MEMORANDUM

DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF LAND PROTECTION AND REVITALIZATION
OFFICE OF SPILL RESPONSE AND REMEDIATION

Mail Address:
P.O. Box 1105
Richmond, VA 23218

Location:
1111East Main Street
Richmond, VA 23219

SUBJECT: Guidance Memo **LPR-SRR-2019-01 - Virginia Petroleum Storage Tank Fund (VPSTF) Reimbursement Guidance Manual Volume VI**

TO: Elizabeth Lamp, Petroleum Program Managers

FROM: Justin Williams
Director, Division of Land Protection and Revitalization

DATE: April 18, 2019

COPIES: Robyne Bridgman, Randy Chapman, Todd Pitsenberger, Tom Madigan, Dan Manweiler, Dave Miles, Karen Haley-Wingate, Marybeth Glaser, Renee Hooper, Lisa Dewey, Deborah Taylor, Zach Pauley

Summary: *§62.1-44.34:11 establishes the Virginia Petroleum Storage Tank Fund (the Fund). The Virginia Petroleum Storage Tank Fund Reimbursement Guidance Manual Volume VI establishes procedures for claimants and consultants to follow for corrective action phases begun on or after August 1, 2019, to remediate releases eligible for reimbursement from the Fund. Volume VI incorporates changes related to the DEQ's CEDS modernization project completed in 2016 and provides for electronic submittals of reimbursement claims.*
For work started before August 1, 2019, Guidance No. 00-2002 Reimbursement Manual Volume VI, Guidance No. 00-2004 Reimbursement Manual Volume 1, 3rd Edition and Guidance No. 02-2019 - Virginia Petroleum Storage Tank Fund Reimbursement Guidance Manual, Volume II, 5th Edition, remain in effect.

Electronic Copy:

Once effective, an electronic copy of this guidance will be available on:

- The Virginia Regulatory Town Hall under the Department of Environmental Quality(http://www.townhall.virginia.gov/L/gdocs.cfm?agencynumber=440);
- The Department's website at http://www.deq.virginia.gov/Programs/LandProtectionRevitalization/Laws,Regulations,Guidance.aspx

Contact information:

Please contact Marybeth Glaser, 804-698-4233 with any questions regarding the application of this guidance.

Certification:
As required by Subsection B of § 2.2-4002.1 of the Administrative Process Act (APA,) the agency certifies that this guidance document conforms to the definition of a guidance document in § 2.2-4101 of the Code of Virginia.

Disclaimer:
This document is provided as guidance and, as such, sets forth standard operating procedures for the agency. However, it does not mandate any particular method nor does it prohibit any alternative method. If alternative proposals are made, such proposals should be reviewed and accepted or denied based on their technical adequacy and compliance with appropriate laws and regulations

Virginia Petroleum Storage Tank Fund Reimbursement Guidance Manual

Volume VI
For Work Authorized on or after
8/1/19

1 Introduction 1
2 Petroleum storage tank reimbursement fund program summary 1
2.1 Eligibility Requirements 3
2.1.1 Eligible Claimants 3
2.1.2 Responsible Persons [Party] 3
2.1.3 Persons Assuming Liability 3
2.1.4 Lenders 3
2.2 Tank Types Eligible for Reimbursement 4
2.2.1 Regulated UST: 4
2.2.2 Exempt USTs 1 and 2: 4
2.2.3 Excluded USTs: 4
2.2.4 Deferred USTs: 4
2.2.5 Partially Deferred USTs: 4
2.2.6 Partially Excluded USTs: 5
2.2.7 Regulated AST Facilities: 5
2.2.8 Unregulated AST Facilities: 5
2.2.9 Small Heating Oil ASTs: 5
2.3 Release Reporting Requirements 6
2.3.1 USTs 6
2.3.2 ASTs 6
2.4 Corrective Action and Third Party Claim Eligibility 6
2.5 Release Occurrence Evaluations 8
2.6 Corrective Action Financial Responsibility Requirements 9
2.6.1 Regulated USTs: 9
2.6.2 Exempt USTs 1 and 2: 9
2.6.3 Deferred USTs: 9
2.6.4 Partially Deferred USTs: 9
2.6.5 Partially Excluded USTS: 10
2.6.6 Regulated ASTs and Unregulated ASTs: 10
2.6.7 Small Heating Oil ASTs having capacity of < 5,000 gallons: 10
2.7 Insurance Coverage 10
2.8 Negligence 11
2.9 Non Compliance 11

2.10 Vandalism 11
2.11 Audits 11
2.11.1 Important Auditing Terms 12
2.11.2 Auditing for Units Claimed 12
2.11.3 Auditing for Mark-up 12
2.11.4 Auditing Paid Reimbursement Claims (Post Payment Audit) 12
2.11.5 Auditing Claims during Claims Processing (Pre-Payment Audits) 13
2.11.6 Maintenance and Preservation of Records Supporting Reimbursement Claims 13
2.12 Obtaining Additional Information and Assistance 14
2.12.1 Reimbursements: 14
2.12.2 Regulations/State Law/Technical Information: 14
2.12.3 Claimant Eligibility: 14
2.12.4 Inability to Pay: 14
2.12.5 Regulated Petroleum UST Third Party Liability Claim(s): 14
2.12.6 Demonstration of Financial Responsibility: 14
2.12.7 Cleanup Requirements: 14
3 Reimbursement Procedures 15
3.1 Reasonable and Necessary Costs 15
3.1.1 Eligible Costs 15
3.1.2 Ineligible Costs 17
3.1.3 Ancillary Costs 20
3.1.4 Reimbursement Not to Exceed 20
3.1.5 Re-Use of Remediation Equipment 21
3.1.6 Property Damage Restoration 21
3.1.7 Documenting Reasonableness through Competitive Bidding 22
3.2 Usual and Customary Rate (UCR) Schedules 23
3.2.1 2019 UCR Schedule 23
3.2.2 Task and Material Codes 23
3.2.3 Mark-up 25
3.3 AAF Authorization 26
3.3.1 Obtaining DEQ Regional Authorization 26
3.3.2 AAF Authorization Process 26
3.3.3 Phase Report 27
3.3.4 Complete Report and AAF including Work Performed Units 27

3.3.5 Verification of Work Performed 27
3.3.6 AAF Post Authorization 27
3.3.7 Authorizing Work at Heating Oil Tank Sites 28
3.4 Corrective Action Phases 28
3.4.1 Reimbursement by Complete Phases 28
3.4.2 Reimbursement by Sub-phases 29
3.5 When Bidding is Required 29
3.5.1 Ensuring Fair Bidding 30
3.5.2 General Bidding Requirements and Procedures 30
3.5.3 General Bidding 31
3.5.4 Bidding Process Roles 32
3.5.5 Scope of Work, Specifications, Bid Forms and Requests for Bids 33
3.5.6 Types of Bids 34
3.5.7 DEQ's Methods of Bidding 34
3.5.8 Lump Sum Bids 35
3.5.9 Combination Bids 35
3.5.10 Bidding Process Steps 36
3.5.11 Exceptions to the Bidding Process 37
3.6 Completing and Submitting the Reimbursement Application 37
3.6.1 The Reimbursement Application 38
3.6.2 Filing Requirements for Claims 38
3.6.3 Application Forms and Worksheets 39
3.6.4 Invoices and Invoice Use Limitations 40
3.6.5 Costs Incurred With No Invoice 40
3.6.6 Force Account Work 41
3.6.7 X-Code Documentation 41
3.6.8 Where to Send a Claim 42
3.6.9 How to Withdraw a Claim 42
3.6.10 Claim Processing 43
3.6.11 Claim Processing Time 43
3.6.12 Claim Decision Package 43
3.6.13 Delayed Payment 43
3.7 The Reconsideration Process 44
3.7.1 Correction of Certain Errors 44

3.7.2 Errors that Cannot be Corrected 44
3.7.3 Reconsideration Filing Deadline 45
APPENDIX 1 46
Definitions 46
APPENDIX 2 50
Virginia Department of Environmental Quality Regional Offices 50
APPENDIX 3 52
CONTAMINATED SOIL AMOUNTS FOR UST REMOVAL 52
APPENDIX 4 54
Professional Personnel Task Descriptions 54
APPENDIX 5 58
eAAF and Paper AAF instructions 58
eAAF Business Model: 58
Paper AAF Business Model 60
Verification 61
APPENDIX 6 63
Forms 63

1 INTRODUCTION

The purpose of this manual is to provide guidance to claimants seeking reimbursement from the Virginia Petroleum Storage Tank Fund for corrective actions performed on or after **August 1, 2019**. Specifically, this manual will categorize which releases are eligible for reimbursement, identify activities which are eligible for reimbursement, provide guidance on evaluating reasonable costs and obtaining authorization for site activities; explain how to prepare a reimbursement application (claim), and describe how an application is processed. Failing to follow all procedures set forth in this manual for properly preparing and submitting an application can result in reimbursement denials. This manual uses regulatory terms which are defined in Appendix 1. Throughout this manual important information is noted using the ☞ symbol.

Revisions to this manual may be necessary due to statutory or regulatory changes, changes within the industry, or changes in the claim processing requirements of the program. As changes occur, periodic additions or supplements will be prepared for inclusion in the manual. This manual, future revision and all forms are available on the DEQ Petroleum Program web site at: DEQ Petroleum Program.

Refer to Section 2.12 of this manual to obtain assistance on the various aspects of the Petroleum Storage Tank Program.

This is not a regulatory document; it is a guidance manual intended to assist tank owners and operators in making decisions when managing releases from petroleum storage tanks. The guidance provided in this manual is not intended to remove the element of competition or freedom of choice from the responsible person when conducting cleanups eligible for reimbursement from the Virginia Petroleum Storage Tank Fund.

2 PETROLEUM STORAGE TANK REIMBURSEMENT FUND PROGRAM SUMMARY

The Commonwealth of Virginia established the Virginia Petroleum Storage Tank Fund (Fund) with the passage of Articles 9, 10, and 11 of the State Water Control Law (Sections 62.1-44.34:8 to 23). In accordance with state law and regulations, the Fund may be used for the following purposes:

1. To provide reimbursement to eligible tank owners/operators for a portion of the potentially high costs of mitigating the public health and environmental risks from a petroleum storage tank release;
2. To provide a mechanism for regulated Underground Storage Tank (UST) owners/operators to demonstrate financial responsibility in order to meet Federal requirements; and
3. To provide reimbursement for costs incurred for third party bodily injury or property damage from confirmed regulated UST petroleum releases.

The Commonwealth of Virginia is responsible for administering the UST technical and financial responsibility regulatory programs, the Aboveground Storage Tank (AST) regulatory program, and the Virginia Petroleum Storage Tank Fund (the Fund) reimbursement program.

1. The Fund is a non-lapsing, revolving fund administered by the Department of Environmental Quality (DEQ).

2. The primary revenue source for the Fund is a statewide fee on regulated petroleum products, including gasoline, aviation motor fuel, diesel fuel, dyed diesel fuel, kerosene, and heating oil sold in Virginia.

3. The Department of Motor Vehicles is responsible for collecting, monitoring, and maintaining the fee at an appropriate operating level. The fee is increased by the Commissioner of Motor Vehicles from one fifth of a cent to three fifths of one cent when notified by the Comptroller that the Fund has been, or is likely to be, reduced below three million dollars. The primary uses of the moneys collected are to reimburse responsible persons for the reasonable and necessary costs incurred to perform corrective actions in response to a release from a petroleum storage tank.

4. Depending upon the type of storage tank and petroleum product released from a tank, owners/operators may request access to the Fund for cleanup costs only or for both cleanup and third party costs. The tank owner/operator is eligible to request reimbursement from the Fund for costs that exceed their financial responsibility requirement for cleanup and if applicable, third party costs, up to a combined maximum of $1 million per occurrence. Section 2.4 of this manual summarizes corrective action and third party Fund eligibility for the different storage tank types.

5. It is important to understand that the Fund does not always reimburse owners/operators for all costs associated with corrective actions. Only corrective action costs that exceed the financial responsibility requirement, are reasonable, necessary, and in accordance with the guidelines set forth by DEQ are eligible for reimbursement. For a list of ineligible costs, refer to Section 3.1.5 of this manual.

6. In order to be eligible for reimbursement, corrective action activities should be authorized in advance by DEQ and then must be verified following completion of the work.

7. The Fund will not reimburse tank owners or operators for any release that caused by the negligence of the owner/operator, employees, agents, or contractors of the owner/operator.

8. The Fund will not reimburse any cost incurred by an owner/operator that is reimbursed or reimbursable under an insurance policy.

9. Articles 9, 10, and 11 of the State Water Control Law govern the use of the Fund. Familiarity with the State law, regulations, and DEQ Storage Tank Guidance is helpful in understanding the requirements of the Petroleum Storage Tank Program and completing reimbursement applications. To assist in understanding this manual, Appendix 1 contains a list of terms and definitions found throughout the manual.

Refer to Section 2.12 to obtain assistance and information about the Petroleum Storage Tank Program.

2.1 ELIGIBILITY REQUIREMENTS

Several factors must be considered when assessing whether a petroleum release is eligible for reimbursement from the Fund. These factors include the type of storage tank from which the release occurred (See Appendix 1 for definitions), the person/entity claiming reimbursement, the number of release occurrences, the circumstances under which the release occurred, compliance status of the facility, insurance coverage, and the financial responsibility requirement of the claimant. Each of these factors is described in further detail below.

2.1.1 Eligible Claimants

Not all claimants are eligible for reimbursement from the Fund. A claimant must be an owner or operator of the UST/AST, a person assuming liability for the cleanup of the site, the Virginia Department of Transportation for clean up on property acquired for transportation purposes, or a lender agreeing to conduct the cleanup.

2.1.2 Responsible Persons [Party]

The responsible person [party] (RP) is the owner/operator of the UST/AST on the date the release is reported to DEQ. Please note that "person" means and individual, trust, firm, joint stock company, corporation, including a government corporation, partnership, association, any state or agency thereof, municipality, county, town, commission, political subdivision of a state, any interstate body, consortium, joint venture, commercial entity, the government of the United States or any unit or agency thereof.

USTs: Owners/Operators of USTs may request reimbursement of corrective action costs and third party liability claims that resulted from the petroleum released from the UST. See Section 2.4 for cleanup and third party eligibility.

ASTs: Operators of facilities with ASTs may request reimbursement of corrective action costs for a discharge of a product that is subject to the Fund Fee imposed by Virginia Code § 62.1-44.34:13 and released from an AST.

2.1.3 Persons Assuming Liability

An interested person, i.e., a person or entity with a legal interest in the property, who is not the responsible person may "step into the shoes" of the tank owner/operator and become eligible for reimbursement from the Fund. An interested person must agree to assume liability for a petroleum release in accordance with DEQ requirements to be eligible to request reimbursement from the Fund. If a person does not assume liability for the release or is not the owner/operator, they are not eligible for reimbursement of corrective action costs.

2.1.4 Lenders

Persons or entities who have loaned money secured by real property (lenders) on which regulated USTs are located may be eligible for reimbursement from the Fund without assuming liability for the release. Lenders who foreclose on loans are eligible to request DEQ to review whether they qualify for exemption from UST owner liability. Lenders must first ask DEQ to review whether they qualify for the exemption. If they qualify, then they must obtain regional office approval for all activities and conduct the cleanup in accordance with DEQ requirements.

2.2 TANK TYPES ELIGIBLE FOR REIMBURSEMENT

The owner/operator has Fund access for the following types of USTs and ASTs.

2.2.1 Regulated UST:

USTs containing petroleum as defined in the UST Technical Regulation (9 VAC 25-580-10, et seq.) and subject to all the requirements of the Technical Regulation. The most common types of petroleum substances include gasoline, diesel fuel, kerosene, heating oil, and used oil.

2.2.2 Exempt USTs 1 and 2:

1. Exempt USTs are USTs that are exempted from the definition of "underground storage tank" under State Water Control Law and the UST Technical Regulation. Only two types of Exempt USTs are eligible for reimbursement from the Fund. These are:
    a. USTs with a capacity of 1,100 gallons or less which contain motor fuel (gasoline or diesel fuel) for residential use or farm use; and
    b. USTs used for storing listed heating oil or oil used for heating on the premises where the tank is located (i.e., not offered for sale).
2. Releases from the other types of exempt USTs are not eligible for reimbursement from the Fund. These include:
    a. Septic tanks; pipeline facilities; surface impoundments; pits; ponds and lagoons; storm water or wastewater collection systems; flow-through process tanks; liquid traps or associated gathering lines for oil/gas production facilities.

2.2.3 Excluded USTs:

1. Excluded USTs are tanks that meet the State Water Control Law and UST Technical Regulation definition of "underground storage tank," but are excluded from the requirements of the UST Technical Regulation. The types of Excluded USTs that are eligible for reimbursement from the Fund are:
    a. An UST system that contains petroleum for operational purposes such as hydraulic lift tanks and electrical equipment tanks; and
    b. 110 gallon or less UST systems that contain petroleum.
2. Releases from other types of excluded USTs are not eligible for reimbursement from the Fund. These include hazardous waste USTs, wastewater treatment facilities, and emergency spill and overfill containment units which are regularly emptied.

2.2.4 Deferred USTs:

1. Deferred USTs are tanks that meet the State Water Control Law and UST Technical Regulation definition of "underground storage tank" but were, until January 1, 2018, deferred from any regulatory requirements. The types of Deferred USTs that are eligible for reimbursement from the Fund are emergency generator USTs at nuclear power facilities and field constructed USTs where the release occurred prior to the date above.
2. The other types of deferred USTs are not eligible for reimbursement from the Fund. These include; wastewater treatment tank systems and USTs with radioactive materials.

2.2.5 Partially Deferred USTs:

Partially Deferred USTs are tanks that meet the State Water Control Law and UST Technical Regulation definition of "underground storage tank" but were, until January 1, 2018, deferred from some of the regulatory requirements. The types of Partially Deferred USTs that are eligible for reimbursement from the Fund include UST systems that store fuel for emergency power generator use. Beginning January 1,

2018 UST systems used solely for emergency power generation are subject to all of the requirements of the Technical Regulations.

2.2.6 Partially Excluded USTs:

Partially excluded USTs are USTs that, beginning January 1, 2018, are subject to some parts of the UST technical regulation, but not all parts.

1. Partially Excluded USTs that are eligible for reimbursement from the Fund:
    a. Partially Excluded UST Type 4: UST system that is part of an emergency generator system at a nuclear power generation facility.
    b. ASTs associated with airport hydrant fuel distribution systems and ASTs associated with field-constructed UST systems are partially excluded from the UST regulation. However, since DEQ has historically regulated these tanks under its AST regulations, see section 2.4 below regarding fund eligibility for these types of tanks.
2. Partially Excluded USTs that are not eligible for reimbursement from the Fund:
    a. Wastewater treatment tank system not subject to sections 402 or 307(b) of the Clean Water Act and UST systems containing radioactive material that is regulated by the Nuclear Regulatory Commission.

2.2.7 Regulated AST Facilities:

AST facilities with a maximum storage capacity of 25,000 gallons or more of petroleum that is subject to the Fund fee are eligible for reimbursement from the Fund. In order for corrective action activities to be eligible for reimbursement, the release must be from the AST (tank, piping, or loading rack), and the product released must be subject to Code § 62.1-44.34:13, which imposes a fee on the sale, use, and delivery of certain fuels to generate revenue for the Fund. Fee-eligible fuels are gasoline, aviation gasoline (jet fuel is not a fund-fee product), diesel fuel (including dyed diesel fuel), blended fuel, and heating oil.

2.2.8 Unregulated AST Facilities:

AST facilities with a storage capacity of less than 25,000 gallons of petroleum that is subject to the Fund fee are eligible for reimbursement from the Fund. In order for corrective action activities to be eligible for reimbursement, the release must be from the AST (tank, piping, or loading rack), and the product released must be a product subject to Code § 62.1-44.34:13, which imposes a fee on the sale, use, and delivery of certain fuels to generate revenue for the Fund. Fee-eligible fuels are gasoline, aviation gasoline (jet fuel is not a fee fund product), diesel fuel (including dyed diesel fuel), blended fuel, and heating oil.

2.2.9 Small Heating Oil ASTs:

ASTs with a capacity of 5,000 gallons or less which contain heating oil for consumption on the premises where the tank is located (i.e., not offered for sale) are eligible for reimbursement from the Fund.

2.3 RELEASE REPORTING REQUIREMENTS

In order for any corrective action cost to be eligible for reimbursement from the Fund, the release must be reported to DEQ within 24 hours of discovery. Costs for corrective actions taken more than 24 hours prior to the report of the release will not be eligible for reimbursement.

