete or not correctly executed;
7. The Part 1 of the application does not contain an original signature;
8. Reimbursement for rental or purchase of a treatment system is requested and a completed Part 7 or 8 is not provided in the application;
9. A subcontractor's invoice does not contain a detailed breakdown of the costs at the same level of detail required by the response action contractor (Ex: surveying invoice must address dates work performed and the number of hours charged);
10. Proof of payment of the required deductible amount was not provided;
11. Applications submitted on out-of-date version of the reimbursement application;
12. A completed W-9 for the party receiving reimbursement is not included with application;
13. Necessary back-up documentation is not provided (Ex.: drillings logs, manifests, invoices, receipts, NPDES results for excursions);
14. The invoices to the owner in an application address a period of time that is more than a single fiscal year; or
15. Unit price activities performed after January 1, 2001, are addressed in an application; however, the charges in the application are based on time and materials.

For applications that are missing support data and have illegible documentation, the owner or RAC will be notified verbally and in writing (by Telefax Deficiency Notice) and given five (5) calendar days after verbal notification, to submit the requested information. If, at the end of this period, the requested information has not been received, the charges claimed will be disallowed and will not be considered for resubmittal.

13. In what order are applications reviewed by the Trust Fund Management Section?

Applications are reviewed by the Trust Fund Section in chronological order by the date received. When additional applications are received for a site before the processing of other applications received on an earlier date, all applications for the site will be processed at the same time.

14. Is there a time limit in which an application for reimbursement may be filed?

Yes. The Trust Fund Management Section accepts only those applications submitted within two years of the date the work was performed.

Exceptions to the two-year requirement are:

- a. When the initial Site Investigation/RECAP Report has not been completed within two years, the applicant will have ninety days from the completion of the initial Site Investigation/RECAP report to submit the reimbursement application.
- b. When the applicant has not incurred costs for eligible response action activities equal to the deductible amounts within two years, the applicant will have ninety days from incurring costs equal to the deductible amount to submit the reimbursement application.
- c. When the Department's actions result in the reimbursement application not being submitted within two years of the date the work was performed, the applicant will have ninety days from the date the issue is resolved to submit the reimbursement application.
- d. When the charges requested in the application are to be used towards the deductible and reimbursement from the trust fund is not requested.

15. Where can the W-9 form required by the Internal Revenue Service be found?

A completed W-9 form must be submitted with the reimbursement application. This form is requested by the IRS and is necessary to set up an account with the State. The form can be attained by contacting the IRS at 1-800-829-3676 or by accessing the internet at http://www.access.gpo.gov/su_docs.

A W-9 must be submitted only for the party that receives reimbursement. Payments are made to the owner if the contract for the investigation/remediation of the site was signed before August 1, 1995. For contracts signed on or after August 1, 1995, payments are made to the Response Action Contractor.

16. Are resubmittals of applications allowed?

- a. The Trust Fund Management Section will not accept resubmittal of applications for releases at sites deemed ineligible. If the owner or RAC would like to present additional information which may render the release at the site eligible, a letter must be submitted outlining the reasons along with any backup documentation. The Trust Fund Section will then revisit the case and notify the applicant in writing of the decision.
- b. The Trust Fund Management Section will allow resubmittal of an application if an item is not reimbursed because of an error made by the Trust Fund Management Section personnel. Resubmittal of the entire application is not necessary. The following documentation should be provided:
 - 1. Letter outlining the item not paid, the amount requested based on the error, and an explanation of why payment should be allowed.
 - 2. A copy of the Part 5 and corresponding supplemental forms as processed by the Trust Fund Management Section.

- c. The Trust Fund Management Section will not accept resubmittals for any item in which a five day deficiency letter or Telefax Deficiency Notice was issued by the Trust Fund Management Section and no response was provided within the designated time frame.

II. ALLOWABLE COSTS

All work done must be in accordance with the Department's directives

Clean soil and concrete to replace soil and concrete removed if associated with corrective action plans.

Contaminant removal from soils, groundwater, or inland surface waters.

Drafting

Equipment costs not addressed by this document based on reasonable and customary rates.

Fuel for equipment.

Installation, sampling, maintenance, and plugging and abandonment of groundwater monitoring wells, borings, piezometers and recovery wells in accordance with La. DOTD guidelines.

Necessary health and safety equipment.

Permits directly related to the remediation of a contaminated UST site. The Trust Fund will only reimburse for a statewide water discharge permit, unless the response action contractor can justify why a site specific permit is necessary.

Preparation of reimbursement application and invoicing to the owner.

Report preparation of:

1. Corrective Action Plans.
2. Groundwater Monitoring Reports.
Quarterly/Semi-Annual/Annual
(Reimbursement for annual reports will cease at such time that the Office of Environmental Assessment discontinues the requirement for submittal of annual reports.)
3. Site Investigation/RECAP reports when prepared in accordance with Department's RECAP.
4. Annual DMR Report
5. Special reports relating to investigation or remediation of the site.

Reasonable and customary demurrage charges.

Removal, transportation & disposal of up to 250 cubic yards of motor fuel contaminated soils without written approval. Greater than 250 cubic yards requires written approval from the Department.

Removal, transportation & disposal of up to 1,500 gallons of motor fuel contaminated water without written approval. Greater than 1,500 gallons requires written approval from the Department when not related to at least a 6 hour vacuum event.

Restoration/replacement of drinking water supplies.

Sampling and analysis costs associated with investigation/remediation (conducted in accordance with the Department's RECAP Guidelines)

Sampling & analysis of LPDES final discharge point only, unless the CAP approves specific sampling/analysis of upstream points.

Surveying costs associated with bore holes, piezometers, monitoring wells and recovery wells.

Taxes paid on purchases and rentals, only when identified on the original invoice or shown on the State of Louisiana Sales Tax Return Form.

