

State Water Resources Control Board

Underground Storage Tank (UST) Cleanup Fund News: Fiscal Year 2016-17 Annual Site Budgets / Budget Change Requests / Project Execution Plans for BCRs (June 16, 2016)

ANNUAL SITE BUDGETS

As you know, Annual Site Budgets for Fiscal Year (FY) 2016-17 were posted on March 16, 2016. The UST Cleanup Fund allocates an Annual Site Budget for active claims each fiscal year. An Annual Site Budget is a set-aside of funds for a claim for the fiscal year. The amount of the Annual Site Budget is not a commitment to reimburse that amount. Only incurred costs that are determined to be reasonable and necessary can be reimbursed. Annual Site Budgets are subject to change depending on claim status and site conditions. The list of FY 2016-17 Annual Site Budgets is available on the website at: http://www.waterboards.ca.gov/water_issues/programs/ustcf/.

BUDGET CHANGE REQUESTS – Beginning FY 2016-17

- A claimant may submit a Budget Change Request (BCR) to request a change to the Annual Site Budget. BCRs may request: (1) an increase or decrease in the Annual Site Budget, and/or (2) a change in the Budget Category. Instructions for submittal of FY 2016/17 BCRs are provided below.
- BCRs are reviewed to address future costs for planning purposes. **BCRs to increase budgets will not be accepted for review if submitted after costs greater than the Annual Site Budget have been incurred.**
- Review of FY 2016-17 BCRs may not begin until after July 1, 2016, due to the UST Cleanup Fund workload. BCRs are reviewed in order of date received.
- BCR decisions are sent by letter to the claimant with a copy to the consultant. The BCR decisions are also posted as a list on the UST Cleanup Fund's website where they are available to the regulatory agency.

BCR CONTENT

- Claims expecting to meet case closure criteria by July 2017, must include:
 - Budget Change Request Form **signed by the claimant.**
 - Annual Budget Project Narrative:

The Annual Budget Project Narrative provides a brief overview of the case, the proposed scope of work for the BCR, and the justification for that scope of work. The proposed scope of work should reflect those tasks that need to be completed to meet closure criteria.

USTCF Budget Breakdown:

The USTCF Budget Breakdown provides the estimated costs for the scope of work identified in the Annual Budget Project Narrative. The estimated costs should be broken into a work phase by task.

Remediation Information Form (RIF):

The RIF is currently submitted if you anticipate or plan installation of a remediation system. Remediation system costs that are not reasonable and necessary will not be reimbursed. Therefore, review by UST Cleanup Fund staff is strongly recommended prior to expenditure of costs (ordering, renting, purchasing or installing the system or its components).

- Claims NOT expecting to meet case closure criteria by July 1, 2017 must include the following to support the BCR review. [Note: Claims expecting to meet closure criteria by July 1, 2017 may choose to submit the following]:

Budget Change Request Form **signed by the claimant.**

Project Execution Plan (PEP):

The PEP is a governing document that lays out a multi-year budget plan with the tasks and estimated costs by fiscal year to meet case closure criteria, developed and concurred by the claimant with their consultant, regulatory agency staff, and UST Cleanup Fund staff (known as the Joint Execution Team [JET]). The budgets on the PEP are not a commitment to reimburse that amount. Only incurred costs that are determined to be reasonable and necessary can be reimbursed.

Once the PEP is finalized, the Annual Site Budget will be adjusted for FY 2016-17. The estimated costs for the remaining years to case closure will be the tentative budget for those years. Each fiscal year, the Annual Site Budget will be based on the most recent update of the PEP, which should occur at least annually. Any JET member can initiate a PEP review, and if the claimant thinks the multi-year budget plan in the PEP is inadequate, the claimant should use the BCR process to initiate a review.

The PEP is an Excel workbook with labeled worksheets designed to capture specific information pertaining to the case. The PEP includes the following:

- Instructions for PEP Worksheet

The PEP Instructions Worksheet provides detailed instructions on how to complete the other worksheets.

- Cover Page Worksheet

The Project Cover Worksheet provides basic, high-level information about the project. **No entry is required on this worksheet.**

- Summary Page Worksheet

The Project Summary Page Worksheet provides a summary of the conceptual site model (CSM). In addition, it identifies the closure criteria that have not yet been met. The tasks needed to meet the criteria, estimated task annual budgets, and the task schedule do not require separate entry on the Project Summary Page because they are entered on other pages.