See Appendix **2** for the appropriate regional to report a release. Release information may be submitted electronically to a region (preferred) via an electronic Environmental Pollution Report (eEPR) form located on DEQ's website, by fax, or by telephone. DEQ anticipates a reporting portal will eventually be available on DEQ's website as well in the future.

2.3.1 USTs

Owners/Operators of UST systems are required to report the following to DEQ within 24 hours:

1. Discovery of released petroleum;
2. Unusual operating conditions except where defective equipment does not cause a release;
3. Monitoring results that indicate a release has occurred unless the monitoring device is found to be defective and subsequent monitoring indicates that no release has occurred;
4. Spills or overfills that exceed 25 gallons or that cause a sheen on any surface water; or
5. Spills or overfills less than 25 gallons that are not cleaned up within 24 hours of the spill or overfill.

In the case of inventory control, release reporting is not required if a second month of data does not confirm the initial result indicating a release. Similarly, in the case of manual tank gauging, release reporting is not required if a second week or month of data does not confirm the initial result indicating a release.

2.3.2 ASTs

AST operators must notify DEQ immediately upon learning of any discharge unless the discharge is less than 25 gallons, does not reach state waters, and is cleaned up within 24 hours of the spill. For these discharges, an operator must keep a record of the discharge and the cleanup activity as required by Article 11 of State Water Control Law (VA Code § 62.1-44.34:19).

2.4 CORRECTIVE ACTION AND THIRD PARTY CLAIM ELIGIBILITY

1. Petroleum storage tank owners or operators have access to the Fund for either corrective action costs only or for both corrective action and third party costs. The following table identifies cleanup and third party eligibility for reimbursement from the Fund based upon the tank types discussed in Section 2.2 and the release occurred on or before January 1, 2018.

Eligibility for Reimbursement from the Fund Based Upon Tank Type for releases reported prior to January 1, 2018		
Tank Type	Corrective action costs that exceed the applicable Financial Responsibility Requirement and **third party costs** that exceed the applicable Financial Responsibility Requirement up to a combined maximum of $1 million per occurrence	Corrective action costs **but NO third party costs** that exceed the applicable Financial Responsibility Requirement up to a maximum of $1 million per occurrence
Regulated UST	X	
Exempt USTs 1 & 2		X
Excluded UST	X [1]	
Deferred UST	X [1]	
Partially Deferred UST	X [1]	
Regulated AST Facility		X
Unregulated AST Facility		X
Small Heating Oil AST		X

2. The following table identifies cleanup and third party eligibility for reimbursement from the Fund based upon the tank types discussed in Section 2.2 when the release occurs on or after January 1, 2018.

Eligibility for Reimbursement from the Fund Based Upon Tank Type for releases reported on or after January 1, 2018		
Tank Type	Cleanup and third party costs that exceed Financial Responsibility Requirement up to a combined maximum of $1 Million per occurrence	Cleanup costs that exceed the Financial Responsibility Requirement up to a maximum of $1 Million per occurrence
Regulated UST	X	
Exempt USTs 1 & 2		X
Partially Excluded UST	X[1]	
Regulated AST Facility		X
Unregulated AST Facility		X
Small Heating Oil AST		X

[1] Some, but not all, tanks of this type have Fund access (See Section 2.2). For those tanks that do have access to the Fund, both corrective action costs and third party costs are eligible

3. As indicated in the tables above, certain UST owners or operators may request reimbursement from the Fund for third party claims. Only the owner or operator of the above-specified petroleum USTs are eligible for reimbursement from the Fund for third party property damage and bodily injury claims. These costs must be incurred by the owner or operator as a result of (1) a final arbitration award, (2) a DEQ approved settlement, or (3) final court judgment, other than a default judgment, imposing liability upon an owner or operator for bodily injury or property damage to a third party arising from a petroleum UST release.
    a. The first priority for reimbursement from the Fund is corrective action. After DEQ-required corrective actions have been completed, the owner or operator may seek reimbursement from the Fund for third party damages that are reasonable and necessary and that have actually been incurred. Some damages, which may be included in the award or settlement, such as damages for pain and suffering, loss of consortium, punitive damages, etc., are not reimbursable from the Fund. A list of eligible costs and a comprehensive list of ineligible damages are included in the **Virginia Petroleum Storage Tank Fund Third Party Disbursement Guidelines** that can be found in the DEQ Petroleum Program webpage at: https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/GuidanceRegulations.aspx
    b. Virginia Code § 62.1-44.34:11.A.10 requires that a claim for third party damages be filed with the Board within two years of the date the Board issues a site remediation closure letter. Claims filed more than two years after the case closure date are ineligible for reimbursement from the Fund. In addition, reimbursement of third party claims is subordinate to reimbursement of corrective action costs. In the event that DEQ re-opens the case to require additional corrective action, the two-year period begins anew and runs from the final site remediation closure letter date.
    c. Third party claims should not be filed using the reimbursement application forms. In order for a third party liability claim to be eligible for reimbursement from the Fund, the UST owner or operator must provide adequate documentation to DEQ to support the damages sought. Detailed information on how DEQ evaluates third party claims for reimbursement are found in The **Virginia Petroleum Storage Tank Fund Third Party Disbursement Guidelines**. https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/GuidanceRegulations.aspx
    d. Refer to Section 2.12 for information about how to obtain assistance with submitting a reimbursement claim including Third Party Liability Claims.

2.5 RELEASE OCCURRENCE EVALUATIONS

For each occurrence, the owners/operators may request access to the Fund for reimbursement above the amount of the financial responsibility requirement up to $1 million. DEQ evaluates the following four factors to assess the number of occurrences at a site. These factors are:

1. Point in time of the release;
2. Location;
3. Ownership; and
4. Tank type

Petroleum releases discovered within the time set by the DEQ regional office for submitting a Site Characterization Report generally constitute one occurrence if the tanks have one owner, are the same tank type, and are located at the same facility. The DEQ case manager assesses the number of occurrences at a site. If requested, they will review the assessment with the responsible person.

2.6 CORRECTIVE ACTION FINANCIAL RESPONSIBILITY REQUIREMENTS

Before owners/operators may request reimbursement, the corrective action financial responsibility requirement must be satisfied. The financial responsibility requirement amount is deducted from the total costs approved before any reimbursement payments are made. The financial responsibility requirement for a claim depends upon the number of occurrences, as described above, and tank type[s] as outlined below:

2.6.1 Regulated USTs:

The financial responsibility requirement for regulated USTs is calculated according to the sliding scale below. The scale is based on the total gallons of petroleum pumped into or out of all the owner/operator's regulated USTs in the Commonwealth of Virginia for the year prior to the release report date. The year prior to the release can be any consecutive 12-month period that starts no more than 24 months prior to the release report date and ends no later than the release report date.

For example, a release is reported on February 1, 2018. The year prior to the release date must extend over 12 consecutive months but could begin on any date from February 1, 2016 to February 1, 2017.

Annual Throughput In Gallons	Corrective Action Per Occurrence FR Requirement
600,000 or less	$5,000
600,001 - 1.2M	$10,000
1,200,001 - 1.8M	$20,000
1,800,001 - 2.4M	$30,000
Above 2.4M	$50,000

2.6.2 Exempt USTs 1 and 2:

Exempt UST 1: The corrective action financial responsibility requirement is $500.

Exempt UST 2: The corrective action financial responsibility requirement is $500.

2.6.3 Deferred USTs:

Calculated according to the sliding scale for regulated USTs shown above.

2.6.4 Partially Deferred USTs:

Calculated according to the sliding scale for regulated USTs shown above.

2.6.5 Partially Excluded USTS:
Calculated according to the sliding scale for regulated USTs shown above.

2.6.6 Regulated ASTs and Unregulated ASTs:
The corrective action financial responsibility requirement for an occurrence is calculated according to the table shown below.

Net Annual Profits greater than $10 million*	
Total Storage Capacity for all AST facilities which operate in VA	Financial Responsibility Requirement
less than 4 million gallons	$200,000
4 million to 20 million gallons	Total Storage Capacity in VA x $0.05 per Gallon
greater than 20 million gallons	Not Eligible for Reimbursement

Net Annual Profits less than $10 million*	
Total Storage Capacity for the AST Facility where the release occurred	Financial Responsibility Requirement
less than 25,000 gallons	$2,500
25,000 to100,000 gallons	$5,000
greater than 100,000 to 4 million gallons	Facility Storage Capacity x $0.05 per Gallon
greater than 4 million gallons	$200,000

* Based on the financial statements of a company's Virginia operations from the fiscal year preceding the date the release was reported to DEQ.

2.6.7 Small Heating Oil ASTs having capacity of ≤ 5,000 gallons:
The corrective action financial responsibility requirement for an occurrence related to a small heating oil with a capacity of 5,000 or less is $500.

2.7 INSURANCE COVERAGE

Owners/operators who demonstrate financial assurance through the **DEQ Office of Financial Responsibility & Waste Programs,** with a pollution liability insurance policy need to be aware that, depending on the amount and type of insurance, reimbursement of reasonable and necessary cleanup costs may be limited to the insurance policy deductible. §25-590-210.B.4 of the Fund's Financial Responsibility Requirements Regulation prohibits reimbursement "where the claim cost has been or is reimbursable by an insurance policy."

A copy of the insurance policy in effect at the time of the release must be reviewed by DEQ's Central Office to determine the extent of coverage and the level of Fund access prior to reimbursement.

Request an Insurance Review for Fund access any time after the release is reported. If the review is not completed prior to submittal of the first reimbursement claim, it will be completed as part of claim processing.

2.8 NEGLIGENCE

Any cleanup and/or third party liability claim costs incurred by an owner/operator that resulted from the negligence of the responsible person or the employees, agents, or contractors of the responsible person are not eligible for reimbursement.

Negligence reviews are made by DEQ based on the facts of each case. Examples of negligent activities that result in a release for which there was no reimbursement are:

1. An AST was knocked over by a person or vehicle;
2. An UST or UST line was punctured;
3. A hose from a dispenser was left open allowing the contents of the tank to discharge;
4. Pumping product into a monitoring well;
5. A valve was left open allowing the tank contents to discharge;
6. Pumping product into a pipe which is not connected to a UST/AST;
7. Filling a UST/AST which has the fill pipes or plugs removed;
8. Secondary containment was inadequate;
9. Damage to a line or tank during excavation or construction activities.

2.9 NON COMPLIANCE

☞ Any cleanup costs incurred for a storage tank release where the owner or operator or his agents or contractors is in violation of substantive requirements of the UST technical regulation (9 VAC 25-580) are not eligible for the reimbursement. An example of a substantive violation is the failure of an owner or operator to investigate and report a suspected release. Eligibility reviews are made by DEQ central office staff based on the facts of each case.

2.10 VANDALISM

Vandalism differs from negligence in that vandalism is an act committed by a third party who is not the tank owner or operator, an agent, employee, or contractor of the owner or operator. DEQ may consider releases caused by vandalism for Fund access provided that the owner/operator of the tank that has been vandalized:

1. Reports the act of vandalism to the police, and
2. Upon reporting the release to the DEQ regional office, provides a copy of the police report.

2.11 AUDITS

DEQ routinely performs audits of reimbursement claims that utilize the 007 and 2019 UCR Schedules. An audit will consist of two parts, (1) Auditing for Units claimed and (2) Auditing for Mark-up. All Audits are an examination of the reimbursement application and supporting documentation for compliance with applicable reimbursement guidance.

2.11.1 Important Auditing Terms

As used in the audit process the following terms shall have the following meanings:

Entity: the consultant business or individual whose invoices are included as supporting documentation in the claim.

DEQ management: Office of Spill Response and Remediation, Director and Fund Manager

Findings: Problems discovered during an audit that are not significant and can easily be corrected. Generally, the correction will not have an effect on the data being audited.

Points: Problems discovered during an audit that are significant and are clearly out of compliance with the guidelines in this manual. Points generally have an effect on the data being audited.

Recommendations: Occasionally, DEQ may recommend that a claimant or payee adopt a recordkeeping practice and/or document costs incurred in a more reliable manner. A recommendation is a suggestion and does not require corrective action on the part of the claimant or payee.

2.11.2 Auditing for Units Claimed

For all costs, the units claimed and invoiced will be audited. Additionally, DEQ intends to request and review actual cost information to gather supporting information for future UCR Changes and updates.

2.11.3 Auditing for Mark-up

DEQ intends to audit mark-up on those items with specifically defined eligible mark-up percentages: A-Codes; C-codes; D-codes; X-codes; Bid Items; and Laboratory and Soil Treatments costs. See Section 3.2.3 for a listing of eligible mark-up amounts.

2.11.4 Auditing Paid Reimbursement Claims (Post Payment Audit)

The post payment audit is an examination of costs allowed in the reimbursement claim to evaluate whether adequate supporting documentation is available to support items invoiced by the Primary Remediation Consultant.

1. For claims selected for a post payment audit, the entity is notified by the auditor via email and given fifteen (15) days to submit documentation supporting the invoiced costs. Up to an additional 15 days can be granted for submitting the requested documents.

3. After examining the documentation and completing the analysis, the auditor conducts an Exit Conference with the entity's management and or designee via email or phone.

4. Findings are typically discussed with first-line management at the time of discovery. Points and recommendations are directed to the level of management who has the authority to take corrective action. All findings and preliminary points will be presented and discussed at the Exit Conference.

5. When points are discovered during the audit process, the auditor emails the draft audit report to the entity accompanied by the Management Response Form. The entity will be asked to provide their response to the draft report explaining how and when corrective action will take place. The response is due to DEQ no later than fifteen (15) days from receipt of the date the draft report.

6. Each response for an audit point will be evaluated to determine if the reply is in accordance with the guidelines stated in the VPSTF Reimbursement Guidance manual. If the response is acceptable, no further action is necessary. If the response is inadequate, additional correspondence will follow. If resolution cannot be reached, DEQ may take the following actions, the entity's future reimbursement claims may be subject to pre-payment audit, withholding payments on subsequent claims until audit points are corrected and or cost recovery. The draft Audit Report will recommend actions for the agency to take in response to the audit results.

7. Upon receipt, the Auditor will review the management response and prepare the final Audit Report indicating which points have been resolved and which remain unresolved. The final Audit Report will also contain the Auditor's final recommendations to DEQ management. A copy of the final Audit Report will be emailed or mailed to the entity after the audit is closed.

2.11.5 Auditing Claims during Claims Processing (Pre-Payment Audits)

The pre-payment audit is an examination of the reimbursement application and supporting documentation for compliance with applicable reimbursement guidance prior to processing the claim.

1. If selected for audit, the claimant or the individual responsible for preparing the claim application will be notified via Email. The Email will provide the deadline for submittal of documentation to support all costs claimed.
2. When the audit results in denial of costs due to findings or points, the Pre-Payment Audit report will be included in the claim decision package.
3. Costs denied because of the pre-payment audit are appealed following the standard Reconsideration Claim process. See Section 3.7

2.11.6 Maintenance and Preservation of Records Supporting Reimbursement Claims

Claimants, consultants, and recipients of assigned payments must maintain and preserve adequate and complete auditable records to support each reimbursement application for seven (7) years from the date they receive the claim decision. Such records include, but are not limited to the following:

1. All prime contractor, sub-contractor, and supplier invoices, including but not limited to; rental equipment; Laboratory analysis, Soil Treatment; Transportation and waste manifests and invoices.
2. General ledger;
3. All financial and disbursement records that relate to the reimbursement claim(s) covered under the audit, i.e. journals, check register, monthly bank statements;
4. Mileage logs in support of all mileage claimed for reimbursement;
5. All pertinent Payroll documents, i.e. employee time records in support of all staff hours (professional, technical and trades) claimed for reimbursement that specifically identify the hours worked by site location;
6. Field Logs that identify the site location at which work was performed, equipment and/or material was used and by whom, etc.;
7. For costs incurred, but not invoiced, a record of the cost must still be obtained and kept. In the case of prepayment (such as local fees, utility power drops, etc.) the record can be a copy of the guidelines showing how to order service; a copy of the applicable fee schedule from the utility or local government; and a receipt of payment issued by the utility or local government;
8. Work that required bidding
9. Documentation to support mark-up calculations for those mark-ups defined in Section 2.6.

2.12 OBTAINING ADDITIONAL INFORMATION AND ASSISTANCE

The DEQ Petroleum Tank Program web page has extensive information and forms for download at: https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/Reimbursement.aspx

Listed below are DEQ contacts for obtaining additional information about the Petroleum Storage Tank Program:

2.12.1 Reimbursements:

For assistance regarding reimbursement claims, application status, filing deadlines, questions about how to submit a reimbursement application, please call (804) 698-4358 or email **claim.decision@deq.virginia.gov**. In addition, the reimbursement manual, information on claim status, the status of a claim in delayed payment, and information on claims released for payment within the past thirty days are on the web at: https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram.aspx

2.12.2 Regulations/State Law/Technical Information:

To request copies of regulations, statutes, information brochures, or the Storage Tank Program guidance, please call (804) 698-4010 or email tank@deq.virginia.gov.

2.12.3 Claimant Eligibility:

To obtain information about claimant eligibility or to request lender approval for an exemption from liability, please call (804) 698-4010 or email tank@deq.virginia.gov.

2.12.4 Inability to Pay:

An owner/operator can submit to DEQ financial information to document that the owner/operator is financially incapable of paying for corrective action. If DEQ determines that the owner/operator is incapable of paying for corrective action, the site may be placed on a priority list for DEQ contractors to clean up. For assistance or additional information, please call (804) 698-4205 or email tank@deq.virginia.gov.

2.12.5 Regulated Petroleum UST Third Party Liability Claim(s):

Reimbursement from the Fund for third party liability property damage and bodily injury claims is limited to owners/operators of regulated, excluded, partially excluded, deferred, or partially deferred USTs. For assistance or specific procedures, please call (804) 698-4010 or email tank@deq.virginia.gov.

2.12.6 Demonstration of Financial Responsibility:

Owners/Operators of regulated petroleum USTs and ASTs are required to demonstrate financial responsibility to address corrective action costs and third party liability claims. For specific questions regarding financial responsibility demonstration, please call (804) 698-4205 or email tank@deq.virginia.gov.

2.12.7 Cleanup Requirements:

Contact the appropriate regional office for information on cleanup requirements. See Appendix 2 for a map showing regional office locations, telephone numbers, and regional boundaries.

3 REIMBURSEMENT PROCEDURES

It is the responsibility of the RP/Claimant and their representative(s) to familiarize themselves with the following reimbursement procedures. Failure to follow these procedures may result in denial of cost(s) during claims processing. The RP/Claimant and their representative(s) should pay particular attention to bidding requirements, as these procedures cannot be performed after the fact.

3.1 REASONABLE AND NECESSARY COSTS

The Fund may reimburse reasonable and necessary costs for corrective actions conducted, to investigate, and remediate a petroleum release. DEQ will authorize work that is commensurate with the level of corrective action necessary to properly respond to the petroleum storage tank release and protect human health and the environment. The Fund does not provide comprehensive damage restoration coverage and is not intended to make the RP/Claimant whole.

DEQ will evaluate the costs for activities and equipment using the cost information that DEQ has gathered and published in the Usual and Customary Rate (UCR) Schedules (see section 3.2) and evaluate whether the expenses submitted for reimbursement are necessary and within the amount that DEQ considers reasonable. It is presumed that only the most efficient and cost effective methods, procedures, means, and designs will be used to remediate petroleum releases that are eligible for reimbursement.

DEQ may reimburse some costs (e.g., mileage, equipment rates, or hourly fees) at rates that may be different from those some companies charge. Therefore, it is possible, that a portion of the corrective action costs incurred by the responsible person may not be fully reimbursed.

The remainder of this section of the Manual describes costs DEQ considers eligible or ineligible for reimbursement and describes how DEQ evaluates reasonableness for some specific categories of costs.

3.1.1 Eligible Costs

Eligible costs include, but are not limited to:

1. For Regulated USTs, Exempt USTs 1 and 2, and Small Heating Oil ASTs – Those reasonable corrective action costs for work performed on or after December 22, 1989;

2. For Regulated and Unregulated ASTs – Those reasonable corrective action costs for costs incurred on or after January 1, 1992;

3. Reasonable costs of tightness testing of petroleum UST systems only when performed to confirm a leak as directed by DEQ;

4. Reasonable costs of laboratory services when directed by DEQ;

5. Reasonable costs of restoration or replacement of a public or private potable water supply to affected users;

6. Reasonable costs to install, operate, and maintain equipment used for petroleum/oil recovery or corrective action, except when such maintenance or repair of equipment is covered by warranty. This includes necessary utility services and associated permit fees.