Ten percent (10%) markup to the RAC for overseeing specialized services performed by subcontractor(s) with the exception of application preparation.

Ten percent (10%) markup to the RAC for rentals and purchases, excluding overhead purchases, travel and in-house supplies.

II. Allowable Costs Continued

Third-party eligible claims with final judgement.

Those costs associated with pilot tests when written approval is granted by the Department.

Department approved treatment systems for soil, groundwater, or inland surface water.

III. NON-ALLOWABLE COSTS

Aesthetic improvements.

Any work performed without Department written approval.

Any cost not covered by this document where written approval has not been granted by the Trust Fund Management Section.

Attorney fees.

Business interruptions, loss of income or a decrease in property value.

Charges for use of property for any activities associated with response actions.

Charges for use of patented processes.

Costs associated with leasing or renting of company passenger vehicles.

Costs associated with the preparation of Eligibility Determination Application.

Conflicts of interest:

1. RACs will not be reimbursed for work they may perform* at a site which they own.
2. RACs will not be reimbursed for analyses performed by their own laboratories for sites which they are working.
3. RACs will not be reimbursed for work performed* when the RAC is known to have performed action which contributed to or resulted in the release.

* Exception: Emergency work performed during the first 72 hours following the release.

Deposits paid on rented equipment, utilities, etc.

Disposal of uncontaminated soils/backfill.

Garbage charges

Initial sampling and analyses of water and soil for tank and piping closures/upgrades.

Interest on overdue accounts or loans.

Markups are not allowed on the following:

1. Travel.
2. Purchases or services invoiced directly to the owner
3. Subcontractors self imposed markups for purchases or services.
4. Any RAC on work subcontracted to any company affiliated with or related to the RAC.
5. In-house supplies.
6. Any subcontracted non-specialized service.

Minor equipment necessary for daily operations (Examples: work gloves, shovels, posthole diggers, hoes, garden hoses, nozzles, insect repellent, hand cleaning supplies, tools, weed killers, extension cords, garbage cans/bags, plastic totes, brushes, weed eaters, hand augers, reusable bailers, etc.)

Monitoring devices in the tank hold area used to satisfy the leak detection requirements.

Occupational licenses

III. Non-allowable Costs Continued

Overhead costs (Example: copies, telefaxes, binders, tabs, cellular phone charges, computer usage, etc.)

Per diem charges that do include required backup documentation for hotel stay.

Property transfer assessment charges.

Rental of equipment when not in use.

Repair, removal, disposal or replacement of tank, lines or dispensers.

Relocation of residents.

Rental space for remediation system.

Removal, transportation & disposal of contaminated backfill from tank hold (excavation) areas and pipe trenching.

Subcontracted work that is not a specialized service.

Surcharges by contractors because the responsible party did not proceed in a timely manner.

Tank line tightness tests.

Taxes on labor, mileage, or property tax assessments for remedial equipment.

Telephone telemetry calls in excess of two calls a day.

Upgrading, retrofitting or installation of new tank systems (CAP delays related to this work).

Work or research performed as a result of a responsible party changing response action contractors.

IV. REASONABLE AND CUSTOMARY COSTS

A. Personnel

Non-unit Price Activities and Unit Price Activities

Daily time sheets listing detailed description of work performed by personnel are to be kept on file by the RAC for a period of four years following reimbursement. These records are to be readily available to Department authorized personnel for inspection purposes.

Non-unit Price Activities Only

Reimbursements will be made based on the actual duties performed, rather than the title that an employee holds. A personnel description sheet (Appendix A) identifies duties of each classification found on the maximum rate sheet (Appendix B). For example, if a senior geologist performs ground water sampling, his/her time is to be billed at the environmental specialist rate of \$50/hour, regardless of title.

For the first 72 hours of an emergency situation, when endangerment to human health and the environment exists, overtime will be paid to personnel with the exception of principals, senior engineers/geologists and project managers. Overtime charges will be paid only when individuals work more than eight (8) hours per day at the site during the emergency situation.

B. Rentals (Non-unit Price Activities Only)

Contractor-Owned Equipment – Acceptable rental rates for contractor-owned (RAC and subcontractor) equipment are listed on the rate sheet (Appendix B). These rates include the maintenance costs of the equipment. The amount of time the rental equipment is actually used must be shown in order to utilize the adjustable rates. An in-house rate sheet for claims for rental equipment not included in the document must be maintained on file for a period of four years following reimbursement for inspection purposes.

Rental Equipment - Rental equipment costs will be reimbursed at the invoice amount plus 10% markup.

C. Rental/Purchase of Treatment System

After a treatment system has been selected for corrective action and has been approved as the method of remediation by the Department, the owner or RAC may proceed with purchase of the system. A RAC or owner must provide justification for any permanent remediation systems that do not include a telemetry system with the capability of

reporting the basic status/functions of the system (i.e, flow readings required by the LPDES discharge permit, system shutdown, etc.). Reimbursement of rental or purchase of the unit will be determined by the Trust Fund Management Section and will be based on the period of time the treatment system will be located at the contaminated underground storage tank site. If the cost of a treatment unit exceeds \$50,000, three bids must be obtained and the unit must be purchased from the lowest bidder. RAC's shall be required to retain all bid documentation for a period of four years following reimbursement in order to allow for Department inspection. The following must be provided with the application requesting reimbursement for treatment unit costs:

1. A "Treatment Tracking Form" (Part 7 of the reimbursement application).
2. A "Purchase Agreement Form" (Part 8 of the reimbursement application) must be submitted for all treatment units to be located at a contaminated UST site for a period of 12 months or more. Also required is the invoice documenting the breakdown of the cost of the primary individual components.
3. A. Rental of Treatment System

The rental cost of the treatment unit will be reimbursed by the Trust Fund for any treatment system to be located at a site for a period of less than 12 months. These rental costs will be reimbursed upon submittal of a completed trust fund reimbursement application addressing the invoice and the Part 7.

