

Underground Storage Tank Cleanup Fund Budget Approval Instructions

The purpose of the new USTCF budget approval process is to obtain a realistic, state-wide estimate of future corrective actions costs for all Priority B and C claims. The Fund needs to closely match reimbursements to available storage fee revenue. The new budget forms are designed to provide the necessary budget data to the Fund and regulators with minimal burden to claimants and consultants. The initial Budget Requests must be submitted to the Fund by February 1, 2009.

Regulatory approval is not required prior to completing the Budget Request forms. The listed activities are those that you believe are necessary to move the site to closure and for which you anticipate will receive regulatory approval. The budget data collected by the Fund will be shared with state and local regulators, so that they can be aware of your planned activities and projected costs. The costs should be realistic estimates, based on your past experience on UST sites in the area. There is no requirement to obtain bids or otherwise give precise estimates for future work. The Cost Guidelines may also be used to develop your budget, but it is not necessary to break down the costs any further than the Work Phases and tasks listed on the spreadsheet.

The Budget Approval should not be confused with the Fund's Cost Pre-Approval program. The Budget Approval is a new requirement that has been made necessary because of funding shortfalls and the slow progress of bringing sites to closure. The Fund is currently processing Cost Pre-Approvals for significant expenditures, such as installation and operation of long-term remediation systems, however Pre-Approvals remain optional at this time.

Budget Approval Request forms should be filled out and submitted for each Priority B and Priority C claim for which a letter of commitment (LOC) has been issued, excluding claims with suspended LOCs. It is preferred that the forms be submitted electronically, but the Fund can also accept hard copies or faxes. Electronic copies of the budget forms can be e-mailed to USTCF_Payments@waterboards.ca.gov. See the posted examples of completed Budget Approval Request forms on the USTCF web site at http://www.waterboards.ca.gov/water_issues/programs/ustcf/

Upon receipt of a completed Budget Approval Request, the Fund will send you a notice of receipt. If there are problems with the budget, the Fund will contact the claimant or consultant. We will issue an approval when our review is complete. Work should continue while our review is in progress. Nothing in this budget approval process affects the obligation to prepare workplans and obtain approvals from your regulatory agency for all corrective action work.

Specific Instructions for the Budget Request (cover sheet)

The Budget Approval Request should be self-explanatory. The heading information includes the Claim number, Region, Geotracker Global ID and site address. For questions 1 and 2, please provide a brief explanation of the overall objectives to be accomplished and the specific activities planned for the next 18 months (six quarters). For example, an answer to question 1 might be "Continued groundwater monitoring, while completing delineation of the dissolved hydrocarbon plume". The answer to question 2 might be: "Quarterly monitoring of 7 groundwater monitoring wells. Advancement of soil borings on the south part of the property. Conversion of 2 borings to monitoring wells. Development of a Corrective Action Plan by the third quarter 2009."

Question 3 is the total budget projection for the 18-month period from January 2009 through June 2010. This information should be the same as the total on the bottom right-hand corner of the Budget Breakdown spreadsheet. Questions 4 thru 6 are included to provide the state board and local regulators with information regarding anticipated site closure requests. The forms should be signed and dated by both the claimant and consultant. If you submit the forms electronically you should scan a copy of the signed form and submit it as a PDF.

Specific Instructions for the Budget Breakdown (Excel spreadsheet)

The spreadsheet can be downloaded from the Fund website and saved as an Excel file. You can then fill it out and send it as an e-mail attachment to USTCF_Payments@waterboards.ca.gov

For the purposes of the new budgeting forms, corrective action activities have been broken down into eight "Work Phases." Use of this breakdown structure will enable claimants, consultants, regulators and Fund staff to have a common understanding of where costs are incurred. It is anticipated that use of the new Work Phases in invoices will improve the accuracy and timeliness of reimbursement request reviews by the Fund.

- 1) Project Management – This phase includes costs for meetings, correspondence, supervision and coordination that are not directly associated with other corrective action activity. Most project management tasks are not associated with written deliverables, such as work plans and reports.
- 2) Site Assessment – This phase includes all activities to determine the nature and vertical and lateral extent of the unauthorized release. Activities may include soil borings, monitoring well installations, collection and analysis of soil, water and vapor samples, completion of work plans and assessment reports. Costs to develop and validate a Site Conceptual Model should be assigned to this phase.

- 3) Groundwater Monitoring – This phase includes all activities associated with data collection, sampling, analysis, reporting and waste disposal associated with routine periodic groundwater monitoring.
- 4) Interim Remedial Action – This phase includes all activities associated with active remediation that takes place prior to completion of a Corrective Action Plan. This activity may include removal of free product, limited soil excavation, or short term extraction of contaminants from soil vapor and/or groundwater.
- 5) Remedy Selection – This phase includes all activities associated with determining the most cost-effective remediation strategy to achieve the final cleanup objectives. Activities could include alternative screening, bench-scale tests, pilot tests, workplans and reports. This phase generally culminates with submission of a complete Corrective Action Plan to the lead regulatory agency.
- 6) Remedial Implementation – This phase includes all activities associated with implementing a Corrective Action Plan. Activities might include production of a Remedial Action Plan, detailed system design, installation of injection or extraction wells, purchase and installation of treatment systems, waste disposal and reporting.
- 7) Remedial System Operation & Maintenance (O&M) – This phase includes all activities associated with operating a remedial system, such as an ozone sparge, soil vapor extraction or dual phase extraction system.
- 8) Closure – This phase includes all activities associated with site closure evaluation, closure requests and site restoration. These could include Human Health Risk Assessment and vapor intrusion assessments.