7. Reasonable costs for soil loading, hauling, treatment, disposal, and backfilling the excavation associated with UST removal at sites with a confirmed release where contaminated soil removal was required as part of an approved corrective action.
   NOTE: The amount approved by the regional office cannot exceed the quantities listed in Appendix 3 unless the regional office determines additional quantities are necessary to mitigate hazards at the site.

8. Reasonable costs for UST removals when required as part of a Corrective Action Plan or under Interim Authorization;

9. Reasonable costs for responsible persons to use their own personnel to conduct corrective action activities. This may include **actual** labor and fringe benefit costs for activities which do not duplicate activities performed by the consultant;

10. Reasonable costs of rough grading and seeding for grasses to repair disturbances associated with remediation activities. See Section 3.1.2 Ineligible Costs, particularly items 20 and 21.

11. Reasonable costs of product and contaminated water disposal;

12. Reasonable levels of mark-up added to the costs of goods or services necessary for corrective actions and eligible for reimbursement from the Fund. Refer to Section 3.2.3 for additional information on reasonable levels of mark-up;

13. Reasonable costs to remove an obstacle or impediment to remediation; e.g., AC, heat pump, utility service, pavement, etc. Any removal activity should only be undertaken with the **prior approval** of the regional case manager and after demonstrating that the removal is the most cost effective approach and necessary to reduce risk to human health and/or the environment;

14. Reasonable costs to reinstall or reconnect appliances or services removed or disconnected for remediation that would create a hardship to be without; e.g., AC, heat pump, utility services, etc.;

15. Reasonable costs to pave over trenches to protect buried remediation system lines and/or prevent short circuiting of vapor extraction systems;

16. Reasonable costs to replace pavement removed to perform necessary corrective actions, e.g., excavation, trenching, monitoring well abandonment. In most cases, regardless of the type of pavement, the cost of replacement will be reimbursed at the asphalt pavement rate.

17. Reasonable fuel surcharges based on fuel costs charged by third party subcontractors for on-road equipment. Fuel surcharges assessed on services such as disposal, lab analysis, etc. are not eligible for reimbursement. For reimbursement, the surcharge must be supported by an invoice or bill that identifies the surcharge and is included in the claim. For surcharges greater than $50, the Fuel Surcharge Worksheet must be provided with the claim. **NOTE**: The benchmark fuel rate has been adjusted under the 2019 UCR Schedule and the updated Fuel Surcharge Worksheet must be used when seeking reimbursement under the 2019 UCR Schedule;

18. Reasonable costs to make a structure impacted by remediation activities safe;

19. Minimum charges for treating small quantities of soil and/or hauling partial loads (last load minimums).

20. OSHA Levels A, B and C are rarely required; however, costs for these higher levels of protective equipment with the prior approval of the DEQ case manager that it is associated with activities necessary for corrective action and to adequately protect the health and safety of workers.

3.1.2 Ineligible Costs

Specific corrective action costs **NOT** eligible include, but are not limited to:

1. For all UST and AST cases closed after July 1, 1998 costs claimed more than two years after the date of the case closure letter;

2. For Regulated USTs, Exempt USTs 1 & 2, and small heating oil ASTs any corrective action cots for work performed prior to December 22, 1989;

3. For Regulated and Unregulated ASTs:
   a. Any corrective action costs incurred prior to January 1, 1992;
   b. Corrective action costs if the product contained in the tank is not subject to the Fund Fee imposed by Virginia Code § 62.1-44.34:13. Fuels subject to the tax include gasoline, aviation motor fuel; dyed diesel fuel, diesel fuel, and heating oil sold and delivered or used in the Commonwealth;
   c. The cost of testing AST tanks and lines to confirm a leak when performed as part of release confirmation;
   d. The cost of AST closure (dismantling or demolition);
   e. Corrective action costs if the operator is not in compliance with reporting, prevention, containment, and cleanup requirements;
   f. Corrective action costs if the release is from a tank whose capacity is less than 60 gallons.

4. The cost of UST closure (removal or closing in place) except as part of an approved CAP or Interim Authorization;

5. Unreasonable levels of mark-up added to the cost of goods or services necessary for corrective actions and eligible for reimbursement from the Fund. Refer to Section 3.2.3 for additional information on acceptable levels of mark-up;

6. All costs incurred if the release was caused in whole or in part by the negligence or willful misconduct of the owner, operator, their employee, contractor, or agent, or anyone within the privity or knowledge of the owner/operator;

7. Any cost reimbursed or reimbursable under an insurance policy;

8. Any cost for corrective action performed more than 24 hours prior to reporting the release to the DEQ Regional Office;

9. The costs incurred by claimants for interest and/or points on loans obtained to finance a cleanup of a petroleum release from a storage tank unless the costs were incurred by an owner or operator which is exempt from taxation under §501(c)(3) of the Internal Revenue Code (Va. Code § 62.1-44.34:11.A.5);

10. Costs identified as excessive and/or unsupported in the reimbursement application;

11. The costs of environmental site assessments arising from purchase agreements including samples and any work performed as part of a Phase II investigation or other activity initiated at the request of a party other than DEQ (e.g. Phase I and Phase II assessments or other assessments for property transfers);

12. Any excess costs which were rounded upward when transferred from the invoice to the claim application AAF cost worksheet(s);

13. Fines, penalties, or supplemental environmental projects imposed by DEQ or another government entity;

14. Late fees, penalties, or interest arising from delinquent payment(s);

15. All corrective action costs if the owner/operator is a Federal government entity;

16. Attorney's fees not associated with approved corrective action activities. Fees not associated with corrective action activities include, but are not limited to costs for litigation or legal defense;

17. The cost of upgrading, retrofitting, repairing, or replacing a petroleum UST system or AST;

18. The cost for replacement of lost product;

19. The cost to reinstall electrical wiring, dispensers, pumps, canopies or other similar items;

20. The cost to restore structures damaged by the release that do not directly represent a risk to human health or the environment. This exclusion does not apply to repairs necessitated by the installation of remediation equipment or repairs to the remediation equipment. See Section 3.1.6 Property Damage Restoration;

21. The cost to restore, beyond a safe and serviceable condition, a structure that was altered as part of remediation efforts, See Section 3.1.6 regarding Property Damage Restoration;

22. The cost of impervious surface patching or other improvements beyond that which was removed for corrective actions;

23. The cost of fine grading, landscaping, replacing trees, shrubs, and sod due to excavation activities or to stress caused by contamination or rough grading and seeding that exceeds the

area disturbed by the release or associated corrective action. See Section 3.1.6 regarding Property Damage Restoration;

24. Costs associated with, but not necessary for, the cleanup of a release from a petroleum storage tank, e.g. tank closure outside the CAP Implementation phase;

25. The cost of loss of business of the owner/operator;

26. Costs which arise out of restrictions the owner/operator places on how site activities or corrective actions are performed;

27. Total rental/lease costs that exceed 120% of the purchase amount for equipment owned by the claimant or consultant when used under the 0198, or 007 UCR Schedules;

28. The cost for calibration of field/testing equipment;

29. Duplicate site management costs and supervisory costs;

30. The cost of air fare, train fare, bus fare, cab fare, ridesharing services such as Uber and Lyft, or other means of public or semipublic transportation; and mileage more than 250 miles each way;

31. Travel time in excess of 6 hours, roundtrip;

32. The cost of express mail or courier services to deliver correspondence, reports, or other documents;

33. Ancillary costs (see Section 3.1.3 for additional information on ancillary costs);

34. Costs incurred solely for business purposes and which are not necessary for corrective action;

35. The cost of overtime pay for professional staff, evening and weekend hours billed for professional staff are eligible for reimbursement at the standard hourly rate;

36. The cost of fuel (excluding fuel surcharges) for rolling stock or excavation equipment including gasoline, diesel fuel, and compressed natural gas;

37. X-Code items that logically should be organized or grouped together and bid, e.g. plumbing and/or electrical components necessary for the operation of a remediation system;

38. Costs for necessary corrective actions which are not supported by invoices or other documentation of costs incurred;

39. Fuel surcharges charged by the primary consultant, fuel surcharges calculated on a basis other than the cost of fuel, fuel surcharges assessed on services such as disposal, lab analysis, etc.;

40. Soil treatment and hauling cost for amounts greater than 250 tons that are not bid; and

41. Costs for cleanup activities that are not included for verification in the work performed column of the activity authorization form (AAF).

42. Costs to prepare and submit a reimbursement claim.

3.1.3 Ancillary Costs

Small incidental items or tools, generally considered as "tools of the trades", and whose costs are considered part of a company's overhead, including items necessary to meet basic safety requirements are not eligible for reimbursement. These costs include, but are not limited to, the following items:

- Telephones including cell phones;
- Office equipment including but not limited to: Fax machines, computers including CAD computers, laptops and tablets, and their software;
- Photocopies;
- Postage, supplies, or services obtained from the U.S. Postal Service;
- Overnight courier services, excluding laboratory sample shipping;
- Office supplies, including field notebooks;
- Building rental and overhead;
- Common tools and tool sets used by mechanics, electricians, landscapers, and other trades, including but are not limited to: wrenches, screwdrivers, hammers, measuring wheels, drum dollies, and utility knives;
- Common supplies including spray bottles, brushes, and baggies, used as part of business;
- Expendable or wear items unless otherwise listed including but not limited to: ordinary drill bits and saw blades;
- Cameras including photographic film and development;
- Consumer-grade GPS receivers accurate to 10-15 ft.;
- Parking fees;
- Coolers;
- OSHA Level D, including but not limited to: disposable chemical resistant gloves, hearing protection, safety glasses, etc.;
- Work gloves, such as leather gloves, cut resistant gloves, and other specialty gloves; and
- Traction mats, plywood, etc. used to protect landscaping or property from ruts or damage.

3.1.4 Reimbursement Not to Exceed

☞ When equipment is authorized for extended periods using daily, weekly or monthly rates, the Fund might reimburse amounts that far exceed what it would have cost to purchase. In the past, this was addressed via a Lease vs. Purchase Analysis. Lease vs. Purchase Analysis is replaced with Not to Exceed (NTE) amount(s). In these cases the NTE amount(s) establishes the maximum amount eligible for reimbursement at the release site for a particular piece of equipment. Reimbursement is based on units utilized until the cumulative total cost reaches the NTE amount. The NTE amount is based on the purchase cost of the item plus mark-up.

For items without a UCR, it is expected that the most cost-effective approach (lease or purchase) will be employed and documented. As in the past, DEQ is open to re-use of equipment using lease rates with documentation that the total amount charged does not exceed the reasonable purchase price.

3.1.5 Re-Use of Remediation Equipment

In an effort to provide for more cost effective cleanups, provide for the re-use of equipment, including consultant/contractor owned equipment, and reduce overall charges to the Fund, DEQ encourages the re-use of remediation equipment such as DPE systems at other Fund Eligible sites.

1. The appropriate UCR, found in Volume VII, must be used; the NTE amount is the maximum amount that will be reimbursed per release site for the re-use of the equipment.

2. Remediation consultant/contactor owned equipment must be warranted [2]as if new, regardless of its age, during the period of reimbursement. Failure to maintain system run times of 80% or better will affect reimbursement of claimed costs, including denial of costs associated with system operation. During the warranty period, any costs associated with repair of the equipment are the responsibility of the equipment's owner.

3. ☞ When the Not to Exceed (NTE) amount is exceeded, the equipment is no longer considered to be under warranty. Thus, after the warranty has lapsed, authorization for appropriate labor hours for system maintenance and repairs, including replacement parts or components, is appropriate and are eligible for reimbursement. Bidding is required for any part or component, estimated to exceed the bidding threshold. See Section 3.5

3.1.6 Property Damage Restoration

☞ Releases of petroleum may result in property damage. When a release or spill of petroleum product occurs, reimbursable and non-reimbursable property damage may result. This damage may be caused by the released petroleum or by subsequent activities undertaken to clean up the petroleum. The Fund is intended as a mechanism to provide reimbursement for activities necessary to investigate and clean up a petroleum release. The Fund does not provide comprehensive damage restoration coverage that may be available through private insurance.

The Fund may be used to provide reimbursement for activities and materials needed to restore the property to a safe and serviceable condition. Activities and materials beyond those needed for safety and serviceability are not eligible for reimbursement.

The example scenarios below are intended to provide clarification regarding the types of restoration-related activities and materials that typically are eligible for reimbursement:

Example 1. Fuel oil is discharged from an AST located in the basement of a residence. Due to hazardous vapors, corrective action may involve removal and proper disposal of all oil-saturated materials including structural features, architectural elements, and personal belongings.

What is eligible for reimbursement?

1. Costs to remove and dispose oiled materials; and
2. Costs to repair or replace structural elements of the house if they were damaged by the release or removed in order to abate risks caused by the petroleum discharge. Examples of structural elements include load-bearing framing/walls, partition walls, stairways, foundations, basement fill materials, and concrete floor slabs.

[2] The use of "warranty" in this section is not intended to be equivalent to a manufacturer's warranty.

What is not eligible for reimbursement?

1. The replacement of oil-saturated architectural components of the house such as carpeting or other types of top-flooring (e.g. floor tile, vinyl, hardwood), decorative trim or paneling, and drywall.
2. The replacement of personal belongings (e.g. furniture, clothing, curtains, household furnishings).

Example 2. Fuel oil is discharged from a heating oil UST located in close proximity to a house. Corrective action includes the excavation and removal of petroleum saturated soil. In order to access and excavate petroleum saturated soil, the heat pump has to be moved and some ornamental shrubs have to be removed. In addition, a section of concrete walkway has to be removed.

What is eligible for reimbursement?

a. Costs to move items in order to be able to access the petroleum saturated soil.
b. Costs to excavate and dispose the petroleum saturated soil.
c. Costs to backfill the excavation, including the void space left by the disposed UST (leaving an excavation open is a safety issue).
d. Costs to re-install the heat pump. DEQ views HVAC systems as necessary for the safety of the occupants.

What is not eligible for reimbursement?

a. Costs to replace the ornamental shrubs.
b. Costs to guarantee the walkway will be replaced to its former condition. The walkway will be returned to a serviceable, safe condition, but this does not imply a return to pre-discharge conditions. T097 – Replacement of Patio/Walkway Type Pavement is appropriate for returning the patio/walkway to a serviceable condition. A serviceable condition means that it can be used and functional, but does not imply any aesthetics of the former surface.

3.1.7 Documenting Reasonableness through Competitive Bidding

In some situations, DEQ requires the claimant to substantiate through independent means that costs incurred for materials or activities are reasonable. Specifically, during the Corrective Action Plan Implementation (CAP Imp) phase of the cleanup, competitive bidding is required to demonstrate that costs for items without an UCR that will exceed $2,000 over the CAP Imp phase are reasonable. See Section 3.5 for details on the bidding process.

Although competitive bidding is always required in the CAP Imp phase, DEQ may also require bidding in any corrective action phase (See Section 3.4 for a list of corrective action phases) to demonstrate a cost is reasonable. An RP may also use the bidding process at any time to demonstrate a cost is reasonable, even if it is greater than the UCR. Regardless of which method used to assess reasonableness, if costs claimed exceed the amount that is documented as reasonable, DEQ will reimburse only an amount that is deemed reasonable.

3.2 USUAL AND CUSTOMARY RATE (UCR) SCHEDULES

The Usual and Customary Rate (UCR) represent the **maximum amount** (including overhead and mark up) DEQ will reimburse for an activity or item[3]. DEQ has UCRs for Tasks and Material items eligible for reimbursement. The appropriate UCR Schedule must be used for work performed within the effective dates and transition periods associated with that particular schedule. The following table lists the transition dates from one schedule to the next.

UCR (UCR) Schedule	Effective Dates	Transition to next Schedule
1289	12/22/1989 through 2/28/1995	New phase or new reimbursement period started after 2/28/1995 transitions to the 395 Schedule
395	03/01/1995 through 12/31/1997	Regional office receipt of first AAF for a new phase or new reimbursement period after 12/31/1997 transitions to the 198 Schedule
198	01/01/1998 through 02/28/2007	New phase or new sub-phase started on or after 03/01/2007 transitions to the 007 Schedule
007	03/01/2007 through 7/31/2019	New phase or new sub-phase started on or after 08/01/2019 transitions to the 2019 Schedule
2019	08/01/2019	**Not Applicable**

The 1289, 395, and 198 UCR Schedules are in Volume II of the Virginia Petroleum Storage Tank Fund Reimbursement Guidance Manual (the Manual). The 007 UCR Schedule is available in Volume IV of the Manual. The 2019 UCR schedule is available in Volume VII of the Manual. https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/GuidanceRegulations.aspx

3.2.1 2019 UCR Schedule

The 2019 UCRs apply to activities initiated in a new corrective action phase or sub-phase on or after August 1, 2019. When a phase or sub-phase that began using the 007 UCRs continues beyond the 2019 effective date of August 1, 2019, continue using the 007 UCRs until a new phase or sub-phase begins. A site transitions to the 2019 UCRs when a new phase or sub-phase begins after August 1, 2019. Costs for work performed that is claimed using the 2019 UCR Schedule for a phase or reimbursement period, which started before August 1, 2019, will be denied.

3.2.2 Task and Material Codes

Every item listed on an AAF submitted for authorization must have a code entered in the column titled "Code". Items from the UCR Schedule must be listed with their corresponding T (Task) code, M (Material) code, C code, or D code. If there is no code in the UCR Schedule, an X code must be used, unless the item was bid. If the item was bid, use a B code. See Section 3.3 and Appendix 5 for detailed instructions on completing the AAF.

[3] Claimants may demonstrate reasonableness of a cost higher than the UCR by using the competitive bidding procedures described in Section 3.5 and showing that the low bid is greater than the UCR.

3.2.2.1 **T-codes:**

T-codes are associated with Tasks. A Task may include personnel time as well as multiple pieces of equipment and supplies. The individual costs for each of the items, usually M-codes, included in a Task are combined using nominal units to create a single unit of the Task. Tasks have varied units, including per sample, per foot, per hour, per sq. ft., etc. All the elements used to complete a Task are listed in the Task Descriptions in Volume VII of the Reimbursement Guidance Manual. Task rates are calculated using standard units and assume average or typical site conditions. While T codes should generally apply to the majority of remediation sites, unusual or extreme site conditions may preclude their use. Claimants must consult with the regional case manager when deciding whether M-codes should be used in place of T-codes for a particular task.

3.2.2.2 **M-codes:**

M-codes are assigned to individual pieces of equipment, personnel, and laboratory methods. Each M-code has a unit rate with a cost for one unit. The cost for each M-code includes a base cost plus additional amounts, added as percentages, for some or all of the following variables: insurance, carrying costs, sales tax, and profit.

3.2.2.3 **C-codes:**

There are a limited number of items and commodities with C-codes (see Vol. VII, of the Reimbursement Guidance Manual). C-coded items must be listed on the AAF for authorization and verification. C-coded items do not have fixed unit rates or UCRs. Commodities or services claimed as C-codes may be reimbursed at cost plus up to a 6 % mark up <u>only</u> if the RP/claimant was billed by the remediation consultant for the C-coded item plus mark-up and the total cost is claimed.

C-coded items will be reimbursed at cost if the RP was billed directly for the service or commodity. To be reimbursed for C-coded items, a bill or invoice from the supplier or vendor of the service or commodity, documenting the costs incurred, must be submitted with the claim. Utility late fees and penalties are not eligible for reimbursement. Invoices must conform to the invoice requirements found in Section 3.6.4

3.2.2.4 **D-codes:**

☞ D-codes are limited to new or emerging site investigation and remediation technologies and specific items or services that do not currently lend themselves to bidding. The RP/Claimant or their remediation consultant should consider bidding a technology or activity before pursuing the use of a D-code, simply because, as more contractors adopt newer technologies, these technologies may become biddable.

1. For new or emerging technologies, the RP/Claimant or their primary remediation consultant must work with the DEQ case manager and central office to determine the suitability of the proposed technology for specific site conditions. The Scope of Work associated with the proposed technology must be detailed, and include a detailed budget for the corrective action associated with the proposed technology.
    a. The Scope of Work must include information about the new or emerging technology recommended for use at the site. Information needed includes:
        i. A description of how the technology works;
        ii. Locations where the technology has been utilized successfully including the success rate;

iii. A Remediation Optimization Plan and Performance metrics as referenced in section 5.7.3.4 of Volume IV of the Storage Tank Program Technical Manual https://www.deq.virginia.gov/Portals/0/DEQ/Land/Tanks/012024d.pdf; and

iv. A schedule (i.e. quarterly, semi-annually, or annually) to evaluate the efficiency of the new or emerging technology and its progress toward meeting the corrective action endpoints.