Monthly rental rates for the systems will be set at five percent (5%) of the purchase price of the system. Reasonable charges for operation, maintenance, mobilization and demobilization will be allowed if accompanied by appropriate support documentation. The Trust Fund will reimburse rental up to but no more than the cost of the treatment system, regardless of whether it is moved to another trust fund eligible site.

B. Purchase of Treatment System

The purchase cost of the treatment unit will be reimbursed by the Trust Fund for any treatment system to be located at a site for a period of 12 months or more. Cost plus ten percent (10%) of the treatment unit will be reimbursed to the RAC if purchased or constructed by the RAC (owner does not receive a markup) upon submittal of a completed trust fund reimbursement application addressing the invoice, a copy of the Part 7, and the Part 8 (Part 8 is required if the Trust Fund is reimbursing the cost of the treatment unit).

When the owner is billed directly for purchase, shipping costs, or in-service of the unit, by a non-RAC manufacturer, reimbursement for markup is not allowed. Shipping costs paid by the RAC should be reflected in the application under shipping/transportation and a 10% markup is allowed. In-service costs paid by

the RAC (one person for a single day for start-up) may be submitted as a sub-contractor cost in the application and a 10% markup is allowed.

If a treatment unit on site is replaced by another similar treatment unit on the same site, only the cost of a single unit will be reimbursed. Replacement pumps, blowers, and air compressors will be reimbursed at the amount invoiced.

The following language supercedes any language contained in the purchase agreement forms previously submitted to the Department.

Within 12 months of issuance of a No Further Action letter by the Department, any treatment system purchased by the Trust Fund must be:

- 1) utilized for cleanup at other Trust Fund sites;
- 2) sold with all proceeds, less commission or other related expenses (not to exceed 20% of the selling price) to be reimbursed to the Trust Fund;
- 3) utilized at non-Trust Fund sites, with 10% of the original purchase price reimbursed to the Trust Fund; or
- 4) deemed unsuitable for re-use or resale. Correspondence stating such should be submitted to the Trust Fund Management Section.

When the purchase unit is relocated to another Trust Fund site, the Trust Fund will only reimburse those costs associated with mobilization, demobilization, maintenance, and upgrades.

D. Other Purchases (Non-Unit price activities only)

Vendor receipts for purchases must be included in the reimbursement application for these charges to be considered. Charge card receipts which do not specify the line items purchased are not acceptable as receipts for backup. Cost plus ten percent (10%) will be reimbursed for items excluding overhead and ineligible costs (see Non-Allowable Costs) and in-house supplies.

E. Taxes (Non-Unit price activities only)

Sales tax is reimbursable from the Trust Fund only when identified on the original invoice or the State of Louisiana Sales Tax Return Form and paid by the RAC on purchases or rentals. Labor and mileage are not considered taxable items; therefore, tax charges on these items are not reimbursable.

F. Travel – Mileage and Hotel (Unit Price and Non-Unit Price Activities)

Use of personal or company vehicles and the employees' travel time are reimbursed at a rate of \$1.50 per mile.

Claims for leasing or renting of vehicles are not reimbursable. Mileage to a site will be paid from either the nearest workplace, the nearest state line (for out-of state contractors), or the airport, whichever is shortest. The nearest workplace will be the office location closest to the UST site(s) visited. No additional mileage will be allowed. Airfares, tolls and taxi charges are not reimbursable.

Legible vehicle logs showing beginning and ending odometer readings must be kept on file for at least four years following reimbursement by the RAC for auditing purposes by the Department. Markups for travel are not allowed.

Overnight charges (hotel or meals) are allowed for any continuous type site work such as drilling, borehole work, non-unit price activities performed at multiple Trust Fund sites, treatment system installation, over-excavation, soil treatment or vacuum events lasting at least six hours. Prior approval from the Trust Fund Management Section should be obtained for overnight stays for work other than that specifically identified above. Hotel charges are allowed at a State rate of no more than \$55 plus tax per night/person. (Exception: Baton Rouge - \$60 plus tax per night; Bossier, Shreveport, and Lake Charles - \$70 plus tax per night; and New Orleans - \$80 plus tax per night). Meals are only reimbursable when overnight stay is required. Meals are reimbursed at a State rate of no more than \$26 per day per person (New Orleans \$29/day). Claims for hotel charges must be accompanied by legible receipts. Per diem charges are not reimbursable. The name of each person staying in a hotel room must be identified on the receipt.

When conducting multiple site visits, the total amount of each charge (mileage, hotel, meals) must be divided by the number of sites visited.

Groundwater Sampling Events and Free Product Recovery Events (Handbailing of wells when approved by the Department) must be performed at the same time whenever possible. A single vehicle's mileage charge will be allowed for these events, unless the Trust Fund Section has determined that the number of wells or the amount of time required for well recharge warrants multiple site visits.

If possible, Discharge Sampling Events must be performed in conjunction with either Routine Scheduled Treatment Unit Operation and Maintenance Events or Groundwater Sampling Events. A single vehicle's mileage charge will be allowed for these events.

During site investigation, installation of the treatment unit, or major repair or renovation of a treatment unit, the Trust Fund will pay for no more than

two RAC vehicles' mileage charges for each day.

G. Subcontractors Hired for Specialized Services (Non-Unit Price Activities)

In order for work performed on a site to be Trust Fund eligible, it must be carried out by a Response Action Contractor (RAC). RACs can only subcontract UST work which meets the definition of specialized services relating to a particular UST site. If the RAC chooses to subcontract work requiring specialized services relating to response actions, a markup of up to ten percent (10%) may be allowed to the RAC, with the exception of travel, overhead charges, work subcontracted to any company affiliated with or related to the RAC, and the reimbursement application preparation. The RAC shall include these invoices with the reimbursement application. A ten percent (10%) markup is allowed to the RAC on costs associated with laboratory analyses.