- Multi-Year Budget Plan Worksheet

The Multi-Year Budget Plan Worksheet summarizes the information entered on the Detailed Cost Estimating Worksheets. **No entry is required on this worksheet.**

- Detailed Cost Estimating Worksheets

Each of the individual detailed cost estimating worksheets is labeled by work phase. Information on labor hours and materials entered on these worksheets builds the cost estimates for the tasks shown on the Project Summary Sheet.

- Site Location Map Worksheet

The Site Location Map Worksheet is ready for pasting the most recent site location map to assist with the PEP development, including the entire site, adjacent streets, a north arrow, a scale, and other information used to locate the site.

- Remediation Information Worksheet (if applicable)

The Remediation Information Worksheet is included for sites operating or planning to operate a remediation system. The Remediation Information Worksheet informs the JET members whether remediation efforts are effective and supports the task, budget, and schedule. [The Remediation Information Worksheet contains the same information as the Remediation Information Form (RIF), submitted with BCRs that are closing before July 2017.]

For more information about the PEP, refer to:

http://www.waterboards.ca.gov/water_issues/programs/mercury/docs/pep_lyris_061616.pdf.

BCR REVIEW PROCESS:

BCRs without PEPs (Case closure by July 2017):

- UST Cleanup Fund staff will review the BCR documents and evaluate the supporting documents.
- If UST Cleanup Fund staff determines that additional information is needed for the review, the claimant will be contacted to obtain the necessary information. In some cases, the regulatory agency will be consulted regarding the scope of work.

BCRs with PEPs (Case closure after July 30, 2017):

The regulatory agency staff will receive the PEP. UST Cleanup Fund staff will review the BCR and PEP documents and, as appropriate, will contact the claimant and regulatory agency staff. Revision of the PEP may be needed for concurrence by the JET members.

BCR INSTRUCTIONS:

- The BCR and accompanying forms can be found at:
http://www.waterboards.ca.gov/water_issues/programs/ustcf/forms.shtml.
- The UST Cleanup Fund accepts BCRs through the CUF Documents portal in GeoTracker.
- The BCR form and worksheets from the PEP Excel Workbook should be uploaded to GeoTracker in PDF format as a CUF Document.
- Instructions on how to upload BCRs and other CUF documents can be found at:
http://www.waterboards.ca.gov/water_issues/programs/ustcf/gto/.
 - More detailed information about the PEP can be found at:
http://www.waterboards.ca.gov/water_issues/programs/mercury/docs/pep_lyris_061616.pdf.
- The PEP Excel Workbook should also be sent by email to the General Fund Email account: ustcleanupfund@waterboards.ca.gov.

IMPORTANT:

The UST Cleanup Fund, in conjunction with the Office of Enforcement Fraud, Waste, and Abuse Unit, routinely audits, investigates and, as necessary, prosecutes for fraud, waste, and abuse against the program. Each claimant is responsible for actively monitoring its consultant and thoroughly examining costs in RRs submitted to the UST Cleanup Fund. Claimants should question costs that are not clear or appear inconsistent with activities being conducted at the site. Consultants should use professional judgment and raise issues to their claimants, regulatory agency, and the UST Cleanup Fund. Consultants should also

ensure invoices adhere to requirements as stated in Health and Safety Code section 25299.57(b)(2)(C) and Fund Regulations section 2812(d).

All claims are subject to audit at any time. Claimants and their consultants should maintain an accurate record-keeping and financial management system that provides efficient accountability of all reimbursed funds used to clean up the above-mentioned site. Retain records continually for at least three years after final payment from the UST Cleanup Fund. The retention period shall be extended until completion of any audit in progress.

~~~HELPFUL LINKS~~~

UST Cleanup Fund Website:

http://www.waterboards.ca.gov/water_issues/programs/ustcf/

Instructions on how to upload BCRs and other CUF documents:

http://www.waterboards.ca.gov/water_issues/programs/ustcf/gto/

~~~CONTACT US~~~

If you have any questions, please contact us by email to:

ustcleanupfund@waterboards.ca.gov

Subject Line: "FY 2016/2017 Budget Change Request"

Email inquiries will be responded to within 48 hours.

Telephone Message Line: 1-800-813-Fund (3863)

Telephone messages will be responded to within 48 hours.