2. Prior approval of the budget by Central Office is required for reimbursement. The budget must be detailed and identify all required equipment, material, and labor associated with the technology.
    a. A budget amendment can be approved only when site conditions warrant. The amendment must be approved by Central Office to be eligible for reimbursement
    b. The budget amendment must be detailed and identify all required equipment, material, and labor necessary to complete the additional activities.

3. Reimbursement will be based on the cost incurred, not to exceed the approved budget, less any discounts received plus 14.5% markup.

3.2.3 Mark-up

When requesting reimbursement from the Fund, reasonable mark-up is eligible for most items, and services and is generally included in the UCR rate.

There are some specific items and services where the amount of mark-up eligible for reimbursement from the Fund is specifically limited. When claiming these items or services, the maximum amount eligible for reimbursement from the Fund is the cost (the amount on the invoice from the originating vendor or service provider) plus the percentage mark-up listed below. Mark up applied by primary consultants for subcontracted goods and services may be reimbursed. Under no circumstance can the **RP/claimant** apply mark-up to claim more than invoiced by their primary consultant, or other service provider.

3.2.3.1 C-Codes:

C-codes are used to claim utility services and commodities whose costs are subject to fluctuation and are controlled by the market. The maximum eligible for reimbursement for C-codes is the invoiced amount from the utility, locality, or commodity vendor plus up to 6% mark up.

3.2.3.2 X-Codes:

X-codes are used to claim items that do not have an M, T, D, or C-code. The maximum amount eligible for reimbursement for an X-code is the invoiced amount from the original company providing the item or service plus up to 14.5% mark up.

3.2.3.3 B-Codes (Bids):

Costs billed directly to the responsible person may not be marked up. Costs claimed for items or services that were bid may be marked up to 14.5% if they were not billed directly to the responsible person. An invoice from the original vendor or service provider must be submitted with the claim.

3.2.3.4 D-Codes:

Costs billed directly to the responsible person may not be marked up. The maximum amount eligible for reimbursement for a D-code is the invoiced amount, not to exceed the approved budget, less any discounts received plus up to 14.5% markup.

3.2.3.5 **Lab Analysis and Soil Treatment:**

Invoiced costs from lab analysis and soil treatment are reimbursable by either of two scenarios below:

1) Invoiced cost plus 17.0 %

2) Invoiced cost + ½ (UCR – invoiced cost)

Costs beyond the UCR are NOT REIMBURSABLE.

To assist in claiming the maximum reimbursable amount, a Lab – Soil Cost Aid worksheet is available on the Petroleum Program web site at: https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/GuidanceRegulations.aspx

Note: Separate worksheets are available for both the 007 and 2019 UCR Schedules.

3.3 AAF AUTHORIZATION

Every release is assigned to a DEQ case manager who will oversee and approve the remediation activities conducted at the site. The case manager will review, approve, and verify Activity Authorization Forms (AAF) and phase reports. The DEQ case manager should be informed and approve of all corrective action activities for which reimbursement will be requested; especially modifications to pre-approved corrective actions. Failure to obtain the case manager's approval may result in reimbursement delays or denials.

Information about obtaining authorization for emergency cleanup can be found in Section 3.3.6**.**

3.3.1 Obtaining DEQ Regional Authorization

In order to be eligible for reimbursement from the Fund, authorization in advance is highly recommended for corrective action activities by the appropriate DEQ regional office. Failure to obtain pre-approval could result in denial of costs incurred.

The Activity Authorization Form (AAF) is the mechanism by which the responsible person obtains regional office authorization for corrective action activities. AAFs will only be authorized for established DEQ phases. Corrective action phases are established steps that progress from Release Investigation through cleanup and closure of the site. Each phase has a corresponding report that must be submitted to the regional office. Section 3.4 contains a listing of corrective action phase and phase requirements.

3.3.2 AAF Authorization Process

1. **Discuss required Scope of Work**:
   The RP/ remediation consultant communicates with the DEQ case manager to agree upon the activities necessary to abate the release and characterize the extent of the contamination, develop site-specific corrective action activities, and determine in which phase the work will be authorized and completed.

2. **Request pre-approval on an AAF:**

   a. The RP/remediation consultant fills out an AAF listing the proposed and contingent units for all Task and Material needed items.

i. Proposed units are all the units that the RP/consultant believes, based on their knowledge of site conditions, that will be required to complete the corrective action activities during that particular phase of work.
ii. Contingent units allow for reasonable changes to the corrective action activities that are discovered or occur during implementation of the planned corrective action activities.

b. eAAF: DEQ has developed an electronic AAF that incorporates all remediation activities into one form, including Lump Sum and Unit Price bid items during the CAP Implementation Phase. This one-form approach eliminates specialized AAFs for heating oil releases. The eAAF is applicable for the 007 and 2019 UCR Schedules. (For UCR Schedules prior to 007, RP/consultants must use the paper AAF). See Appendix 5 for detailed instructions on how to complete the eAAF

The paper AAF and the eAAF templates are available for downloading at: https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/Reimbursement.aspx

3.3.3 Phase Report

1. Document the work performed, including the use of or need for the proposed and/or contingent units in the phase or sub-phase report.
2. Document the need for work performed but previously not included in the pre-approved AAF.

3.3.4 Complete Report and AAF including Work Performed Units

1. Upon completion of a phase or sub-phase, submit the appropriate report, the eAAF or paper AAF with the work performed units listed in the corresponding column, together with any required supporting documentation to the DEQ case manager for verification, e.g., X and C code invoices or receipts.
2. The report and the AAF should be submitted to the regional office as separate documents.

3.3.5 Verification of Work Performed

1. The DEQ case manager will review all reports submitted for the phase and verifies the work listed in the work performed column of the AAF has been performed. If pre-approved units are not verified by DEQ, the DEQ case manager will concisely document the reason(s) for denial.
2. DEQ recognizes that regional office staff is not always available and site conditions sometimes justify the need to exceed the AAF pre-authorized units before receiving regional office approval. When the responsible person decides to perform work in excess of that authorized on the AAF, he/she takes a risk that the regional case manager will not agree that the additional work was necessary.
3. Regional Office verification of a work performed AAF will be completed within 30 days of receipt.

3.3.6 AAF Post Authorization

1. The responsible person must undertake actions to abate immediate hazards (fire/safety or environmental emergency) even if those actions have not been authorized by DEQ. DEQ realizes that when responding to emergencies, obtaining regional office authorization of an AAF prior to performing the work is not always practical.
2. When this occurs, contact the regional office as early as possible (usually the next business day) and an AAF must be submitted to the regional office. This AAF must indicate all the work for which post authorization is needed as well as other activities that may be necessary to complete

the particular corrective action phase. Regional office staff will evaluate the scope of work on the AAF and post-approve only the work that the regional office staff believes is necessary.

3. Responsible persons are required to report releases to DEQ (See Section 2.3). Actions taken more than 24 hours prior to report of a release to DEQ are not eligible for reimbursement and will not be post authorized on an AAF.

3.3.7 Authorizing Work at Heating Oil Tank Sites

The majority of cases involving heating oil tanks pose minimal risk to human health and the environment. As a result, the investigation and required corrective action typically involves a smaller scope of work than that required to deal with a release from a regulated UST or large AST. Some discharges from heating oil tanks, however, result in free product or petroleum saturated soil in the environment or impacts to streams, potable water supplies, or other receptor and require a greater scope of work to deal with the contamination and abate hazards to the receptors.

To review the complete guidance pertaining to heating oil tank releases, technical guidance documents are available on-line from the Petroleum Program download library at: https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/GuidanceRegulations.aspx

3.4 CORRECTIVE ACTION PHASES

Phases are established steps that progress from release abatement through cleanup and closure of the site. Each phase has a corresponding report that must be submitted to the regional office. After completion of one or more corrective action phases, an application for reimbursement may be submitted. Claims for Post Site Characterization Monitoring and Corrective Action Plan Implementation Phases may be submitted only four times in any calendar year.

3.4.1 Reimbursement by Complete Phases

1. After completion of one or more corrective action phases at a site, a reimbursement application for costs incurred may be submitted. If the Reimbursement application is filed prior to the submittal of the appropriate corrective action report and work performed AAF, the application will be returned to the claimant. The application may be re-filed when the report has been submitted to the appropriate DEQ regional office. Listed below are the corrective action phases and the corresponding reports, which must be submitted to the regional office prior to filing a claim application.

Corrective Action Phase	**Phase Report**
Emergency	Emergency Action Summary Report
Release Investigation	Release Investigation Report
Initial Abatement	Initial Abatement Report
Site Characterization	Site Characterization Report
Site Characterization Addendum	Site Characterization Addendum Report
Interim Corrective Action Implementation	Interim Corrective Action Implementation Report
Corrective Action Plan Development	Corrective Action Plan
Corrective Action Plan Addendum	Corrective Action Plan Addendum
Site Closure	Site Closure Report

2. DEQ may provide written Interim Authorization to undertake corrective action activities prior to the approval of a Corrective Action Plan. Work authorized under Interim Authorization must be conducted and costs claimed using the procedures for the CAP Implementation Phase.

3. Only one application will be accepted for each phase or sub-phase.
   a) An application must include all of the costs for the work performed for that phase or sub-phase.
   b) Additional costs submitted in later applications incurred for a previous phase or sub-phase will be denied.

3.4.2 Reimbursement by Sub-phases

The following phases of corrective action do not need to be completed before an application for reimbursement may be submitted. These phases are broken into sub-phases based on the submittal of progress reports. The claimant should only request AAF authorization for activities that will be completed one quarter at a time.

Corrective Action Phase	**Report**
Post Site Characterization Monitoring	Quarterly Post Site Characterization Monitoring Report
Corrective Action Plan Implementation	Quarterly CAPIMP Monitoring/Operating Report

1. The Corrective Action Plan Implementation Phase differs from other corrective action phases. Competitive bids are required for items that exceed $2,000 over the entire Corrective Action Plan Implementation Phase, inclusive of all sub-phases and do not have a DEQ established UCR. Section 3.5 contains detailed requirements for obtaining authorization and bidding.

2. Only one application can be accepted for each sub-phase.
   a) An application must include all of the costs for the work performed for that sub-phase,
   b) Additional costs incurred in a particular sub-phase and submitted in later phases or sub-phases will be denied,
   c) The Post Site Characterization Monitoring Phase is limited to four (4) sub-phase claims per calendar year, and
   d) The Corrective Action Plan Implementation Phase is limited to four (4) sub-phase claims per calendar year.

3.5 WHEN BIDDING IS REQUIRED

DEQ expects that bidding will be used most often during the CAP Implementation Phase, since this phase typically includes purchase and installation of remediation systems for which DEQ has few established UCRs. The following provides guidance on when bidding is required:

- During the CAP Implementation Phase for activities or items with no UCR that will cost more than $2,000, excluding mark-up, over the duration of the CAP Implementation Phase, inclusive of all sub-phases;
- When transporting and disposing of more than 250 tons of contaminated soil;
- Installation of drinking supply replacement wells;
- During any phase for any activity where the DEQ Regional case manager believes, bidding is advantageous to the Fund; and

- During any phase for any activity where the Responsible person or their remediation consultant believes bidding is advantageous to demonstrate a reasonable rate that is higher than an established UCR for any Task or Material.

3.5.1 Ensuring Fair Bidding

The responsible person or their remediation consultant should make every effort to ensure the bidding process is fair and unbiased as this is essential for impartial competition.

1. A list of contractors or suppliers to be invited to bid should be prepared. Each contractor or supplier should be evaluated for financial capacity and integrity and for the ability to complete a project of the size, scope, and complexity required. Only those contractors or suppliers determined to be fully qualified, who can meet all contract requirements, should be invited to bid.
2. The responsible person or their remediation consultant should allocate sufficient time for bidders to prepare their bids and complete the Bid Form.
3. All bids should be solicited at the same time allowing each bidder equal time to prepare a response.
4. All bids should be delivered to a pre-designated place, no later than a specified time.
5. By provisions in the instructions to bidders or in advertisements, the responsible person typically retains the right to reject any and all bids. However, rejection should not be used as a device to accept a bid submitted after the prices of others were made public, or to obtain an estimate of the cost of the work which, is then awarded in separate contracts or to a bidder selected in advance.
6. Under no circumstances should a bidder be permitted to alter a bid after all bids have been opened. The contract should be awarded to the lowest qualified and responsive bidder.

For more detailed guidance in competitive bidding procedures, refer to the American Institute of Architects Document A501/Associated General Contractors of America Document 325; *Recommended Guide for Competitive Bidding Procedures and Contract Awards for Building Construction.*

3.5.2 General Bidding Requirements and Procedures

3.5.2.1 Important Bidding Terms

- **Qualified Bid:** A qualified bid is a response to a Request for Bid that completely addresses the bid specifications contained in the Scope of Work (SOW), the Bid Form is completed with no modifications, and the unique supplier or subcontractor can provide the service or all the materials needed with no exceptions or additions.
- **Bid Form:** A standard printed form given to bidders so that they may submit the information required for evaluation of the bid, in an acceptable format and sequence.
- **Bid Solicitation:** The process of making the Scope of Work and Bid Form available to bidders with a specific due date for bid submittal.
- **Bid Scope of Work:** Any combination of services, materials, personnel, equipment and the number of units specified in the bid solicitation package as identified on the Bid Form.
- **UNIT PRICE:** The amount stated in a bid representing the price per unit for materials and/or services.

- **Change Order(s):** work added to or deleted from the original scope of work that alters the original bid/contract amount and/or the completion date.
- **Mark-up:** The percentage difference between the actual cost of an item or service and its invoiced amount. ***NOTE:*** Costs claimed for items or services that are bid may be marked up 14.5% if they were not billed directly to the responsible person. Mark-up of costs billed directly to the responsible person by the low bidder is not eligible.
- **Combination Bid:** A fixed amount for performance of the work with contingent unit prices should a change order be necessary.
- **Lump Sum Bid:** A fixed amount for performance of the work contained in the Scope of Work or the purchase of a specific item(s). Because this bidding method does not accommodate changes to the scope of work after the work has begun, this bidding method should be used cautiously and change orders may not be eligible for reimbursement.

3.5.3 General Bidding

As with all corrective action work, pre-approval is recommended. The claimant or consultant must recognize the inherent risk in proceeding without approval and that proceeding without approval could result in denial of all bid costs. **Bids must be obtained before the work is performed.**

1. Under no circumstances should activities or items that logically belong together be split apart in an effort to avoid bidding. When this appears to occur, reimbursement will be limited to a total of $2,000 plus mark up ($2,290.00).

   The following Examples are not all inclusive; however, they are examples of items commonly purchased that SHOULD NOT be split:

   a. Electrical components necessary for the operation of a remediation system including but not limited to: wire, cable, panel box, etc.

   b. Electrical connection of a new supply well, including but not limited to trenching, wire, piping, etc.

   c. Plumbing components necessary for the operation of a remediation system including but not limited to: PVC pipe, elbows, connectors, etc.

   d. Plumbing connections of a new supply well, including but not limited to Pressure Tank, pump, well cap, etc.

   ☞ **NOTE:** It is acceptable to Bid for time and materials when bidding the electrical connection of the Remediation system. The M-Code for an Electrician would not be used when the Bid includes both time and materials.

2. If eligible and ineligible items or activities are contained in the same scope of work, the cost of just the eligible items or activities must be broken out. Further, the total cost of the eligible items or activities in the selected bid must be the lowest total eligible cost of all bids regardless of the total amount of the bid. Bids that contain eligible and ineligible items or activities cannot be used at another site.

3. Consultants cannot submit bids for scopes of work where they or their consulting firm, regardless of office location are managing the bid process. DEQ believes that it would be a conflict of interest for the primary consultant to submit a bid for a scope[s] of work when the primary consultant also evaluates the incoming bids. This includes obtaining bids from companies that are within the same corporate management structure as the primary consultant, e.g., another subsidiary of the same corporate parent or a parent or subsidiary corporation of the primary consultant.

4. The primary consultant may perform any task or provide material or equipment for which there are DEQ established UCRs as long as DEQ has not required bidding for that material/equipment.

5. A minimum of three qualified bids must be received for each scope of work or unit price item listed on the Bid Form. The bids must be from three different entities, a different location of the same company cannot bid on the scope of work. For example, a company has locations in multiple states; only one of the company's locations can submit a bid.

6. If three qualified bids are not obtained, the Primary Consultant should evaluate solutions including: soliciting bids from additional contractors or suppliers, revising the bid specifications contained in the scope of work, and/or re-bidding the project.

7. If a supplier for a Unit Price Item cannot provide a bid amount for one or more items listed on the Bid Form then their bid is not valid and a bid from another supplier must be obtained.

8. All bids must be for the same scope of work including number of units and equipment size[s]. Contracts are awarded based on the Total Amount including estimated freight, shipping/handling, and any applicable taxes. ***NOTE: Freight/shipping/handling and applicable sales tax not included in the Total on the Bid Comparison Form or not included in the bid will not be eligible for reimbursement.*** ***Important***

3.5.4 Bidding Process Roles

3.5.4.1 Role of the RP's Remediation Consultant

The responsible person may not have the technical expertise to develop bid scope(s) of work, bid specifications or bid forms, or to review the incoming bids. DEQ assumes that the RP will retain a remediation consultant to manage the corrective action and the bidding process.

1. The Remediation Consultant should remember that:
   a. Task T040, General Project Management is not eligible for reimbursement during the CAP Implementation Phase, however Project Management time is reimbursable under appropriate M-Codes and
   b. The Remediation Consultant should identify the bidding process as a separate "Activity" on the AAF including necessary personnel time to perform the bidding functions.

3.5.4.2 Role of the DEQ Case Manager

The DEQ case manager works in collaboration with the RP and/or primary remediation consultant in determining what proposed corrective action work requires bidding. In addition, the case manager reviews the proposed Scope of Work to ensure the bid solicitation(s) cover the necessary corrective

action work for the applicable phase or sub-phase. The case manager will review the Bid Comparison to ensure the bids received are equivalent, i.e., all bidders have bid on the same scope of work and have not altered or deleted items, and approves the low bidder.

3.5.4.3 **Role of Claims Processing**

1. Claims processing compares the Bidder's Invoice(s) to the Scope of Work and Bid to ensure that the low bid amounts were invoiced; compares the invoice(s) to the units claimed and verified; and ensures that the amount claimed does not exceed the low bid plus 14.5% markup.
2. When the bid includes change orders, the review confirms that the bidding method was either a Combination or Unit Price Bid.
3. When sales tax and/or shipping are claimed, the review confirms that these two items were included in the Bid Comparison and therefore eligible for reimbursement.

3.5.5 Scope of Work, Specifications, Bid Forms and Requests for Bids

3.5.5.1 **Scope of Works (SOW):**

A Scope of Work (SOW) is a very powerful project management tool. Putting a bit of time into creating a detailed SOW will help to ensure that the bidders know exactly what work is expected and exactly what they are to a bid on. The SOW will vary based on the activity or items to be bid.

- The SOW defines the work to be completed under the subcontract with specific provisions to ensure consistent bids.
- The SOW should include the work activities, deliverables and a timeline the subcontractor must complete.
- The SOW typically breaks the project out into specific tasks, including detailed requirements and required pricing.
- The SOW for a Unit Price bid can simply be a detailed list of the items required, including any applicable size requirements.

3.5.5.2 **Bid Forms (Not a DEQ Form)**

1. The Bid Form (as designed by the Remediation Consultant) is the document completed by each bidder, and returned to the Remediation Consultant for comparison and ultimately awarding of the bid. A standard Bid Form allows for easier comparison of the bids and insures that each bid is a complete response to the bid specification contained in the SOW and results in a higher probability of obtaining a qualified bid(s).

2. The RP/ remediation consultant must submit the Bid Form, together with the **Bid Summary Form** that incorporates the scope(s) of work, to the DEQ case manager for approval prior to bid solicitation. ***The Responsible person and the Consultant must recognize the inherent risk in proceeding without approval, which could result in denial of bid costs, and re-bidding being required***.

3.5.6 Types of Bids

3.5.6.1 Written Bids

Obtain written Bids for scope(s) of work anticipated to total $6,000 or more. The following information must be included in the **Bid Form** developed with the scope(s) of work or unit price items:

1. The name of the bidding company, including the name of the person preparing the bid and the date the bid was offered;
2. For lump sum bids the specific service, material or equipment AND the type of unit for each scope of work including the scope of work number;
3. For unit price bids the specific service, material or equipment AND the type of unit and the number of units for each scope of work including the scope of work number;
4. Sales tax, if applicable;
5. Shipping, freight and/or handling fees;
6. Signature of an authorized agent for the bidder.