Subcontractors must also abide by the rate sheet found in Appendix B. It is the responsibility of the RAC to ensure that subcontractors adhere to the rates and the subcontractor's invoice contains the same level of detail as the response action contractors. Markup is not allowed to any RAC on work subcontracted to any company affiliated with or related to the RAC.

H. Unit Price Activities

This section of the Cost Control Guidance Document addresses unit prices for the following types of activities.

| Event | Date of Voluntary Use | Date of Mandatory Use |
|---|-----------------------|-----------------------|
| Groundwater Sampling Events | 7/1/00 | 1/1/01 |
| Discharge Sampling Events | 7/1/00 | 1/1/01 |
| Routine Scheduled Operation & Maintenance Events | 7/1/00 | 1/1/01 |
| Annual State Discharge Monitoring Report | 7/1/00 | 1/1/01 |
| Quarterly Municipal Discharge Monitoring Report | | 1/1/02 |
| Quarterly/Semi-Annual Monitoring Report | 7/1/00 | 1/1/01 |
| Annual Monitoring Report | 7/1/00 | 1/1/01 |
| Risk Evaluation/Corrective Action (Appendix K) Report | | 1/1/02 |
| Trust Fund Reimbursement Application/Owner Invoicing Preparation Work | | 1/1/02 |
| Handbailing of Wells for Purpose of Free Product Recovery | | 1/1/02 |

The unit prices for activities addressed in this section of the Cost Control Guidance Document supercede any of the language previously referenced in this document.

Charges for work outside the scope of unit price activities must be fully identified on the response action contractor's invoice with a detailed explanation in order for the work to be considered for reimbursement. Any questions regarding items related to unit pricing activities should be forwarded to the Financial Services Division, Motor Fuels Trust Fund Section, prior to the submittal of the trust fund application.

| Groundwater Sampling Events | | |
|---|---|---|
| First Well - \$475.00, Each Additional Well - \$125.00 | | |
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>The identification number of each well being sampled per event must be included in the application for reimbursement. Applications lacking this information will be returned.</p> <p>Sites With Treatment Units and Sites Utilizing Passive Remediation As the Method of Corrective Action - When a well has exhibited constituents of concern below the department's approved remediation standard for a period of four consecutive quarters, the Trust Fund will only reimburse for annual groundwater sampling of the well unless the LDEQ team leader has directed otherwise in writing.</p> <p>The RAC should coordinate the sample events with the owner to insure ability to access all wells to be sampled.</p> <p>When the number of wells at a site or well recharge warrant that the sampling event occur over multiple days, the trust fund will pay \$125.00/per well, plus travel for subsequent days of sampling.</p> | <p><u>Personnel</u> – All personnel charges related to a sampling event such as scheduling of sampling event, field preparation activities, all field activities associated with sampling, scheduling of disposal of wastewater, all clerical work, preparation and review of related reports/waste water disposal manifests.</p> <p><u>Equipment</u> – all field equipment associated with routine groundwater sampling prorated for the time used (Ex: oil/water interface probe, pH meter, conductivity meter, pump, generator, temperature probe, dissolved oxygen meter, water level indicator, etc.)</p> <p><u>Travel</u> - Charges for hotel/meals.</p> <p><u>Transportation</u> – transportation of sample to laboratory.</p> <p><u>Miscellaneous</u> – sampling kit and bailer</p> | <p>Personnel travel time and mileage for a single vehicle, analysis, or transportation and disposal of purged water from wells, and disposal of samples by lab.</p> |

| Groundwater Monitoring Reports (Quarterly/Semi-Annual) Initial Report - \$2,500.00 (1st Report Submitted for Site and 1st Report Submitted After Additional Wells are Installed in Conjunction With Installation of Treatment Unit) Subsequent Reports - \$1,500.00 | | |
|--|--|----------------------------------|
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>The reporting period must be identified in the trust fund reimbursement application.</p> <p>Applications lacking this information will be returned.</p> | <p><u>Personnel</u> – All personnel charges related to the quarterly or semi-annual monitoring reports such as gathering of all data needed to prepare report, review of all analytical data associated with sampling events, review of reports related to the operation of the treatment unit, origination of actual report, all CAD work, all clerical work, and oversight/review work by supervisors.</p> | |

| Groundwater Annual Monitoring Report Initial Report (1st Report Submitted for Site) - \$2,500.00 Subsequent Reports - \$1,650.00 This unit price item will discontinue at such time that the Office of Environmental Assessment discontinues the requirement for submittal of annual reports. | | |
|--|--|----------------------------------|
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>The reporting period must be identified in the trust fund reimbursement application.</p> <p>Applications lacking this information will be returned.</p> | <p><u>Personnel</u> – All personnel charges related to the quarterly or semi-annual monitoring reports such as gathering of all data needed to prepare report, review of all analytical data associated with sampling events, review of reports related to the operation of the treatment unit, origination of actual report, all CAD work, all clerical work, and oversight/review work by supervisors.</p> | |

| Handbailing of Wells For the Purpose of Free Product Recovery (First Well - \$135.00, Each Additional Well - \$30.00) | | |
|---|---|--|
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>The identification number of each well being handbailed per event must be included in the application for reimbursement. Applications lacking this information will be returned.</p> <p>When possible, handbailing should be performed in conjunction with groundwater sampling.</p> <p>When handbailing is performed on the same date as sampling of other wells, the \$30/well rate applies to all wells handbailed.</p> | <p><u>Personnel</u> – All personnel charges related to a handbailing event, such as scheduling of handbailing event, field preparation activities, all field activities associated with handbailing, scheduling of disposal of wastewater, all clerical work, preparation and review of related reports/waste disposal manifests.</p> <p><u>Equipment</u> – all field equipment associated with handbailing, prorated for the time used (Ex: oil/water interface probe)</p> <p><u>Travel</u> - Charges for hotel/meals.</p> <p><u>Miscellaneous</u> – bailing kit</p> | <p>Personnel travel time and mileage for a single vehicle, analysis, transportation and disposal of purged water from wells, and disposal of samples by lab.</p> |