3.5.6.2 Email/Phone Bids

Email or Phone bids are acceptable for bidding when the scope(s) of work is anticipated to total less than $6,000. Document the following items as an attachment with a Phone bid, same information should be included in Email bids, to the Bid Comparison Form, and submit to the DEQ case manager for approval prior to beginning the work:

1. The scope of work and the scope of work number, including the specific service and number of units; or the materials/equipment and the number of units;
2. The lump sum or unit price for each item or service as identified in the scope of work;
3. Sales tax, if applicable;
4. Shipping, freight and/or handling fees;
5. Name of the company bidding, the person providing the bid and the phone number where the bidder can be reached;
6. Date the bid was obtained;
7. The name and title of the individual obtaining the phone bid.

3.5.7 DEQ's Methods of Bidding

DEQ has recognized three (3) different methods for obtaining bids: Unit Price Bids, Lump Sum Bids and Combination Bids, the latter having both a lump sum and unit price component. The Unit Price Bid and Combination Bid offer the most flexibility when "unknowns" associated with the SOW are present. The built in flexibility of these two bidding methods allows for change order approval without the need to re-bid.

3.5.7.1 Unit Price Bids

Unit Price Bids are a bid representing the price per unit for materials and/or services. Unit Price bids offer unique options for the Consultant managing multiple sites with identical items used during corrective action activities.

3.5.7.2 Using Unit Price Bids

DEQ recognizes that certain routine costs associated with operating and maintaining a remediation system or remediation method will cost more than $2,000 over **the duration of a CAP Implementation Phase, including all Sub-phases**. In these cases, the Unit Price Bids method is

used. Obtaining unit price bids will eliminate the X-CODE denials for exceeding the maximum reimbursement of $2,290.00 ($2,000 plus 14.5% allowed markup) without bidding during the CAP Implementation Phase.

1. Obtain Unit Price bids during any phase for any activity where the responsible person/consultant believes bidding is advantageous to demonstrate a reasonable rate that is higher than an established UCR for any Task or Material.

2. The bidder can provide either a fixed or an estimated cost for sales tax, if applicable, and the shipping/freight and/or handling. Estimated sales tax and shipping are necessary for bid comparison. When these two items are not included, they are not eligible for reimbursement.
    a. For sales tax and shipping, reimbursement is based on the actual invoiced cost plus allowed mark-up **NOT** the estimated amount included in the bid comparison.

3.5.8 Lump Sum Bids

Lump Sum Bids provide a fixed total cost for the item(s) or service. If there is any possibility that changes to the scope of work for providing the item(s) or service may be necessary, a Lump Sum Bid should be avoided. Change Orders cannot be reimbursed for Lump Sum Bids without going through the Reconsideration process. Because this bidding method does not accommodate changes to the scope of work after the work has begun, this bidding method should be used cautiously.

1. When developing the bid specification, scope of work, and bid form for a Lump Sum Bid, the responsible person/consultant should be detailed and leave nothing for interpretation by the bidder. Open-ended statements and optional language can result in unqualified bids.

2. The bidder can provide either a fixed or an estimated cost for sales tax, if applicable, and the shipping/freight and/or handling. Estimated sales tax and shipping are necessary for bid comparison. When these two items are not included they are not eligible for reimbursement. For sales tax and shipping, reimbursement is based on the actual invoiced cost plus allowed mark-up **NOT** the estimated amount included in the bid comparison.

3.5.9 Combination Bids

DEQ recognizes that certain activities have unknown aspects that cannot be fully addressed even in the most detailed Scope of Work. A Combination Bid is a bid representing a lump sum amount to complete the scope of work and includes a price per unit for some or all of the components of the bid. Thus, the Combination Bid provides a fixed amount for the performance of the work with contingent unit prices should a change order be necessary.

3.5.9.1 Using Combination Bids

The following types of corrective action work lend themselves to a Combination Bid:

1. Remediation methods that require a quarterly or monthly supply of materials or analysis;
2. Installation of drinking supply wells or injection wells;
3. Asphalt paving; and
4. Work that cannot be performed for a fixed flat fee.

The bidder can provide either a fixed or an estimated cost for sales tax, if applicable, and the shipping/freight and/or handling. Estimated sales tax and shipping are necessary for bid comparison.

When these two items are not included, they are not eligible for reimbursement. For sales tax and shipping, reimbursement is based on the actual invoiced cost plus allowed mark-up **NOT** the estimated amount included in the bid comparison.

3.5.10 Bidding Process Steps

3.5.10.1 Determining what must be Bid

Working with the DEQ case manager, the RP's remediation consultant will identify which items or services must be bid and which items will be reimbursed based on the UCR schedule in effect at the time the work is performed.

1. Based on the items or services necessary for corrective action, select the appropriate bidding method and develop the Scope of Work specifications, Bid Summary Form and the actual bid form.
2. Submit for approval the DEQ Bid Summary Form together with the SOW and bid form to the DEQ case manager. **NOTE:** This is done prior to obtaining the bids or submittal of the AAF for the phase or sub-phase.
3. The DEQ case manager will evaluate the information listed on the DEQ Bid Summary Form and the individual bid forms to ensure that necessary items and services are included and that the scopes of work are appropriate.

a. The DEQ case manager may request engineering designs or other detailed information for the SOW on the Bid Summary Form and the bid form.
b. Once the regional office staff completes its review, return a copy of the signed DEQ Bid Summary Form to the RP's remediation consultant.

3.5.10.2 Obtain Bids and Submit for Approval/Award

After receiving regional office approval of the Bid Summary, obtain the competitive bids.

1. Obtain a <u>minimum</u> of three qualified bids for each scope of work identified on the DEQ Bid Summary Form.

2. Bids must include estimated shipping or freight charges and applicable taxes.

3. Open all bids at the same time, preferably at a pre-designated time and location.

4. After the bids are opened, copies of each bid (the completed bid form from each bidder), or the phone bid documentation, together with the DEQ Bid Comparison Form and the AAF for the phase or sub-phase are submitted to the DEQ case manager for approval.

3.5.10.3 Bid Work is initiated by the Responsible person or Primary Consultant

With receipt of the Bid Comparison Form(s) signed by the DEQ case manager, bid activities may begin. Should unanticipated events happen during the work associated with the bid item(s):

1. The DEQ case manager must be notified for authorization of any change order(s);
2. Change order(s) can be authorized provided the Unit Price or Combination bidding method has been utilized; and
3. Change orders cannot be approved when the Lump Sum bidding method has been utilized.

3.5.11 Exceptions to the Bidding Process

3.5.11.1 Reuse of an Approved Low Bid

In most cases, bids are site specific. However, some activities or items are repeatedly performed or used across remediation sites. If an activity or item has been properly bid, it may be possible to reuse the bid to perform the same activity or purchase the same item(s) for another site(s) under the following conditions:

1. The original and succeeding scope(s) of work are of comparable scale such that there is no expectation of obtaining additional savings through a new bid.

2. The original bid contained unit rates for the items or activity to be used and later projects will be performed at the same unit rate as contained in the original bid, i.e. the low bidder honors the original unit rate(s), regardless of when the original bid was obtained. Shipping/Delivery is eligible at the actual cost from the low bidder to the new site.

3. If the original bid was for equipment, subsequent purchases of the same equipment are made at the same lump sum price, i.e. the low bidder honors the original bid amount, regardless of when the original bid was obtained. Shipping/Delivery is eligible at the actual cost from the low bidder to the new site.

4. When using a bid for work at another site:
   a. Confirm with the original low bidder that they will honor the lump sum price or the unit rate(s) for the new site.
   b. Attach a copy of the original low bid and the original DEQ Bid Comparison Form to a NEW DEQ Bid Comparison Form completed with the new site information. Complete the new DEQ Bid Comparison Form with the information for the subsequent/new site and list only the company that was the low bidder on the original Bid Comparison Form.
   c. Submit for approval to the DEQ case manager for the subsequent/new site prior to initiating work.

3.6 COMPLETING AND SUBMITTING THE REIMBURSEMENT APPLICATION

DEQ's processing procedures reflect a balance of customer service and processing efficiency. Any time an application is lacking required documentation or is improperly completed the processing will be either delayed or the claim rejected.

A reimbursement application will automatically be rejected when:

a. One or more items that constitute the Reimbursement application are missing. See Section 3.6.1 for the list of required documents.
b. The Claimant listed on Form 1 and/or Form 2 is not the responsible person.
c. The primary remediation consultant's invoice(s) listed on the AAF Cost Worksheet does not bill the responsible person.
d. When the individual signing the claim form is someone other than the responsible person and documentation, authorizing the individual to sign is missing or incorrect.
e. When a re-submitted Reimbursement application has the same problem(s) as the previously rejected claim application.

3.6.1 The Reimbursement Application

Following completion of the Phase or Sub-phase, the RP/Claimant can file the Reimbursement application. **NOTE:** Submit the AAF with the units in the Work Performed Column filled in, along with reports or other related work products required for the completed phase or sub-phase to the regional office prior to or simultaneously with submittal of the Reimbursement application with DEQ's Central Office. The AAF must include all work performed for the phase or sub-phase.

1. The Reimbursement application package consists of the following:
    a. Form 1 – Reimbursement Application
    b. COV Substitute W-9
    c. AAF Cost Worksheet
    d. All support Invoice(s) listed on the AAF Cost Worksheet
    e. When the RP directs DEQ to pay an entity other than themselves, a Form 2 – Payment Assignment Form is required.
    f. Where some or all costs are covered by insurance, a copy of the complete policy including all endorsements must be included.
2. Clearly type or print all information requested on the forms. Attach additional pages as necessary to explain responses. Sign and date the application where indicated.
3. Retain a copy of the application and the original supporting documents for seven years from the date of submission.
4. To confirm delivery, it is suggested that applications be mailed certified, return receipt requested or read receipt when Emailed to claim.decision@deq.virginia.gov ☞

3.6.2 Filing Requirements for Claims

3.6.2.1 Filing Deadlines

In 1997, the General Assembly enacted a claim-filing deadline for leaking petroleum storage tank sites. The deadline for filing applications for reimbursement and third party claims is two years after case closure (the date DEQ closes the investigation and cleanup activities for a site). Please be aware that DEQ has no authority to pay late claims since the law prohibits reimbursement of applications for cleanup and third party claims received after the filing deadline.

In addition to the filing deadline, please remember that only underground storage tank cleanup costs incurred after December 22, 1989 and aboveground storage tank cleanup costs incurred after January 1, 1992 are eligible for reimbursement.

3.6.2.2 Filing Requirements

1. Only phases or sub-phases utilizing the same UCR Schedule are allowed in an application. A separate application must be submitted for phases or sub-phases utilizing different UCR Schedules.

    Example: The Initial Abatement Phase and Site Characterization Phase were completed utilizing the 007 UCR Schedule. The Corrective Action Plan Development Phase was completed using the 2019 UCR Schedule. A minimum of two separate applications is required. One application would include the Initial Abatement and Site Characterization Phases (007 UCR Schedule) and the second application would be for the CAP Development Phase (2019 UCR Schedule).

2. Claims for Post Site Characterization Monitoring may be submitted only four times within a calendar year.

3. Claims for Corrective Action Plan Implementation may be submitted only four times within a calendar year.

3.6.3 Application Forms and Worksheets

The following is a description of the application forms and an explanation of their use. The application forms and detailed instructions are located at: https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/GuidanceRegulations.aspx

1. **Form 1 – Reimbursement Application**
   A two-page form that must be completed and submitted with each application for reimbursement. The form requests claimant, site, insurance, financial responsibility and cost information and requires certifications from the claimant and consultant performing the work.

2. **Form 2 – Payment Assignment Form**
   When a responsible person wishes to assign the proceeds of a reimbursement application to another party, Form 2 must be completed, signed, notarized, and submitted. The assignment applies only to the reimbursement application with which it is submitted and any Reconsideration of that application. Any payment issued as a result of the reimbursement application will be issued only to the party named as the assignee and mailed to the assignee's address.

3. **Form 3 – Multiple Owner(s) Payment Assignment Form**
   When there are multiple responsible persons (owners or operators), only one responsible person may claim the costs submitted for the cleanup. The remaining owners or operators must assign the right to reimbursement to this single claimant. With the first Reimbursement application a separate, signed and notarized form for each owner must completed and submitted.

4. **COV Substitute W-9 Form**
   a. A COV W-9 is required with every reimbursement application when:
      i. The claim is the first submittal for the PC
      ii. The entity to be paid does not already have a COV W-9 on file, and
      iii. Any information reported on the previous W-9 has changed (e.g., new payee name, mailing address, tax status or EIN/SSN).
   b. The general form requirements are as follows:
      i. The Name identified as the Legal Name must match the party who will receive the reimbursement payment as identified on the Form 1 or Form 2.
      ii. The address listed for the responsible person must match that identified for the payee on Form 2.
      iii. One and only one tax status can be checked.
      iv. An EIN or SSN must be listed for the responsible person or the Payee identified on Form 2.
      v. The form must be signed.

5. **AAF Cost Worksheet**
   To claim costs for work performed and AAF submitted to the DEQ case manager for verification, the AAF Cost Worksheet is completed. This form links those material or task codes listed on the AAF to invoices or other cost documentation. A separate worksheet is completed for each phase or sub-phase claimed within the application. The items and activities claimed on the worksheet must be listed using Task, Material, C, D, S, or X-codes as described in Section 3.2.2.

3.6.4 Invoices and Invoice Use Limitations

For reimbursement of reasonable, necessary and eligible corrective action expenses, the responsible person (claimant) must provide documentation to demonstrate those expenses were incurred. Invoices are acceptable proof of incurred expenses. For Invoices to be acceptable documentation of incurred costs, they must meet the following conditions:

1. Primary Consultant invoices must bill the responsible person (claimant) and cannot reference multiple sites;
2. Sub-contractor and/or supplier invoices should bill the Primary Consultant;
3. All invoices must:
   a. Contain the Name of the entity issuing the invoice
   b. Reference either the DEQ Pollution Complaint Number (PC Number), site name or site address;
   c. Have an invoice number;
   d. Have an invoice date, dated no later than the date the claim application is received by DEQ for processing;
   e. The invoice date cannot be earlier than the Release Report Date; and
   f. No portion of the invoice can be redacted (blackened out), except for Bank Account information, and Social Security Numbers that may be listed on the invoice.

4. Only invoices pertaining to the corrective action phase or sub-phase of the current application are acceptable. In order to reduce the risk of disqualification of costs, claimants should request and submit a separate invoice for each corrective action phase.

5. Costs omitted from previous claims are ineligible for reimbursement in subsequent claims.

6. Primary consultant invoices submitted in previous claims will not be eligible documentation for reimbursement of costs in subsequent claims. If possible, structure invoices so that costs are grouped according to the corresponding activity(s) contained in the AAF.

7. DEQ may request at any time, in addition to the invoice(s), any or all supporting cost documentation for a claim. Failure to maintain and provide the documentation may result in denial of associated costs.

3.6.5 Costs Incurred With No Invoice

1. For incurred costs which are generally not invoiced, documentation of the cost is still required. The following are examples of acceptable documentation for common costs generally not invoiced:

a. In the case of prepayment (local fees, utility power drops, etc.) the record can be in the form of correspondence or a copy of the guidelines showing how to order service; a copy of the applicable fee schedule or a receipt of payment issued by the supplying entity. The receipt should list the name of the entity receiving payment, the fee charged and what service provided; such as: Water connection fee of $2,500 and water meter fee of $45.

b. For orders placed via the internet, documentation of the costs is still required. Order Payment Confirmation Emails or shipping tickets are acceptable. Documentation must have:
   i. Vendor Name;
   ii. Order Number
   iii. Description of item(s); and
   iv. Total costs

c. Supplier or service provider invoices submitted as back-up documentation, as required for C-Codes, can be used in multiple claims for the same site when billed on an annual basis, i.e. Telemetry Service.

3.6.6 Force Account Work

When the responsible person (claimant) performs all or part of the necessary corrective action activities "in-house" with their own employees and/or equipment, reimbursement is limited to actual costs based on employee pay rates, cost of benefits and equipment operating expenses.

1. The Responsible person (Claimant) cannot invoice himself and then submit an application for reimbursement using those invoices as documentation of costs incurred.

2. The claimant must document costs by providing a certified statement from the company's chief financial officer on company letterhead that contains:

   a. List of each employee whose time is being claimed, the total hours spent on cleanup, the employees hourly pay rate, plus fringe benefits cost and any overtime pay associated with the cleanup;
   b. For equipment used, operating costs only; and
   c. For materials or equipment, rental receipts or invoices from the supplier.

3. Markup is not eligible for equipment owned, materials purchased or equipment rental.

3.6.7 X-Code Documentation

In addition to invoices or receipts, the following documentation is acceptable:

1. For X-Coded equipment owned by the Primary Consultant when the "rental" rate is invoiced to the Responsible person:
   a. A certification from a Company Officer, that states that the rate charged is the company's standard billable rate for all projects, whether or not they are VPSTF eligible **OR** a copy of a bill at the rate for a non-VPSTF project. **NOTE: The X-Code markup of 14.5% cannot be added as markup is already included in the billable rate.**

2. For X-Coded "stock" items:

a. A recent invoice associated with the purchase of that item to replenish the stock inventory. Such an invoice may be a bulk purchase invoice that would require the unit price for the item to be calculated, i.e. an invoice for 1,000 feet of PVC pipe at a total cost of $1,564.50 (including taxes and shipping if applicable), the unit rate for a foot of PVC pipe would be $1.56. **NOTE: The X-Code markup of 14.5% would be applied to the calculated unit rate.**

3. For X-Coded "proprietary compound" such as a bacteria/nutrient blend:
   a. A certification from a Company Officer, that states that the rate charged is the company's standard billable rate for all projects, whether or not they are VPSTF-eligible **OR** a copy of a bill at the rate for a non-VPSTF project. **NOTE: The X-Code markup of 14.5% cannot be added, as markup should already be included in the billable rate.**

3.6.8 Where to Send a Claim

Effective July 1, 2019 claims can be submitted via U.S. Mail or Email. Complete Reimbursement Application Package can be mailed to:

Department of Environmental Quality
OSRR – Claims Processing
P. O. Box 1105
Richmond, VA 23218

Or Email the complete Reimbursement Application Package to:

claim.decision@deq.virginia.gov

3.6.9 How to Withdraw a Claim

Withdrawing an application before DEQ has competed processing it then re-submitting the claim is the only way to correct some claim preparation errors. *See Section 3.7.1 Correction of Certain Errors and Section 3.7.2 Errors that cannot be corrected* for a list of errors that may require withdrawing an application.

1. The RP/Claimant or the party responsible for preparing and submitting the application can request the withdrawal of an application after it has been received by DEQ. **NOTE: Once an application has reached the Decision stage, it may not be withdrawn.**

2. To withdraw a reimbursement claim submit the request in writing, via U.S. mail, Email, (claim.decision@deq.virginia.gov) or faxed to 804-698-4234. The letter must include the PC and phase, sub-phase, and claim number (if known) to be withdrawn.

3. Upon receipt of the request to withdraw, if the claim has not reached the Decision stage, processing is suspended and the claim returned to the requestor.

4. A resubmitted claim is placed in the queue based upon the date it is received.

3.6.10 Claim Processing

Upon receipt of an application for reimbursement, DEQ will review the claim application for the following:

1. Eligibility of the claimant and release;
2. If the application has been completed correctly, including all required signatures;
3. If all of the necessary forms and documentation have been submitted;
4. The claimant's financial responsibility requirement for access to the FUND;
5. If the costs are reimbursable under an insurance policy.
6. If costs were incurred and work performed within the acceptable date ranges;
7. If the invoices submitted with the claim meet the requirements set forth in Section 3.6.4;
8. If the activities listed in the AAF Cost worksheet(s) were necessary and verified as performed by the DEQ case manager;
9. If any costs submitted for reimbursement are not eligible;
10. If the costs for corrective actions are reasonable based on the appropriate UCR/UCR Schedule and this guidance manual; and
11. If the competitive bidding process was used according to procedures.

3.6.11 Claim Processing Time

It is the objective of DEQ to process an application within 30 days of receipt. This processing timeframe is dependent upon the following:

1. The completeness of the claim application; and
2. The submittal of the corresponding phase report and work performed AAF to the DEQ case manager.

3.6.12 Claim Decision Package

DEQ prepares a claim decision package following completion of claims processing. The decision package provides the RP/Claimant with information about the claim including:

1. Total amount requested for reimbursement;
2. The amount denied;
3. The amount approved;
4. The RP/Claimant's financial responsibility requirement, and
5. The total amount of any previous reimbursement payments.

If DEQ does not reimburse the claim in full, the decision package will briefly describe the reason(s) for the denial(s) and include the Reconsideration claim forms.

3.6.13 Delayed Payment

1. § 62.1-44.34:11.A.11 of State Water Control Law requires that the Virginia Petroleum Storage Tank Fund balance be maintained at "a level sufficient to ensure that the Fund can serve as a financial responsibility demonstration mechanism for owners and operators of underground storage tanks." It further states that "Any disbursements made by the Board pursuant to subdivision 2 of this subsection may be temporarily reduced or delayed, in whole or in part, if such action is necessary, in the judgment of the Board, to maintain the Fund balance."

2. The Fund balance fluctuates and may drop due to increased claim filings or reduced revenue to a level where it is no longer possible to pay all claims in Decision status. In these situations, DEQ implements Delayed Payment Procedures.

3. When Delayed Payment Procedures are implemented, claims will be processed as usual and once completed they will be placed on the Payment Pending List.
    a. When reimbursement packages are mailed, claimants will be notified that their claim will be paid as money becomes available.
    b. Claims on the Pending Payment List are organized in order by the week the claim was completed. Claims completed within the same week will be listed in order by the received date.
    c. Each month, DEQ will determine the amount of revenue received which can be made available for claim payments and claims will be released based on their placement on the list. Due to fluctuations in claim amounts and revenues received, it is not possible for DEQ to predict exactly how long Delayed Payment Processing will continue.

3.7 THE RECONSIDERATION PROCESS

Reimbursement claimants from the VPSTF have one opportunity through the Reconsideration process to contest the initial reimbursement decision for their claim. Claimants or the entity who prepared the claim may request reconsideration of any decision or denied cost in the decision package before the initial reimbursement decision becomes final.

A Reconsideration Panel (Panel) composed of DEQ personnel who have not previously rendered a reimbursement decision on the claim but who are familiar with reimbursement policies, decide the merits of each reconsideration claim. The Panel is charged with ensuring that state law, regulations, and DEQ policies and procedures have been properly and fairly applied and is responsible for rendering the agency's final decision on the claim.

3.7.1 Correction of Certain Errors

The reconsideration procedures provide DEQ the opportunity to correct certain error. The following are **examples of the type of errors, which <u>can</u> be corrected:**

1. Failure of the Regional Office to verify the correct version of an AAF that was received in the regional office prior to the claim decision
2. Errors the Regional Office makes in verifying a Work Performed AAF
3. Failure of the RP/Claimant or the entity responsible for preparing the reimbursement application to submit all invoices.

3.7.2 Errors that Cannot be Corrected

It is the responsibility of the RP/Claimant and/or the entity responsible for preparing the reimbursement application, to ensure all applications forms are completely and accurately completed. Failure to exercise proper care in preparing an application may result in a denial of costs, which cannot be corrected through the reconsideration process. The following are **examples of the type of error, which <u>cannot</u> be corrected:**

1. Items or units omitted from the Work Performed Column of the AAF will not be eligible for reimbursement even if these items are included on the worksheet or the Primary Consultants invoice.

2. Items or units omitted from the cost worksheet of the application will not be eligible for reimbursement.
3. Failure to limit the use of an AAF to only one phase or sub-phase.
4. Errors or omissions on the AAFs that were not correct prior to issuance of the initial claim decision.
5. Failure to claim all costs in a phase or sub-phase. These costs are not eligible for reimbursement in subsequent claims.
6. Using one invoice in multiple claims. Invoices submitted in an application cannot be used as documentation for reimbursement of costs in subsequent claims. If one invoice applies to more than one phase, the RP/Claimant must submit a single claim with worksheets for all phases or sub-phases.

3.7.3 Reconsideration Filing Deadline

To contest a cost denial the RP/Claimant or the entity responsible for preparing the claim application must submit a Reconsideration Claim Application to DEQ within **45-days of the original claim decision date. Failure to meet the filing deadline results in the cost(s) denial in the original claim decision package becoming final.**

Refer to Volume V of the Reimbursement Guidance Manual for detailed reconsideration instructions and requirements. In addition, each decision package includes the procedure for seeking a reconsideration when costs are denied.

APPENDIX 1

DEFINITIONS

The following definitions are critical to understanding this Guidance Manual and the relevant Virginia regulations. Please take a moment to familiarize yourself with these definitions.

Aboveground Storage Tank or AST means any one or a combination of tanks, including pipes, used to contain an accumulation of oil at atmospheric pressure, and the volume of which, including the volume of the pipes, is more than 90% above the surface of the ground. This term does not include (i) line pipe and breakout tanks of an interstate pipeline regulated under the Hazardous Liquid Pipeline Safety Act of 1979 and (ii) flow-through process equipment used in processing or treating oil by physical, biological, or chemical means. For purposes of the Petroleum Storage Tank Reimbursement Program, a tank is a device, having a liquid capacity of more than 60 gallons, designed to contain an accumulation of oil and constructed of non-earthen materials, such as concrete, steel, or plastic, that provides structural support.

Auditable means generated by a system or mechanism that provides a means for tracing data step-by-step.

Bid Scope of Work means any combination of services, materials, personnel, equipment, and the number of units specified in a bid solicitation package.

Change Order means any change to an approved bid scope of work.

Claimant is the responsible person (UST owner or operator at the time the release is reported to DEQ), AST facility operator, person or entity who has a legal interest in property with a release and assumes liability for the petroleum cleanup, or a lender who has loaned money secured by property where regulated USTs are located.

Corrective Action means all actions necessary to abate, contain, and clean up a release from a UST system, an exempt UST 1 and 2, a small heating oil AST, or a facility; and to mitigate the public health or environmental risk from such releases.

Corrective action for a UST system must be conducted in accordance with Parts V and VI of 9 VAC 25-580-10, et seq.

Corrective action for an exempt UST 1 and 2, a small heating oil AST or a facility shall include the requirements for containment and clean up as defined in Virginia Code § 62.144.34:14 and must be conducted in accordance with Virginia Code § 62.1-44.34:18. This term also includes the provision of an alternate water supply and actions necessary to abate, contain, and clean up a release conducted on the property of a third party who is not responsible for the release. This term does not include those actions normally associated with closure, change in service, upgrade or replacement of an UST system, an exempt UST 1 and 2, a small heating oil AST, or an AST at a facility.

Exempt UST means an underground storage tank exempt from the requirements of Article 9 of the State Water Control Law and UST regulations. These exempt USTs are identified in clauses 1 through 9 of the definition of an underground storage tank.

Facility means any development or installation with the commonwealth that deals in, stores, or handles oil, and includes ASTs. The term does not include UST systems or pipelines.

Findings mean problems, discovered during an audit that are not significant and are easily corrected. Generally, the correction will not have an effect on the data being audited.

Fund Fee is the fee Code § 62.1-44.34:13 imposes on the sale, use and delivery of certain fuels to generate revenue for the Fund. Fee eligible fuels are gasoline, aviation gasoline, diesel fuel (including dyed diesel fuel), blended fuel, and heating oil.

Interim Authorization refers to DEQ written authorization to undertake corrective action activities prior to the approval of a Corrective Action Plan. Work performed under Interim Authorization must be conducted and costs claimed under the CAP Implementation Phase.

Not-to-Exceed (NTE) Amount refers to the maximum amount eligible for reimbursement at the release site for a particular piece of equipment. Reimbursement is based on units claimed at the appropriate UCR rate until the cumulative total reaches the NTE amount.

UCR refers to Usual and Customary Rate

Operator of a Facility means any person who owns, operates, rents, or otherwise exercises control over, or responsibility for, a facility.

Operator of an Exempt UST 1 or 2 means any person who owns, operates, rents or otherwise exercises control over, or responsibility for, an exempt UST 1 or 2.

Operator of a Small Heating Oil AST means any person who owns, operates, rents or otherwise exercises control over, or responsibility for, a small heating oil AST.

Operator of an UST System means any person in control of, or having responsibility for, the daily operation of the UST system.

Owner of an UST System means:

1. in the case of a UST system in use on November 8, 1984 or brought into use after that date, any person who owns a UST system used for storage, use, or dispensing of regulated substances;
2. in the case of any UST system in use prior to November 8, 1984, but no longer in use after that date, any person who owned such UST immediately before the discontinuation of its use; but
3. shall not include any person who owns a security interest in the regulated UST that leaked as long as that person does not manage or operate the regulated USTs. **Points** mean problems, discovered during an audit that are significant and are clearly out of

compliance with the guidelines in this manual. Points generally have an effect on the data being audited.

Remediation Consultant means the person or firm hired by the responsible person to assist with and oversee release response, characterization, and corrective actions for a site.

Release means any spilling, leaking, emitting, discharging, escaping, leaching or disposing from a UST system, an exempt UST 1 and 2, a small heating oil AST, an AST, or a facility into ground water, surface water or upon lands, subsurface soils or stormwater drainage systems.

Responsible person/party or RP means any person or entity who is an owner or operator of an underground storage tank or aboveground storage tank at the time the release was reported to DEQ.

Rolling Stock means wheeled, over-the-road vehicles.

Scope of Work Number means a unique reference number, established by the responsible person or the remediation consultant, for a specific scope of work (See Bid Scope of Work).

Small Heating Oil AST means any aboveground storage tank with a capacity of 5,000 gallons or less, used for storing heating oil for consumption on the premises where the tank is located.

Sub-phase Number is a sequential number assigned to each quarterly sub-phase within a phase or addendum.

Successful Bid means the lowest bid received for a particular scope of work, which meets all the requirements, specified in the bid solicitation package.

Underground Storage Tank or UST means any one or a combination of tanks (including underground pipes connected thereto) that is used to contain an accumulation of petroleum, and the volume of which (including the volume of underground pipes thereto) is 10% or more beneath the surface of the ground. This term does not include any of the following exempt USTs:

1. farm or residential tank of 1,100 gallons or less capacity used for storing motor fuel for non-commercial purposes;
2. tanks used for storing heating oil for consumption on the premises where the tank is located;
3. septic tank;
4. pipeline facility (including gathering lines):
    a. regulated under the Natural Gas Pipeline Safety Act of 1968, or
    b. regulated under the Hazardous Liquid Pipeline Safety Act of 1979, or
    c. which is an intrastate pipeline regulated under state laws comparable to the provisions of the law referred to above;
5. surface impoundment, pit, pond or lagoon;
6. stormwater 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; and
9. storage tank 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.

The term underground storage tank or UST does not include any pipes connected to any tank which is described in subdivisions 1 through 9 of this definition.

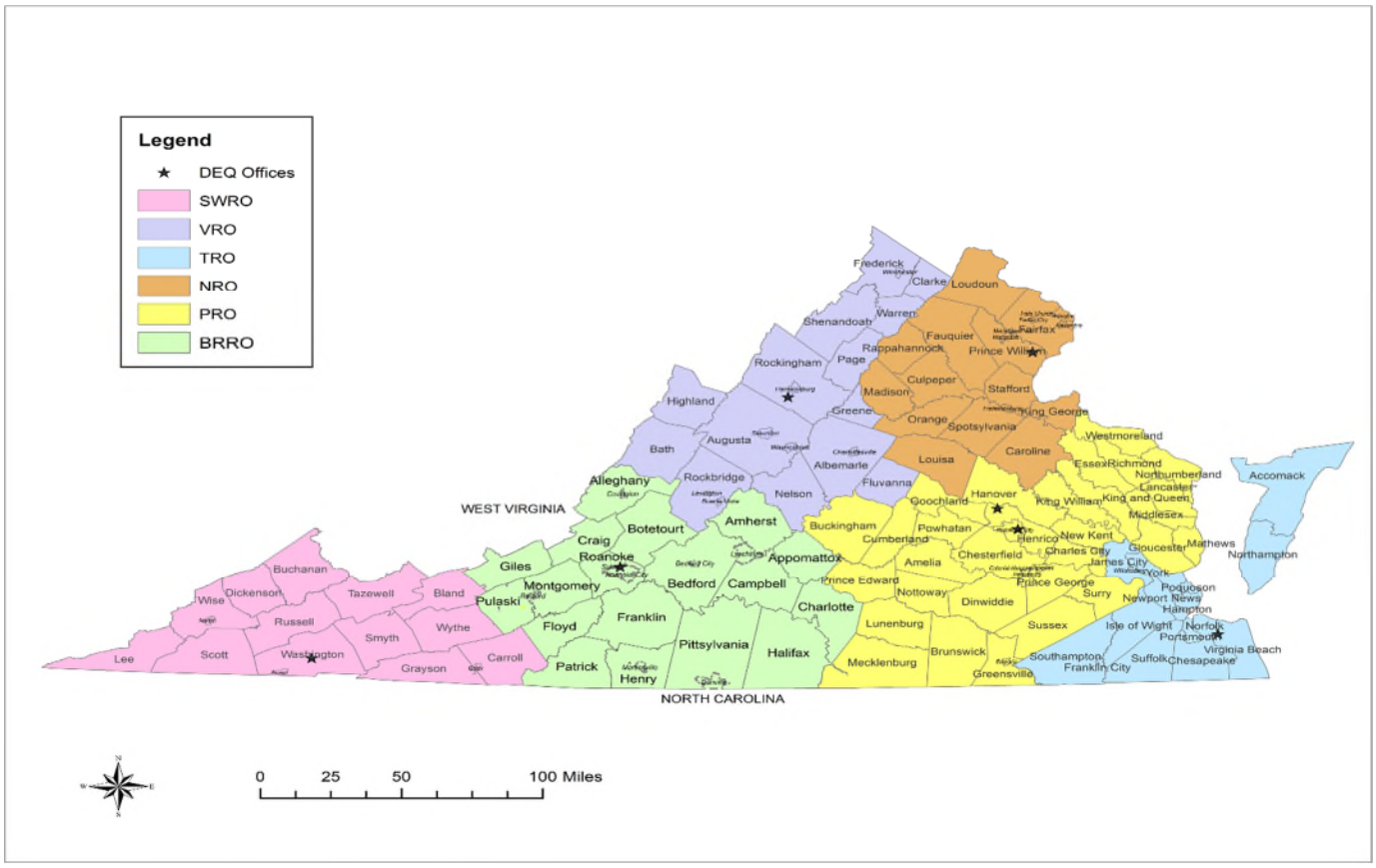
Unit Price means a cost expressed on a per item (unit) basis. Example: $^{1}/_{2}$" inside diameter, PVC pipe costs $0.97 per foot.

UST System means an underground storage tank, connected underground piping, underground ancillary equipment, and containment system if any.

Usual and Customary Rate Schedule or UCR Schedule refers to the list of commonly used tasks and materials for which DEQ has established reasonable Usual and Customary Rates. Separate UCR Schedules have been established for different time-periods. Each UCR Schedule has its own specific costs for Task and Material items.

APPENDIX 2

VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY REGIONAL OFFICES



Regional Office	
NRO – Northern Region 13901 Crown Court Woodbridge, VA 22193 Phone: 703-583-3800 FAX: 703-583-3821 Office Hours: 8:15am – 4:30pm Monday – Friday	**PRO – Piedmont Region** 4949-A Cox Road Glen Allen, VA 23060 Phone: 804-527-5020 FAX: 804-527-5106 Office Hours: 8:30am – 5:00pm Monday - Friday
TRO – Tidewater Region 5636 Southern Blvd. Virginia Beach, VA 23462 Phone: 757-518-2000 FAX 757-518-2009 Office Hours: 8:30am – 4:30pm Monday – Friday	**BRRO – Blue Ridge Region** 901 Russell Drive, Salem, VA 24153 Phone: 540-562-6700; FAX 540-562-6860 Office Hours: 8:30am – 4:30pm Monday – Friday
SWRO – Southwest Region 355 Deadmore Street P. O. Box 1688 Abingdon, VA 24212 Phone: 276-676-4800 FAX: 276-676-4899 Office Hours: 8:30am – 4:30pm Monday – Friday	**VRO – Valley Region** 4411 Early Road P.O. Box 3000 Harrisonburg, VA 22801 Phone: 540-574-7800 FAX 540-574-7844 Office Hours: 8:30am – 4:30pm Monday – Friday

Regional Office	Counties and Cities	
Northern	Counties	Arlington, Caroline, Culpeper, Fairfax, Fauquier, King George, Loudon, Louisa, Madison, Orange, Prince William, Rappahannock, Spotsylvania, and Stafford
	Cities	Alexandria, Falls Church, Fairfax, Fredericksburg, Manassas, Manassas Park
Piedmont	Counties	Amelia, Brunswick, Buckingham, Charles City, Chesterfield, Cumberland, Dinwiddie, Essex, Gloucester, Goochland, Greensville, Hanover, Henrico, King and Queen, King William, Lancaster, Lunenburg, Mathews, Mecklenburg, Middlesex, New Kent, Northumberland, Nottoway, Powhatan, Prince Edward, Prince George, Richmond, Surry, Sussex and Westmoreland
	Cities	Colonial Heights, Emporia, Hopewell, Petersburg, Richmond
Blue Ridge	Counties	Alleghany, Amherst, Appomattox, Bedford, Botetourt, Campbell, Charlotte, Craig, Floyd, Franklin, Giles, Halifax, Henry, Montgomery, Patrick, Pittsylvania, Pulaski, and Roanoke
	Cities	Bedford, Clifton Forge, Covington, Danville, Lynchburg, Martinsville, Radford, Roanoke, and Salem
Tidewater	Counties	Accomack, Isle of Wight, James City, Northampton, Southampton, and York
	Cities	Chesapeake, Franklin, Hampton, Newport News, Norfolk, Portsmouth, Poquoson, Suffolk, Virginia Beach, and Williamsburg
Valley	Counties	Albemarle, Augusta, Bath, Clarke, Fluvanna, Frederick, Greene, Highland, Nelson, Page, Rockbridge, Rockingham, Shenandoah, and Warren
	Cities	Buena Vista, Charlottesville, Harrisonburg, Lexington, Staunton, Waynesboro, and Winchester
Southwest	Counties	Bland, Buchanan, Carroll, Dickenson, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe
	Cities	Bristol, Galax, and Norton

APPENDIX 3

CONTAMINATED SOIL AMOUNTS FOR UST REMOVAL

UST Capacity	UST Dimensions	UST Displacement	UST Excavation	Maximum Soils Excavation
gallons	feet	cubic yards	feet, W x L x H	cubic yards / tons
Up to 550	4 x 6	2.7	7 x 12 x 7	19 / 28.5
1,000	4 x 11	5	7 x 17 x 7	26 / 39
2,000	5.5 x 12	9.9	8.5 x 18 x 8.5	38 / 57
3,000	5.5 x 18	14.8	8.5 x 24 x 8.6	49 / 73.5
4,000	5.5 x 24	19.9	8.5 x 30 x 8.7	60 / 90
5,000	8 x13	24.7	11 x 19 x 11	60 / 90
6,000	8 x16	29.6	11 x 22 x 11	69 / 103.5
8,000	8 x 21	39.5	11 x 27 x 11	82 / 123
10,000	8 x 27	49.4	11 x 33 x 11	99 / 148.5
12,000	8 x 32	59.3	11 x 38 x 11	111 / 166.5
15,000	10.5 x 24	74	13.5 x 30 x 13.5	129 / 193.5
20,000	10.5 x 31	98.8	13.5 x 37 x 13.6	151 / 226.5
25,000	10.5 x 38.75	124.2	13.5 x 45 x 13.7	180 / 269
30,000	11.5 x 40	153.8	13.5 x 46 x 13.8	204 / 306

NOTE: Contaminated soil loading, hauling, treatment, disposal, and backfilling the excavation are eligible for reimbursement at confirmed releases discovered during UST closure. The amount approved by the regional office cannot exceed the quantities listed above unless the regional office believes additional quantities are necessary to mitigate hazards at the site.

Assumptions:

1. Dimensions are for standard sti-P3 single-walled UST.

2. Displacement = capacity x 1 cubic foot (7.5 gallons) x 1 cubic yard (27 cubic feet).

3. Excavation dimensions assume top of UST is three feet below grades. Three feet of clearance is allowed for on both ends and one side. The excavation depth is equal to the bottom of the UST.

4. Maximum soils excavated = excavation – displacement of the tank.

5. Maximum soils excavated are for a single UST only. It is expected, in excavations containing more than one UST, that removal will proceed toward the void created by the previous UST and that less material will be generated per UST.

6. A multiplication factor of 1.5 was used to convert cubic yards to tons.

APPENDIX 4

PROFESSIONAL PERSONNEL TASK DESCRIPTIONS

The table below is a listing of the professional classifications and their associated tasks and is used to evaluate costs claimed for reimbursement from the Fund. In order to evaluate professional charges, the tasks, which were performed by the claimed personnel, will be used to determine the appropriate professional classification and the rate at which the personnel will be reimbursed. The "Typical qualifications" listed under the personnel title are to be used for informational purposes only and will not be used as a basis for determining the rate for reimbursement. It is recognized that there may be circumstances, which require personnel of a higher classification to perform tasks of a lower level professional. In these cases, justification may be required prior to approval; particularly where over-qualified staff is consistently used to perform lower level professional tasks.