| Risk Evaluation/Corrective Action Report – Appendix K Only - \$4,500.00 (When Appendix K Only and More Than 20 Borings <u>and</u> When Diesel or Oil are Being Analyzed- \$5,000.00) | | |
|---|---|----------------------------------|
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>The date of the report must be identified in the trust fund reimbursement application. Applications lacking this information will be returned.</p> | <p><u>Personnel</u> – All personnel charges related to the review of data, performance of calculations, preparation of report and review of report.</p> | |

| Discharge Sampling Event - \$200.00 (For single or multiple discharge points) | | |
|--|---|---|
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>The dates that the discharge sampling events occur must be identified on the trust fund reimbursement application. Applications lacking this information will be returned.</p> <p>The LPDES sampling event should be performed in conjunction with routine operation and maintenance events or the groundwater sampling event. (Exception: Any time the discharge permit requires site visits at a frequency greater than the O & M or groundwater sampling frequency specified in the CAP).</p> <p>If a LPDES exceedance occurs, reimbursement for additional LPDES discharge events will be paid when the application includes a copy of the analytical data documenting the exceedance.</p> <p>The pH readings should be performed in the field.</p> | <p><u>Personnel</u> – All personnel charges related to discharge sampling event, such as scheduling of sampling event, field preparation activities, all field activities associated with sampling, review of analytical data & preparation of excursion letter to LDEQ, review, and all clerical work.</p> <p><u>Equipment</u> – all field equipment associated with routine discharge point sampling, prorated for the time used (Ex: pH meter, interface probe, conductivity meter, dissolved oxygen meter, water level indicator, etc.)</p> <p><u>Travel</u> - Charges for hotel/meals.</p> <p><u>Transportation</u> – transportation of sample to laboratory.</p> <p><u>Miscellaneous</u> – sampling kit</p> | <p>Personnel travel time and mileage for a single vehicle, analysis, transportation and disposal of samples by lab.</p> |

| Annual State Discharge Monitoring Report - \$400.00 Quarterly Municipal Discharge Monitoring Report - \$100.00 | | |
|---|---|---|
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>The date of the report must be identified in the trust fund reimbursement application. Applications lacking this information will be returned.</p> | <p><u>Personnel</u> – All personnel charges related to the review of analytical data relating to a discharge, & preparation, review and submittal of Discharge Monitoring Report.</p> | |

| Routine Scheduled Treatment Unit Operation and Maintenance (O & M) Events Single Treatment Unit at Site- \$550.00 Each Additional Unit at Site - \$300.00 | | |
|--|--|--|
| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
| <p>1) The date that the O & M events occurred must be identified in the trust fund application. Applications lacking this information will be returned.</p> <p>2) During the first month of operation of a treatment unit, charges for treatment unit O & M events shall not exceed the frequency specified in the approved corrective action plan; however, the Trust Fund will pay for no more than two routine O & M events a week.</p> <p>3) After the first month of operation of a treatment unit, charges for treatment unit O & M events shall not exceed the frequency specified in the approved corrective action plan; however, the Trust Fund will pay for no more than one routine O & M event a week.</p> <p>4) During post-CAP monitoring of a site, charges for treatment unit operation and maintenance (O & M) events shall be no more than the frequency specified in the approved corrective action plan; however, the Trust Fund will pay for no more than:</p> <p style="padding-left: 40px;">a) one routine O & M event every month for liquid ring dual phase recovery systems; and</p> <p style="padding-left: 40px;">b) one routine O & M event every quarter for all other systems.</p> | <p><u>Personnel</u> – All personnel charges related to performing treatment unit O & M such as the scheduling of O & M event, field preparation activities, ordering/purchasing supplies and minor repair items, all field activities associated with O & M, scheduling of disposal of wastewater and preparation of waste manifests, all clerical work and review of related reports.</p> <p><u>Equipment</u> – all field equipment associated with routine treatment unit O & M, prorated for the time used (Ex.: interface probe, temperature probe, explosimeter, safety equipment, hydrocarbon analyzer, high pressure water sprayer, pH meter, manometer, anemometer, vacuum pump, steam cleaner, wet/dry vacuum, etc.)</p> <p><u>Travel</u> - Charges for hotel/meals.</p> <p><u>Miscellaneous</u> – muriatic acid, filters, incidental pipe replacements, oil or biogrowth control supplies.</p> | <p>Personnel travel time and mileage for a single vehicle, periodic vacuum truck for system clean-out, utilities charges, and transportation and disposal of wastewater from treatment system.</p> <p>Actual cost of vapor extraction system kits and oil/water separator elements (coalescing media) are excluded from the unit price; however, labor is included as it should be performed during routine O & M visits.</p> <p>Time and material costs for pump or motor repair/replacement and carbon drum replacement/disposal are not included in the unit price.</p> <p>Time and material costs for dismantling and cleaning an air stripper with a flow rate equal or more than 30 gpm are not included in the unit price</p> |

**Trust Fund Reimbursement Application Preparation/Owner Invoicing
Initial Applications Addressing Assessment
(Limit - Three Quarters of Work) - \$1,000.00**

**Applications Addressing Treatment Unit Installation
(Limit - Three Quarters of Work) - \$1,000.00**

**All Other Applications Addressing Each Quarter
(Three Months) of Work – \$250.00**

| Requirements | Includes Cost of the Following | Costs Not Included in Unit Price |
|--------------|---|----------------------------------|
| | <u>Personnel</u> – All personnel charges related to the preparation of the trust fund reimbursement application, responding to trust fund inquiries and invoices to the owners. Also, includes all oversight and review of invoice/application. | |

APPENDIX A

PERSONNEL DUTIES

PRINCIPAL*

Administrative and/or professional head of organization with authority and responsibility for: conceiving and executing plans and functions of the organization; providing professional expertise not available from other staff members; normally having financial interest in the company as partial owner, investor, or stockholder; and charging a very limited number of hours per site, as in an overview of the project documents as a principal.