Professional Classification	Tasks and Responsibilities
Principal (Principal Engineer/Geologist) Typical qualifications: BA/BS degree in engineering, geology, or other related science and/or related professional registration with at least 15 years of applicable experience.	Plans and directs all aspects of an organization's policies, objectives, and initiatives. Acts as administrative and/or professional head of company with authority and responsibility to negotiate and sign contracts, conceive and execute plans and direct professional staff. Normally has a financial interest in the company a partial owner, investor, or stockholder responsible for the short and long-term profitability and growth of the company. May charge a limited (less than 5%) number of hours to a project or program. May serve as a technical expert or coordinator of large or technically challenging projects and provide final review of project documents, which legally bind the company. Relies on extensive experience and judgement to plan and accomplish goals. Leads and directs the work of others. A wide degree of creativity and latitude is expected. The principal should rarely bill field time at the principal's regular hourly rate. • Negotiate, review, execute contracts • Directs all aspects of company • Oversee large and complex projects • Limited review of technical reports and new technologies
Senior-Level Professional	Responsible for final review/approval of designs, reports, plans, and specification. Responsible for preparing reports, plans and specifications for complex projects, including Site Characterization, Corrective Action Plans, modeling, and remediation budgets. Has experience in technical and managerial roles and substantial expertise in remediation of complex sites. Familiar with field concepts, practices, and procedures. Relies on experience and judgement to plan and accomplish goals. Performs a variety of complicated tasks. May supervise or direct the work of lower level professional staff. A

Professional Classification	Tasks and Responsibilities
Typical qualifications: BA/BS degree in engineering, geology, or other related science and/or applicable professional registration (geology or engineering) with minimum 8 years of experience.	wide degree of creativity and latitude is expected. Typically reports to Principal. • Oversee large and complex projects • Prepares SCR and CAPs • Final review of technical reports and CAPs • Develop project budgets • Equipment specification review, selection, and design • Hydrogeologic and contaminate modeling • Data review and analysis
Project Manager Typical qualifications: BA/BS degree in engineering, geology, or other related science, minimum 4 years of applicable experience, and necessary health and safety training.	Responsible for managing remediation projects and controlling project budgets. Analyzes and interprets data, supervises field tests, and may prepare limited or certain technical sections of reports. Supervises the work of lower level professional and technical staff. Field hours are normally limited to periodic site visits. Responsible for organizing highly complex activities for the development, implementation and maintenance of projects. Reports to Principal or Senior Professional • Project management • Report Preparation – Limited or certain technical sections • Oversee project budgets • Data review and analysis • Field work planning • Work plan preparation • On-site direction, coordination, and management • Coordinate with agency, client, and subcontractors • Periodic site inspection • Acquire site access
Mid-Level Professional	Implements field work, gathers technical and hydrogeologic information. Performs monitoring well installation and sampling. Writes field notes, aids in geological mapping, and geological analysis. Provides site technical support. May supervise lower level professionals and technical personnel during site remediation activities such as soil or tank removal. Substantial number of hours are for field work. Reports to Project Manager. • Report preparation • Field work preparation and planning • Monitoring activities • Remediation system installation • Oversee soil boring and monitoring well installation • Site reconnaissance and mapping • Supervise UST removal, soil removal and other site remediation activities

Professional Classification	Tasks and Responsibilities
Typical qualifications: BA/BS degree in engineering, geology, or other related science, minimum 2 years of applicable experience, and necessary health and safety training.	• Waste characterization • Acquire site access • Assist in modeling and data analysis
Junior Level Professional Qualifications: Entry-level professional position. BA/BS degree in engineering, geology, or other related science and 0-2 years of experience.	Works under appropriate supervision when performing all but, routine field tasks related to the project. Performs monitoring well installation and sampling. Writes field notes, aids in geological mapping, and basic geological analysis. Assists with reports preparation only under supervision/review. Substantial number of hours are typically for fieldwork. Reports to Project Manager. • Field work preparation • Limited data review and analysis • Assists with remediation system installation
Senior Technician Typical qualifications: High school diploma or Associate degree, or certified or licensed tradesman; 2-years of related experience and necessary health and safety training.	Responsible for on-site supervision of installation, maintenance, and repair of machinery and equipment. Maintains field logs and documentation of monitoring and maintenance of machinery and equipment. May supervise other technicians and/or lower level professionals. Work under appropriate supervision. Substantial number of hours are for fieldwork. Reports to Project Manager. • Operation and maintenance of equipment • Maintains field/sampling logs • Maintains equipment maintenance records
Technician Typical qualifications: High school diploma or trade school degree typically required; 1-year of job related training, and necessary health and safety training.	Performs routine tasks such as soil and ground water monitoring, well bailing, and supporting roles for Senior Technician. Hours are for fieldwork. Reports to Project Manager. • Well development • Waste handling • Sampling and monitoring • Decontamination • Well abandonment
CAD Operator May require an associate's degree in a related area and 0-2 years of	Transforms initial rough product designs and sketches into finished documents using computer-aided design (CAD). Has knowledge of commonly used concepts, practices, and procedures. Relies on instructions and pre-established guidelines to perform the functions of the job. Works under immediate supervision. Reports to Project Manager. • Generate new drawings • CAD work • Cartography

Professional Classification	Tasks and Responsibilities
experience in the field or in a related area.	• Advanced drafting • ISO-concentration maps
Clerical May require an associate's degree or its equivalent.	Performs office functions, including but not limited to clerical work, word processing, data maintenance, report filing, telecommunications response, document reproduction, and filing, labeling, mailing and drafting transmittal correspondence. Establishes work procedures and standards to improve efficiency. Familiar with a variety of field concepts, practices, and procedures. Reports to a Project Manager.

APPENDIX 5

eAAF AND PAPER AAF INSTRUCTIONS

eAAF Business Model:

Incorporates all remediation activities into one form including Lump Sum and Unit Price bid items during the CAP Implementation Phase. Eliminates all specialized AAFs for heating oil releases. The eAAF Business Model is applicable for the 007 and 2019 UCR Schedules. For UCR Schedules prior to 007 you must follow the Paper Business Model.

1. General Instructions for the eAAF Worksheet Excel Format:
   - i) The only formatting changes permitted are:
     - (1) Adding rows, including Activity rows,
     - (2) Adjusting row height, and
     - (3) font size.
   - ii) Any other changes will prevent the spreadsheet from uploading to DEQ's database.
   - iii) The format for the Date fields is **mm/dd/yyyy**
   - iv) Both the phone and fax fields are formatted for a phone number, type the appropriate number with no spaces and hit enter.
   - v) The UCR/UCR Code can be entered either Upper or Lower case letters.
   - vi) Bid items, Unit Price, Lump Sum and/or Change Orders are all on this single form.
   - vii) Each phase, addendum, or sub-phase must be on a separate eAAF. The business model will only allow one pre-approved or work performed/verified AAF per phase, addendum or sub-phase.

eAAF Instructions

Areas highlighted in **RED** are for DEQ use only.

1. **HEADER**
   - a. The RP/Consultant should fill out the information at the top of the sheet including the Site Name:
     - i. The Phase under which the work will be performed,
     - ii. The appropriate Regional Office, and
     - iii. The RP/Consultant phone number, fax number (if used), and email address.
   - b. Drop downs are provided for the Regional Office, Heating Oil Category and Phase Fields.
   - c. Only use the Sup-phase or Addendum Number for the SCR Addendum, Post SCR Monitoring or CAP Implementation phases. For all other phases, please **leave blank**.
   - d. Date range is populated based on when the phase or sub phase began and ended.

2. **PRE-APPROVAL** Complete the following:
   - a. **ACTIVITY:** Provide a concise description of the activity being performed (for example, install French drain system, sample 5 monitoring wells, Bid: supply well replacement)
   - b. **UCR CODE:** List the T, M, C, D, or A code from the necessary to complete the Activity. For any item that is not contained within the 007 UCR Schedule, use an "X-Code" unless the item was bid the "B-Code". To establish an X-Code, enter a three-digit code beginning with an "X" in the Code column. For each AAF, an "X" code must be unique, begin with X001, and be sequential, e.g. X001, X002, X003, etc. See below for specific instructions for Unit Price and Lump Sum Bids.

c. **DESCRIPTION:** The description will auto populate based on the UCR Code entered. If "N/A" is returned for a T, M, C, or A Code the code entered is ***incorrect***.
d. **UNIT TYPE:** The Unit type will auto populate based on the UCR Code entered. If "N/A" is returned for a T, M, C, or A Code the code entered is ***incorrect***.
   i. For the 2019 UCR Schedule if "N/A" is returned for a T, M, C, or D Code the code entered is incorrect. Check Volume 7 of the 2019 Reimbursement Guidance Manual for the correct UCR Code or you can search under the Workbook Tab labeled 2019 UCRs.
e. **PROPOSED UNITS:** List the number of units necessary for each proposed item.
   i. Use of decimals with a maximum of 2-digits following the decimal is acceptable. For example: 2.25
f. **DEQ APPROVED PROPOSED UNITS:** This column is for DEQ use only.
g. **CONTINGENT UNITS:** List the number of additional units above the Proposed Units that may be needed to accommodate changes in the field.
h. **DEQ APPROVED CONTINGENT UNITS:** This column is for DEQ use only.
i. **C-Code or X-Code Estimated Cost:** For each X or C Codes provide the per unit estimated cost. ***DO NOT provide the total estimated cost***.
j. **WORK PERFORMED UNITS:** Leave blank for the pre-approved eAAF. You will, complete only for the Work Performed submittal.
k. **DEQ VERIFIED UNITS:** This column is for DEQ use only.
l. **RP/CONSULTANT COMMENTS:** Clearly describe how the specified units will be used within the Activity.
m. **DEQ COMMENTS:** This column is for DEQ use only.
n. **SCOPE OF WORK NOTES:** Provide a general description of the work to be accomplished by all activities included on the AAF. The Scope of Work section may be used to add any additional information the RP/Consultant believes necessary to assist the Regional Office in evaluating the AAF; however; do not include in the Scope of Work section requests for authorization of specific tasks or materials. This section is formatted to wrap the text and will expand as needed based on the length of information.

3. **FOR UNIT PRICE BID ITEMS**
   a. **Code:** In this space, list "B" followed by the number for the scope of work and should match the scope of work number listed on the Bid Comparison Form. Enter a 4-digetcode beginning with a "B" in the CODE column. e.g. B01a, B01b, B01c, etc.
   b. **Description:** In this column, provide a description for each unit price bid item. For Example: PVC elbow, PVC fitting, Electrical conduit, etc. This description should match the description used to obtain the unit price bid and as listed on the Bid Comparison Form.
   c. **Unit Type:** Fill in the type of units (e.g., each, gallons, feet) applicable to the particular item being listed. The unit type should match the unit type listed on the Bid Comparison Form.
   d. **Unit Price Bid Rate:** Enter the **low bid unit price before mark-up** for this item.

4. **FOR LUMP SUM BID ITEMS**
   a. **Code:** In this space, list B followed by the number for the scope of work and should match the scope of work number listed on the Bid Comparison Form. Enter a 4-diget code beginning with a "B" in the CODE column. e.g. B0001, B0002, B0003, etc.
   b. **Description:** Provide a summary of the scope of work for each bid. The scope of work should match the scope of work listed on the Bid Comparison Form.
   c. **Unit Type:** Lump Sum
   d. **Lump Sum Bid Amount:** Indicate the total dollar amount for the lowest bid for each scope of work claimed. The amount must be the **before mark-up**. If less than 100% completed, list the dollar value of the work completed as invoiced by the low bidder.

e. In the Comments section, indicate what percentage of the Lump Sum Bid completed during the phase or sub-phase.

5. **C-CODES, X-CODES ESTIMATED AND ACTUAL COSTS**
   a. **C-CODES:** For C1001 Electrical Service; C1003 Pre-treatment fees; C1004 Propane; C1005 Natural Gas Service; C1006 Gasoline; C1007 Diesel Fuel; and C1009 Telemetry Service list the **monthly service individually**.
      i. For example, for the quarterly CAP-IMP sub phase there will be 3-months of service. List C1001 3-times, one for each month of service.
      ii. List C1006 once for each purchase of gasoline. When the price per gallon is the same for each purchase, report the total gallons on a single line.
   b. **X-CODES:** Under the 007 UCR Schedule, items that do not have an A, M or C-code must be assigned an X-code. DO NOT assign an X-code if the item has an A, M. or C-code. Tasks and materials with the same description must use the same X-code no matter how many times each is listed on the AAF. Under the 2019 UCR schedule, items that do not have an M, C, D or S-code must be assigned an X-Code.
      i. For each site, X-codes begin with X0001 and number sequentially.
      ii. Enter the estimated cost in column K for the pre-approval AAF and the actual cost for the work performed AAF in column L.
      iii. The unit type will dictate the number of units and the estimated or actual cost.
      iv. **All costs should be before mark-up.**

6. **SOIL HAULING** Both Tons and Miles must be entered on the appropriate line. Please see Task descriptions and examples in Volume VII of the Reimbursement Guidance Manual for additional information.
   a. For T075 and T077 miles are 100 or less.
   b. For T076 and T078 miles are only those which **EXCEED 100**.
   c. Tons are the same for each code used; only the mileage is different.

7. **SIGNATURE**
   a. The RP or Consultant must type their name above the signature line and enter the date.
   b. Submit via Email the completed eAAF to the appropriate DEQ case manager for pre-approval. Attach an Initial Site Map and Topographic Map, if not submitted with the EPR.

Paper AAF Business Model

Effective with the 2019 UCR Schedule the specialized AAFs for Heating Oil Categories 1 and 2 releases, and the Lump Sum Bid Work Progress Form have been eliminated. Regardless of tank type or bidding method the RP/Consultant completes the AAF listing both the proposed and contingent units for Task and Material items as outlined in Section **3.2.2** above. For all UCR Schedules prior to 2019 the specialized AAFs for Heating Oil and bidding should continue to be used when completing the Paper AAF.

Paper AAF Instructions

1. The RP/Consultant should fill out the information at the top of the form included the:
   a. Site Name,
   b. Phase under which the work will be performed;
   c. The Regional Office associated with the release;
   d. The RP/Consultant phone number and Email address; and
   e. The PC Number.

2. Pre-Approval: Complete only the following columns:
    a. **ACTIVITY:** Provide a concise description of the activity being performed (for example, install French drain system; Sample Monitoring Wells; Bid: Supply Well Replacement)
    b. **CODE:** List the T, M, C or A from the appropriate UCR Schedule necessary to complete the Activity.
        i. To establish an X-Code, **DO NOT** assign an X-code if the item has an A, M. or C-code. Tasks and materials with the same description must use the same X-code no matter how many times each is listed on the AAF under multiple Activities.
            1. For each site, X-codes begin with X0001 and number sequentially.
            2. Enter the estimated cost in in the RP/Consultant Comments for the pre-approval.
            3. The unit type will dictate the number of units, for example each, foot, sample, lump sum, etc.

i. To establish a B-Code,
    1. For Unit Price Bids: Enter a 4-diget code beginning with a "B" in the CODE column. e.g. B01a, B01b, B01c, etc.
        a. The same Unit Price Bid Code can be used across
    2. For Lump Sum Bids: Enter a 4-diget code beginning with a “B”, e.g. B001, B002, B003, etc.
    3. The B-Code description should match the description as listed on the Bid Comparison Form.

    c. **DESCRIPTION:** Fill in the applicable description for the T, M, C, or A Code as provided in Volume 4. For X, or B Codes describe the item(s).
    d. **UNIT TYPE:** Fill in the type of units e.g. tons, samples, hours, miles, day, week, etc. that is applicable for the item being listed.
    e. **PROPOSED UNITS:** List the number of units necessary for each proposed item.
    f. **CONTINGENT UNITS:** List the number of additional units above the Proposed Units, needed to accommodate changes in the field. See Section 3.2.2., above for more information on Proposed and Contingent Units.
    g. **RP/CONSULTANT COMMENTS:** For X-codes provide the estimated costs; for B-Codes provide the lump sum or unit rate.
    h. **SCOPE OF WORK NOTES:** Provide a general description of the work to be accomplished by all activities included on the AAF. This section may be used to add any additional information the RP/Consultant believes necessary to assist the Regional Office in evaluating the AAF. **DO NOT USE** this section to request authorization for specific tasks or materials.

Verification

1. Upon completion of a Phase or Sub-phase, complete the eAAF or the paper AAF by adding the actual Work Performed units.
2. The RP/Consultant must obtain DEQ regional authorization for all work that exceeds the combined total of the proposed and contingent units on the pre-approved AAF. This additional work maybe authorized via phone or email from the field.

Work Performed eAAF or Paper AAF

1. **Work Performed Units:** Fill in the column with the actual number of units performed for each Task or Material. **DO NOT** round to the nearest whole number.
2. **A, C, D, or X Codes Actual Cost:** For each, provide the per unit actual costs. **DO NOT** provide the total actual cost. The amount must be the amount before the allowed mark-up.
3. **B Codes:**
   a. **Lump Sum:** The low bid amount or the invoiced amount whichever is less is entered/updated in Column J.
      i. When there is **a decrease** in the bid amount, due to a bid line item not necessary or for example, the completed well depth was less than what was included in the scope of work, list the reduced lump sum amount. For example: The bid included 2-Brass Male Adapters, but only one was used, plus several other items were not necessary, the Driller's invoice is now less than the total bid amount. Enter in column "J" the reduced bid amount and add a note under Consultant Comments to explain the difference. For example, the low bid amount was $7,184.33; the "credits" for the unused items total $134.79, list $7,046.54 in column "J" of the eAAF.
   b. **Unit Rate:** The low bid amount/rate or the invoiced amount/rate whichever is less is entered/updated in Column I of the eAAF.
   c. **Bid Change Orders:** The most common change orders occur with Supply Well replacements. List on the eAAF, the contingency unit prices items, as a Change Order line item for each individual item that resulted in **an increase** in the units. For example: The scope of work included 350 feet of well depth, the completed well was 376 feet, the additional 26 feet is the Change Order. Enter a 4-digit code beginning with a "BCO". e.g. BCO1, BCO2, BCO3, etc.

APPENDIX 6

FORMS

The following PDFs are provided for informational purposes only. The actual forms, in the correct format, can be downloaded from the DEQ webpage at:

https://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PetroleumProgram/Reimbursement.aspx

eAAF

Form 1

Form 2

Form 3

COV Substitute W9

eAAF Cost Worksheet

Fuel Surcharge Worksheet

Virginia Department of Environmental Quality
Responsible Party Activity Authorization Form

Site Name	PC#	Regional Office	Consultant	Heating Oil Category
		<DEQ Region>		<HO category>

Phase:	Consultant Phone:		Consultant Email:		Consultant Fax #:	
<Work Phase>	Sub-phase or Addendum #:		2019 UCR Schedule	Work Performed From/To:		

NOTE: Authorization of work does not guarantee DEQ reimbursement of costs.

Code	Description	Unit type	Proposed Units	DEQ Approved Proposed Units	Contingent Units	DEQ Approved Contingent Units	Work Performed Units	Unit Price Bid Rate	Lump Sum Bid Amount	C-Code, D-Code or X-Code Estimated Cost	A-Code, C-Code, D-Code or X-Code Actual Cost	DEQ Verified	RP/Consultant Comments	DEQ Comments
Activity:														

Soil Hauling

Code	Description	Unit type	Proposed Units	DEQ Approved Proposed Units	Contingent Units	DEQ Approved Contingent	Work Performed Units		DEQ Verified Units
T241	Soil Hauling < 75 Tons the First 100 Miles (use T042 for additional hauling miles over the first 100 miles)	Ton							
		Miles							
T242	Soil Hauling < 75 Tons Over 100 Miles (use this Code only for hauling miles that exceed the first 100 claimed on T241)	Ton							
		Miles							
T243	Soil Hauling > 75 Tons the First 100 Miles (use T244 for additional hauling miles over the first 100 miles)	Ton							
		Miles							
T244	Soil Hauling > 75 Tons Over 100 Miles (use this Code only for hauling miles that exceed the first 100 claimed on T244)	Ton							
		Miles							

Scope of Work Notes

DEQ USE ONLY:

RP/Consultant signature	**Date**

DEQ Regional Office Pre-Approval:		**DEQ Regional Office Verification:**	
DEQ signature	**Date**	**DEQ signature**	**Date**

FORM 1

VIRGINIA PETROLEUM STORAGE TANK FUND

REIMBURSEMENT APPLICATION

DEQ USE ONLY			
Claim No:	☐	Closed:	☐
Open:	☐	Reopen:	☐

Complete and submit with all required supporting documentation to Department of Environmental Quality (DEQ), Office of Spill Response and Remediation, P.O. Box 1105, Richmond, VA 23218. Type or print legibly the required information in the applicable sections below. Refer to the reverse side for instructions on how to complete the form. The application will NOT be accepted unless the Certification in Section VII has been signed by the claimant.