SENIOR TOXICOLOGIST*

Serves as senior technical leader for ecological and toxicological activities. Conducts studies in toxicological exposure in accordance with the Risk Evaluation Corrective Action Program (RECAP).

SENIOR ENGINEER/SENIOR GEOLOGIST*

Serves as senior technical leader for environmental investigation or remediation projects; supervises or directs the work activities of lower level personnel; performs very limited field work; performs detailed review of reports; develops strategies; attends client and/or agency meetings; and is responsible for approving designs, reports, plans, and specifications before submittal to clients or a regulatory agency.

PROJECT MANAGER*

Typically supervises all activities involved with site investigation and remedial actions at a site; supervises the development of environmental programs, plans and specifications for site remediation activities; responsible for managing projects of varying complexities; identifies options; supervises the development of approaches and prepares plans to remedy contamination problems using various techniques; serves as on-site technical expert on projects; analyzes and interprets data; supervises the preparation of the site investigation reports; may conduct hydrological site characterizations; and supervises hydraulic tests; performs very limited field work.

PROJECT COORDINATOR*

Works closely with the project manager to coordinate all aspects of the project; responsible for gathering field data; is competent at data analysis; performs quality assurance on sampling and analysis; conducts hydraulic tests; and supervises and provides technical assistance to field and staff personnel.

***THERE CAN ONLY BE ONE PERSON WITHIN A DESIGNATED JOB TITLE PERFORMING THESE DUTIES AT ANY GIVEN TIME**

ENGINEER/GEOLOGIST

Works under supervision of a professional either to perform specific routine tasks related to environmental investigation and remediation system design or general geological and field tasks; gathers basic technical information; supervises environmental specialist and provides on-site technical support; installs monitoring wells; aids in geological mapping; records field observations and basic geological analysis.

TOXICOLOGIST

Works under supervision of senior toxicologist for ecological and toxicological activities and assists senior toxicologist in conducting studies in toxicological exposure in accordance with the Risk Evaluation Corrective Action Program (RECAP).

ENVIRONMENTAL SPECIALIST

Typical duties include field work: performs operation and maintenance on treatment systems and maintains records logs; collects soil and water samples and maintains all necessary records; assists in report preparation; works under supervision to evaluate, select and apply routine techniques, procedures, and criteria related to site investigation and remediation projects. Also includes in-house electricians, plumbers, welders, and mechanics.

DRAFTSMAN

Responsible for generating specialized drawings and maps utilizing Computer Aided Design (CAD); working with senior management staff on large scale projects; providing limited technical support for project work.

FOREMAN

Responsible for general on-site supervision of tasks related to installation, maintenance, and repair of machinery and equipment.

OPERATOR

Operates heavy equipment at a site.

CLERICAL

Responsible for general office work, typing, filing, bookkeeping, administrative assistance, and word processing for technical reports.

LABORER

Performs routine labor tasks, including running errands.

APPENDIX B

REASONABLE AND CUSTOMARY RATES
 (Non-unit price activities only)

TABLE 1

| PERSONNEL | |
|--|----------------------------|
| TITLE | <u>HOURLY RATES</u> |
| PRINCIPAL* (minimal hours are allowed) | \$110 |
| SENIOR TOXICOLOGIST* | \$ 90 |
| SENIOR ENGINEER/SENIOR GEOLOGIST/PROJECT MANAGER* | \$ 90 |
| PROJECT COORDINATOR* | \$ 60 |
| ENGINEER/GEOLOGIST/TOXICOLOGIST | \$ 60 |
| DRAFTSMAN (Includes CAD equipment) | \$ 60 |
| ENVIRONMENTAL SPECIALIST | \$ 50 |
| FOREMAN | \$ 50 |
| OPERATOR | \$ 35 |
| CLERICAL | \$ 30 |
| LABORER | \$ 30 |

***THERE CAN ONLY BE ONE PERSON WITHIN A DESIGNATED JOB TITLE PERFORMING THESE DUTIES AT ANY GIVEN TIME**

TABLE 2

RENTAL RATES FOR CONTRACTOR OWNED EQUIPMENT
 (Non-unit price activities only)

In-house rental rates for major equipment not addressed in this table must be approved by the Trust Fund Management Section. Daily rates are based on an 8-hour day. Equipment rental costs for more or less than an 8-hour day must be pro-rated. Weekly rate goes into effect when equipment is used at a site for more than three days in a week . A week is Monday – Sunday. All prices include maintenance expenses.

| EQUIPMENT | SHORT-TERM RATE | | |
|-------------------------------------|-----------------|------------------------|--------|
| | HOURLY | DAILY (8- hour day) | WEEKLY |
| AIR COMPRESSOR - 100 cfm to 185 cfm | \$6.25 | \$ 50 | \$150 |
| AIR COMPRESSOR - 250 cfm to 375 cfm | \$9.38 | \$ 75 | \$225 |
| BACKHOE (UP TO 36" BUCKET) | \$21.88 | \$175 | \$525 |
| BACKHOE (OVER TO 36" BUCKET) | \$28.13 | \$225 | \$675 |
| BULLDOZER | \$56.25 | \$450 | \$1350 |
| COMBUSTIBLE GAS INDICATOR | \$3.75 | \$ 30 | \$ 90 |
| COMPACTOR | \$28.13 | \$225 | \$675 |
| CONCRETE CORE DRILL | \$6.75 | \$ 54 | \$162 |
| DATA LOGGER | \$18.75 | \$150 | \$450 |
| DIGITAL MANOMETER | \$1.88 | \$ 15 | \$ 45 |
| DISSOLVED OXYGEN METER | \$3.13 | \$ 25 | \$ 75 |
| DUMP TRUCK (7-10 YARDS) | \$17.50 | \$140 | \$420 |
| DUMP TRUCK (11-20 YARDS) | \$25.00 | \$200 | \$600 |
| DUMP TRUCK (OVER 20 YARDS) | \$30.00 | \$240 | \$720 |
| ELECTRIC GENERATOR | \$6.25 | \$ 50 | \$150 |
| EXCAVATORS | \$75.00 | \$600 | \$1800 |
| EXPLOSIMETER | \$3.75 | \$ 30 | \$ 90 |
| GAS DETECTOR | \$3.13 | \$ 25 | \$ 75 |

TABLE 2 (CONTINUED)

| RENTAL RATES FOR CONTRACTOR OWNED EQUIPMENT (Non-unit price activities only) | | | |
|--|-----------------|---------|---------|
| EQUIPMENT | SHORT-TERM RATE | | |
| | HOURLY | DAILY | WEEKLY |
| GOOSENECK TRAILER | \$12.50 | \$100 | \$300 |
| HYDROCARBON ANALYZER (FID, PID, HNU, OVA, TVA, ETC.) | \$9.38 | \$75 | \$225 |
| JACKHAMMER | \$3.75 | \$30 | \$90 |
| LOWBOY (INCLUDES TRUCK) | \$22.50 | \$180 | \$540 |
| OIL/WATER INTERFACE PROBE | \$4.38 | \$35 | \$105 |
| pH CONDUCTIVITY METER | \$3.13 | \$25 | \$ 75 |
| PORTABLE GAS CHROMATOGRAPHY | \$18.75 | \$150 | \$450 |
| PUMPS (when not used in conjunction with a system) | \$3.75 | \$ 30 | \$ 90 |
| TEMPERATURE PROBE | \$1.88 | \$ 15 | \$ 45 |
| THERMAL ANEMOMETER | \$1.88 | \$ 15 | \$ 45 |
| TILLER (HAND) | \$3.13 | \$ 25 | \$ 75 |
| TILLER (ROTARY w/ SLIP CLUTCH) | \$9.38 | \$75 | \$225 |
| TRACKHOE (UP TO 200 HP) | \$50.00 | \$400 | \$1,200 |
| TRACKHOE (OVER 200 HP) | \$100.00 | \$800 | \$2,400 |
| TRACTOR WITH TRAILER, FRONT END LOADER & BOX BLADE OR HITCH | \$18.75 | \$150 | \$450 |
| TRANSDUCER | \$25.00 | \$200 | \$600 |
| SOIL/WATER HOLDING CONTAINER (Skid or RAC tank) | \$8.13 | \$ 65 | \$280 |
| VACUUM TRUCK – up to 35 hp | \$75.00 | \$600 | \$1,800 |
| VACUUM TRUCK – 40 hp to 150 hp | \$100.00 | \$800 | \$2,400 |
| VACUUM TRUCK - over 150 hp | \$143.75 | \$1,150 | \$3,450 |
| WATER LEVEL INDICATOR | \$1.88 | \$ 15 | \$ 45 |

TABLE 3

| TRAVEL | |
|--|--|
| DESCRIPTION | RATE |
| PERSONAL OR COMPANY-OWNED VEHICLE AND EMPLOYEES' TRAVEL TIME | \$1.50/MILE |
| HOTEL* (Non-Unit Price Activities Only) | \$55/NIGHT, excluding tax (Exceptions: Baton Rouge - \$60 Bossier/Shreveport/Lake Charles - \$70 New Orleans - \$80) |
| MEALS (Non-Unit Price Activities Only) | \$26/day statewide (exception New Orleans - \$29) |

***MUST BE ACCOMPANIED BY RECEIPTS**

TABLE 4

| ANALYSIS (Invoices from laboratory must indicate the type of analysis performed and the methodology. If blank samples were analyzed, the type of blank sample must be identified on the invoice from the laboratory) | |
|---|------------------|
| TESTS (10% markup allowed on analytical work) | RATE |
| SHIPMENT of SAMPLES to LABORATORIES (Excluding unit pricing activities) | Invoice plus 10% |
| BTEX (Method 8020 and 8021 B) When BTEX –8020 or 8021B is ran in conjunction with TPH-G – 8015 for the same sample, the maximum amount to be paid for both tests is \$70.00 | \$53 |
| BTEX or MTBE (Method 8260 B) – Prior approval required from team leader | \$133 |
| TPH-G (Method 8015) When BTEX – 8020 or 8021B is ran in conjunction with TPH-G 8015 for the same sample, the maximum amount to be paid for both tests is \$70.00 | \$40 |
| TPH-D (Method 8015) | \$64 |
| TPH-O (Method 8015) | \$60 |
| MTBE (Method 8021.B) - May only be charged if provided exclusive of BTEX analysis | \$36 |
| TOC (Method 415.1 or 415.2) | \$27 |
| Lead (Method 6010B or 200.7) Includes cost of Acid Digestion | \$25 |
| TCLP – Metals (Method 6010 or 1311) Includes cost of Acid Digestion | \$175 |
| PAH (Method 8310) | \$125 |
| PAH (Method 8100) | \$105 |
| PAH (Method 8270) – Prior approval required from team leader | \$185 |

Rush charges by the laboratory to analyze a sample will not be paid when not required by the Department.