I. Claimant Information			
A. Claimant Name:		B. Pollution Complaint Number:	
C. Claimant Mailing Address:		D. City, State	E. Zip Code
F. Claimant Telephone No. ( )	G. Claimant Fax No. ( )	H. Claimant E-mail Address	
I. Contact Person for Reimbursement	J. Contact Person Telephone No. ( )	K. Contact Person Fax No. ( )	
L. Contact Person for Reimbursement E-mail	M. Contact Person Cell No. ( )	N. Regional Office Handling Case	

II. Site Information	
A. Site Name	B. Site Location
C. City, State	D. Zip Code

III. Insurance Information

A. Do you have insurance that would cover a petroleum storage tank release?

☐ Yes ☐ No

If you answered "Yes" to the above question, you are required to submit a complete copy of the text, endorsements, and declarations page of the above referenced insurance policy(ies). DEQ will NOT review your claim until you submit a complete copy of the policy(ies).

IV. UST Annual Gallonage - DO NOT COMPLETE FOR HOME HEATING OIL OR FARM TANKS

The total number of gallons pumped, during the year prior to the release [1], through all regulated underground storage tanks the claimant owns or operates in the Commonwealth of Virginia. Check only **one** box.

☐ Less than 600,000 gallons

☐ Between 600,000 and 1,200,000 gallons

☐ Between 1,200,001 and 1,800,000 gallons

☐ Between 1,800,001 and 2,400,000 gallons

☐ More than 2,400,000 gallons

[1] The year prior to the release can be any consecutive 12-month period, which starts no more than 24 months prior to the release report date, and ends no later than the release report date.

V. AST Storage Capacity - DO NOT COMPLETE FOR HOME HEATING OIL TANKS

Are the net annual profits for this operation less than or equal to $10 million? (Check One)

☐ Yes ☐ No

1. If you indicated "Yes" to Question A above, please complete the following:

   The number of gallons of storage capacity for all ASTs at THIS facility at the time the discharge was reported to the Department of Environmental Quality was _____

2. If you indicated "No" to Question A above, please complete the following:

   The number of gallons of storage capacity for this operator's ASTs at ALL Virginia facilities at the time the discharge was reported to the Department of Environmental Quality was _____

FORM 1

VIRGINIA PETROLEUM STORAGE TANK FUND

REIMBURSEMENT APPLICATION

VI. Claimant Certification

I hereby certify that:

1. This is the one and only reimbursement application that will be submitted for the completed corrective action phase[s] and/or sub-phases identified on the worksheets submitted in this application.
2. Under penalty of perjury, all costs claimed in this application were incurred by me to clean up this release, and all data and documentation submitted as part of this application are true and correct.
3. I understand that items inadvertently or otherwise omitted from the application will NOT be accepted by DEQ after the reimbursement decision package has been issued.
4. I understand that I am required by law to pay a financial responsibility requirement before I am eligible for reimbursement, and I agree to pay DEQ on demand, any remaining financial responsibility requirements.
5. I agree to grant DEQ and its contractor[s] reasonable access to the contaminated site.
6. I am responsible for immediately notifying DEQ in writing should any information change on any pending claim.
7. I am the owner/operator whom DEQ has designated as the responsible person for the clean-up of this site.
8. I authorize my consultant to provide all data and documentation associated with the costs incurred for this site.

_____
Print Claimant's Name

/s/ _____ _____
Claimant's Signature Date

VII. Consultant Certification – To be completed by the primary consultant

I hereby certify that:

1. That all data and documentation submitted in this application is true and correct.
2. That the work claimed as performed and invoiced in this claim was performed for this release.
3. I authorize DEQ to examine and audit all records and supporting documents related to this claim and, if applicable, the reconsideration of this claim.

_____ _____
Print Consultant's Name Company Name

/s/ _____ _____
Consultant's Signature Date

INSTRUCTIONS FOR COMPLETING THE REIMBURSEMENT APPLICATION – Page 1

Fill in the following information

Block I. Claimant Identification

A. Claimant's name: The petroleum storage tank owner/operator whom DEQ has designated the responsible person for the clean-up is the claimant[1]. This person may be an individual, a business entity (e.g. partnership or corporation) or a government agency. Only one claimant may submit and only one application may be submitted, for costs incurred for any completed corrective action phase or sub-phase. The claimant named in this section will be considered the person or entity that will receive all original correspondence and will be named as the payee on the reimbursement checks unless a Payment Assignment Form has been completed.

Where there are multiple responsible persons (owners/operators), only one responsible person may claim the costs submitted for the clean-up (for example a husband and wife). The remaining owners/operators must assign the right to reimbursement to this single claimant by using the Multiple Owners Payment Assignment Form.

B. Provide the Pollution Complaint Number (PC#) assigned by the DEQ for this site for which costs are being claimed.

C. D. E. Provide the claimant's current mailing address; including the city, state, and zip code.

F. List the telephone number, including area code, for the claimant.

G. Provide the fax number, including area code, for the claimant.

H. Provide an e-mail address for the claimant

I. Provide the name of a person who can answer questions about the application.

J. List the telephone number, including area code, where the person listed in Block I can be reached.

K. Provide the fax number, including area code, for the Contact Person listed in Block I.

L. Provide an e-mail address for the Contact Person listed in Block I.

M. Provide a cell phone number, including area code, for the Contact Person listed in Block I.

N. Provide the name of the DEQ regional office handling case. See Appendix 8 of the Reimbursement Guidance Manual for a map of DEQ regional office boundaries.

Block II. Site Identification

A. Provide the site name where the release occurred. The site name can be any name by which the release location is generally known.

B. C. D. List the site's location (street name), including the city, state, and zip code.

Block III. Insurance Information

Check the box indicating whether or not you have an insurance policy that will fully or partially pay for clean-up of the site. If "Yes" is checked, submit a complete copy of the insurance policy(ies), with the declarations page and all endorsements.

Block IV.UST Annual Gallonage

Complete this section for releases from the following types of USTs:

Regulated,

Excluded,

Deferred,

Partially Deferred,

Heating Oil USTs with a storage capacity greater than 5,000 gallons if the release occurred prior to July 1, 1996.

Do not complete this section for releases from the following types of USTs:

Heating Oil USTs with a storage capacity of less that 5,000 gallons where the release occurred prior to July 1, 1996 (this includes home heating oil tanks).

Heating Oil USTs of any size where the release occurred after July 1, 1996.

Residential or farm use motor fuel tanks with a capacity of 1,100 gallons or less.

Block V. AST Storage Capacity

Complete this section for releases from the following types of ASTs:

Regulated ASTs,

Unregulated ASTs, and

Small Heating Oil ASTs with a capacity greater than 5,000 gallons.

Do not complete this section for releases from the following types of ASTs:

Small Heating Oil ASTs with a capacity of less than 5,000 gallons (this includes home heating oil tanks).

[1] Unless DEQ has approved an assumption of liability for the clean-up

INSTRUCTIONS FOR COMPLETING THE REIMBURSEMENT APPLICATION – Page 2

Fill in the following information.

Block VI.Claimant Certification

This is a legal document. Read the certification carefully before signing. You may not cross out or change the wording of the certification.

The claimant must sign this form or the application WILL NOT be accepted.

Block VII. Consultant Certification

This is a legal document. Read the certification carefully before signing. You may not cross out or change the wording of the certification.

The consultant must sign this form or the application WILL NOT be accepted.

FORM 2

Virginia Petroleum Storage Tank Fund (VPSTF)

PAYMENT ASSIGNMENT FORM

This form is for use by claimants who wish to assign their reimbursement payment to another party. A notarized original of this form must be submitted with each reimbursement application for which the claimant wishes to assign the payment to another party. All assignments are subject to the approval of DEQ.

Claim Assignment (must be completed by Claimant) Pollution Complaint No: _____

Party to Receive Payment:

Claimant Name: _____ Name: _____

Total Costs Claimed in this Application: $ _____ Address: _____

Contact Name: _____ City: _____ State _____ Zip _____

Contact Telephone: _____ Contact Email: _____

By signing below, I:

1. Assign the VPSTF payment for the above-referenced claim and any reconsideration of that claim to the Assignee designated above.
2. Warrant and represent that I have not assigned or pledged my reimbursement payment to any other person or entity and it is hereby being assigned and transferred free and clear of any and all liens and encumbrances.
3. Warrant and represent that I am the claimant, or in claims in which the claimant is not an individual, that I have the authority to assign this payment on behalf of the claimant.
4. Agree that the assignment by this form applies only to the reimbursement claim with which it is submitted and any reconsideration of that claim.
5. Agree that use of this form does not transfer my liability for corrective action and/or third party claims.
6. Agree that any check issued as a result of this reimbursement claim will be issued only to the name of the party designated as the assignee on this form.
7. Agree that if the check is issued to the claimant rather than the party designated as assignee on this Assignment Request Form, I bear the responsibility for transferring the payment to the assignee.

Claimant Signature _____ Date _____

Notary Certificate of Acknowledgment:

State of _____} *SS:* City/County of _____}

The foregoing instrument was acknowledged before me this _____day of_____, 20___ by: _____

Same name as Claimant Signature

/s/ _____ My commission expires: _____ Notary No: _____

Notary Signature

Notary Stamp

Revised: 02/01/2016

INSTRUCTIONS FOR COMPLETING

FORM 2 - Claim Assignment

Claimant Name

The petroleum storage tank owner/operator whom DEQ has designated the responsible person for the clean-up is the claimant. This person may be an individual, a business entity (e.g. partnership, LLC or corporation) or a Government agency. **The Claimant Name on Form 2 must be the same as that in Block IA of Form 1.**

Claimant Signature

If the Claimant is not an individual the title of the person signing on behalf of the entity should also be provided.

Examples:

John T. Merrick, Treasurer Mt. Carmel Baptist Church
John T. Merrick, for Petroleum Partners LLC
John T. Merrick, Vice President, PTO Inc.

If a POA or LPOA is signing on behalf of the Claimant the signature should include the Claimant's name.

Example: *John T. Merrick,* for Lauren Kelly

Notary Certificate of Acknowledgement

The Date of the Notarial act **MUST BE THE SAME DATE AS THE DATE OF THE CLAIMANT'S SIGNATURE.**

The Notary must sign; provide their registration number and **place their photographically reproducible notary seal/stamp.**

Virginia's Notary Law requires the original signature of the notary. The 2009 Notary Public Handbook also notes that if the notary's handwriting is not legible, it is a good practice to for the Notary to print his/her name below the signature.

Virginia law requires a notary to use a seal on every document they notarize. The law specifies that when a seal is used that it must be sharp, legible, permanent and photographically reproducible. It is recommended that the notary seal be imprinted or stamped just below the Notarial statement and that care should be taken to not obscure the signatures or other parts of the document.

Out-of-state Notaries' should follow their legal requirements when performing the Notarial Act.

FORM 3

Virginia Petroleum Storage Tank Fund

MULTIPLE OWNERS PAYMENT ASSIGNMENT FORM

An application may not be submitted to the Virginia Petroleum Storage Tank Fund by an individual or entity who does not have sole (100%) ownership of the releasing tank unless this form is included as part of the application. For a multiple owner tank, each owner who is not the claimant must complete, sign, and notarize a separate Multiple Owners Payment Assignment Form.

Section 1

Owner Name:_____ Pollution Complaint Number (PC #):_____

Release Site Name:_____

Release Site Address:_____

City:_____ State:_____ Zip:_____

Section 2

Assignee's Name (Agent for the Owner)_____

Mailing Address:_____

City:_____ State:_____ Zip:_____

ASSIGNMENT CERTIFICATION

Being duly sworn, I _____, certify that I am an owner of the petroleum tank located at the above named site.

I assign to _____, all rights, title, and interest which I may receive for reimbursement for reasonable and necessary costs incurred to clean up a release from a petroleum storage tank from the Virginia Petroleum Storage Tank Fund under § 62.1-44.34:11 of the Code of Virginia and § 21 of 9 VAC 25-590-10, et seq.

I agree that this assignment for reimbursement or justification of costs does not constitute an assignment of liability for a petroleum release at the below referenced site under federal, state, or local laws.

_____ _____

Owner Signature Date

THIS STATEMENT MUST BE NOTARIZED

State of_____}

} ss:

City/County of_____}

Subscribed and sworn to before me by _____ on this _____ day of _____, _____

/s/_____ My commission expires _____

Instructions:

Section 1:

Owner Name: List the Owner who WILL NOT be signing Forms 1 and 2

Section 2:

Assignee's Name (Agent for the Owner): *List the Owner who will be signing Forms 1 and 2 for each claim filed.*

Assignment Certification:

Complete as follows:

Being duly sworn, I ___***Owner in Section 1***_____, certify that I am an owner of the petroleum tank located at the above named site.

I assign to ___***Owner in Section 2***_____, all rights, title, and interest which I may receive for reimbursement for reasonable and necessary costs incurred to clean up a release from a petroleum storage tank from the Virginia Petroleum Storage Tank Fund under § 62.1-44.34:11 of the Code of Virginia and § 21 of 9 VAC 25-590-10, et seq.

I agree that this assignment for reimbursement or justification of costs does not constitute an assignment of liability for a petroleum release at the below referenced site under federal, state, or local laws.

The Owner in Section 1 must sign and have their signature notarized.

Form **W-9**

Commonwealth of Virginia
Substitute W-9 Form

Revised July 2014

Request for Taxpayer Identification Number and Certification

Section 1 -Taxpayer Identification

☐ **Social Security Number (SSN)**

☐ **Employer Identification Number (EIN)**

___ ___ ___ ___ ___ ___ ___ ___ ___

Please select the appropriate Taxpayer Identification Number (EIN or SSN) type and enter your 9 digit ID number . The EIN or SSN provided must match the name given on the "Legal Name" line to avoid backup withholding. If you do not have a Tax ID number, please reference "Specific Instructions - Section 1." If the account is in more than one name, provide the name of the individual who is recognized with the IRS as the responsible party.

Dunn & Bradstreet Universal Numbering System (DUNS) (see instructions)

___ ___ ___ ___ ___ ___ ___ ___ ___

Legal Name:

Business Name:

Entity Type		**Entity Classification**		**Exemptions (see instructions)**
☐ Individual	☐ Corporation	☐ Professional Services	☐ Medical Services	Exempt payee code (if any): (from backup withholding) _____
☐ Sole Proprietorship	☐ S-Corporation	☐ Political Subdivision	☐ Legal Services	
☐ Partnership	☐ C-Corporation	☐ Real Estate Agent	☐ Joint Venture	
☐ Trust	☐ Disregarded Entity	☐ VA Local Government	☐ Tax Exempt Organization	Exemption from FATCA reporting code (if any): _____
☐ Estate	☐ Limited Liability Company	☐ Federal Government	☐ OTH Government	
☐ Government	☐ Partnership	☐ VA State Agency	☐ Other	
☐ Non-Profit	☐ Corporation			

Contact Information

Legal Address:	Name:	
	Email Address:	
City: State : Zip Code:	Business Phone:	
Remittance Address:	Fax Number:	
	Mobile Phone:	
City: State : Zip Code:	Alternate Phone:	

Section 2 - Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined later in general instructions), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See instructions titled Certification

Printed Name:		
Authorized U.S. Signature:		Date:

2019 AAF COST WORKSHEET

PC Number:

Type legibly all required information in the sections below. Use this Worksheet to claim costs for Tasks and Materials listed on an Activity Authorization Form (AAF). AAF costs for each corrective action phase or sub-phase must be listed on separate cost worksheets. List claimed costs by Task or Material Code.

All costs on this worksheet are for the following Corrective Action phase (Choose only one):				<Work Phase>		Date Prepared		
Consultant:		Sub-Phase or Addendum No.:			Heating Oil Category (If Applicable)		<HO category>	
Consultant Email:								
Code	Description	Unit Type	Number of Units Claimed	Contractor Name	Invoice Number	Invoice Date	Sub Invoice No. (If Applicable)	Costs Claimed

Soil Hauling

Code	Description	Unit type	Number of Units Claimed	Contractor Name	Invoice Number	Invoice Date	Sub Invoice No. (If Applicable)	Costs Claimed
T241	Soil Hauling < 75 Tons the First 100 Miles (use T242 for additional hauling miles over the first 100 miles)	Ton						
		Miles						
T242	Soil Hauling < 75 Tons Over 100 Miles (use this Code only for hauling miles that exceed the first 100 claimed on T241)	Ton						
		Miles						
T243	Soil Hauling > 75 Tons the First 100 Miles (use T244 for additional hauling miles over the first 100 miles)	Ton						
		Miles						
T244	Soil Hauling > 75 Tons Over 100 Miles (use this Code only for hauling miles that exceed the first 100 claimed on T243)	Ton						
		Miles						
						GRAND TOTAL CLAIMED FOR THIS PHASE		$0.00

Revised: 08/01/2019

007 UCR Schedule Fuel Surcharge Worksheet*

Fuel surcharges reimbursed based on fuel consumption

*This Worksheet must be completed for each fuel charge claimed.

Service or Equipment:

Surcharge applied to: _____

e.g. soil treatment, vac truck, excavator M1790 or type & size

Fuel Cost:

A.	Date of Service (if multiple dates, last day):	_____
B.	Per Gallon Cost of Fuel Used:	_____

You may use the rate from the table at the link below for the ***Lower Atlantic Region*** *for the week of the service:* https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r1z_w.htm

C.	Benchmark Fuel Price (Average for 2004):	$0.00	**Select Fuel Here:**
D.	Per Gallon Difference in Fuel Cost:	$0.00	
E.	Total Gallons Consumed (J+M **OR** N):	0.0	**Choose:**
F.1	Number Pieces of the **same** equipment:	1	Enter 1 or Total #
F.2	Line E x F1:	0	

Basis for Estimate on Line E:

1. **On-Road Fuel Consumption:**
   - **G.** Estimated Fuel Mileage (mpg): _____
   - **H.** Roundtrip Distance Traveled: _____
   - **I.** Gallons Consumed: _____
2. **On-Site Fuel Consumption:**
   - **J.** Estimated Fuel Consumption Rate (gph): _____
   - **K.** Hours Operated: _____
   - **L.** Gallons Consumed: _____
3. **Other Method - Describe Below:**

Surcharges must be based on fuel cost; a surcharge that is a percentage of costs incurred is not eligible for reimbursement

_____

_____

_____

M. Gallons Consumed: _____

Maximum Fuel Surcharge Allowed:

N. Line D x Line G: $0.00 plus allowed markup

NOTE: When the subcontractor's surcharge invoice is less than Line N, only claim the invoiced amount plus markup.

Effective 3/1/2007

2019 UCR Schedule Fuel Surcharge Worksheet*

Fuel surcharges reimbursed based on fuel consumption

*This Worksheet must be completed for each fuel charge claimed.

Equipment:

Surcharge applied to: _____

e.g. soil treatment, vac truck, excavator M1790 or type & size

Fuel Cost:

A. Date of Service (if multiple dates, last day): _____

B. Per Gallon Cost of Fuel Used: _____

You may use the rate from the table at the link below for the ***Lower Atlantic Region*** *for the week of the service:* https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r1z_w.htm

C.	Benchmark Fuel Price (Average for 2018):	$0.00	Select Fuel Type:
D.	Per Gallon Difference in Fuel Cost:	$0.00	
E.	Total Gallons Consumed (J+M **OR** N):	0.0	Choose:
F.	Number Pieces of the **same** equipment:		Enter 1 or Total #
G.	Line E x F:	0	

Basis for Estimate on Line E:

1. On-Road Fuel Consumption:

H. Estimated Fuel Mileage (mpg): _____

I. Roundtrip Distance Traveled: _____

J. Gallons Consumed: _____

2. On-Site Fuel Consumption:

K. Estimated Fuel Consumption Rate (gph): _____

L. Hours Operated: _____

M. Gallons Consumed: _____

3. Other Method - Describe Below:

Surcharges must be based on fuel cost; a surcharge that is a percentage of costs incurred is not eligible for reimbursement

_____

_____

_____

N. Gallons Consumed: _____

Maximum Fuel Surcharge Allowed:

O. Line D x Line G: $0.00 plus allowed markup

NOTE: When the subcontractor's surcharge invoice is less than Line N, only claim the invoiced amount plus markup.

Effective: 8/1/2019