Methodologies to analyze samples deemed unacceptable to the Department will not be reimbursed. The Department will only reimburse QA/QC as required by the Risk Evaluation/Corrective Action Program (1 rinsate sample per 20 field samples, 1 field blank per day, 1 trip blank per ice chest of sample for VOA analysis, 1 field duplicate sample per 20 field samples per medium and 1 matrix spike/matrix spike duplicate from the site per 20 field samples.)

TABLE 5

| DRILLING/DIRECT PUSH EQUIPMENT (GEOPROBE/HYDROPUNCH) CHARGES | |
|--|------------|
| Drilling logs for all borings, piezometers, monitoring wells, recovery wells must accompany claims for reimbursement. The Water Well Plugging and Abandonment Form must accompany requests for reimbursement for plugging and abandonment (P/A) charges. | |
| DESCRIPTION RATE | |
| (10% markup allowed on all subcontracted work) | |
| Drilled Borings | |
| 2" Diameter Borings/Piezometers Installation or Plugging & Abandonment | \$25/foot |
| 4" Diameter Borings/Piezometers Installation or Plugging & Abandonment | \$40/foot |
| Drilled Monitoring Wells/Recovery Wells | |
| 2" Diameter Monitoring Well Installation (prior approval from team leader required on 2" monitoring well installation) | \$66/foot |
| 2" Diameter Monitoring Well Plugging and Abandonment – (P/A by pulling casing/screen and grouting hole) | \$40/foot |
| 2" Diameter Monitoring Well Plugging and Abandonment – (P/A by overdrilling) | \$50/foot |
| 4" Diameter Monitoring Well/Recovery Wells Installation | \$75/foot |
| 4" Diameter Monitoring Wells/Recovery Wells Plugging and Abandonment – (P/A performed by pulling casing/screen and grouting hole) | \$40/foot |
| 4" Diameter Monitoring Wells/Recovery Wells Plugging and Abandonment – (P/A performed by overdrilling) | \$75/foot |
| Horizontal Recovery/Extraction Wells | |
| 4" Diameter Horizontal Recovery/Extraction Well Installation | \$90/foot |
| Direct Push Equipment | |
| Geoprobe/Hydropunch Charges | \$175/hour |

Rates above address all charges related to the installation of monitoring wells, recovery wells, piezometers, geoprobes or hydro punch boreholes, and plugging and abandonment (P/A) of these installations, including equipment (i.e. drill rig, jackhammers, etc.), mobilization and demobilization, personnel, supplies, and all other associated expenses. (Exception: The RAC's project manager and geologist, their travel and associated costs, and the analysis, transportation and disposal of cuttings.)

If a boring is converted to a monitoring well, the cost per foot of the well includes the boring cost.

TABLE 6

| MISCELLANEOUS CHARGES | |
|--|--------------------------------------|
| DESCRIPTION | RATE |
| Asphalt Cutting – Minimum charge of \$250.00 | \$.65 per foot/inch |
| Blowers, pumps, and air compressor replacement | Invoice plus 10% |
| Concrete Replacement (associated with the CAP) | Invoice plus 10% |
| Concrete Cutting – Minimum charge of \$250.00 | \$1.05 per foot/inch |
| Cuttings from Installation of Wells, Piezometers, or Boreholes | Invoice plus 10% |
| Drums | Invoice plus 10% |
| Pea Gravel (for trenching only) | Invoice Plus 10% |
| Sampling Kit per sample - Non-unit price activities only (Disposable items including gloves, bailers, rope, ice, decontamination supplies, etc.) | \$22 (including markup) |
| Sand/Fill Dirt Replacement | Invoice plus 10% |
| Soil/Water Disposal Charges (Up to 250 cubic yards contaminated soil & 1,500 gallons of contaminated water, excluding at least 6- hour vacuum events.) Additional amounts of soil and water must have documented approval from the Department DEQ | Invoice plus 10% |
| Surveying (regardless of crew size) – If the invoice cost exceeds \$1,200 for the initial surveying, justification must be provided for the additional cost. If the cost exceeds \$600 for subsequent surveying, justification must be provided for the additional costs. | \$80/hour |
| Transportation Costs (Non-unit price activities only) | Invoice plus 10% if subcontracted |

TABLE 7

| UNIT PRICING ACTIVITIES | |
|--|--|
| Unit Price Activities | Rate |
| Groundwater Sampling Event | Single Well - \$475.00 Each Additional Well - \$125.00 |
| Discharge Sampling Events | \$200.00 per event (this rate is for single or multiple discharge points) |
| Routine Scheduled Treatment Unit Operation and Maintenance Event | Single Unit - \$550.00 per event Each Additional Unit - \$300.00 per event |
| Handbailing of Wells | Single Well - \$135.00 Each Additional Well - \$30.00 |
| Groundwater Quarterly/Semi-Annual Monitoring Report | Initial Report - \$2,500.00 Subsequent Reports - \$1,500.00 |
| Annual Monitoring Report This unit price item will discontinue at such time that the Office of Environmental Assessment discontinues the requirement for submittal of annual reports. | Initial Report - \$2,500.00 Subsequent Report - \$1,650.00 |
| Annual State Discharge Monitoring Report | \$400.00 per report |
| Quarterly Municipal Discharge Monitoring Report | \$100.00 per report |
| Risk Evaluation/Corrective Action Report Appendix K | \$4,500.00 per report \$5,000.00 per report (If more than 20 borings AND oil or diesel being analyzed) |
| Trust Fund Application/Invoicing Preparation | Initial Applications Addressing Assessment Work - \$1,000.00 per quarter, limit three quarters of work Application Addressing Treatment Unit Installation Charges - \$1,000.00 per quarter, limit three quarters of work All Other Applications - \$250.00 per quarter of work |