



REIMBURSEMENT APPLICATION

for the

ARKANSAS PETROLEUM STORAGE TANK TRUST FUND

PETROLEUM STORAGE TANK TRUST FUND

REIMBURSEMENT PACKAGE

Act 173 (1989) of the Arkansas Legislative Assembly established the Petroleum Storage Tank Trust Fund (Trust Fund) to provide a procedure and funds for the recovery of costs related to leaking underground storage tanks (UST).

The purpose of the Act was twofold:

- (1) To help petroleum distributors with the potentially high costs of mitigating the public health and environmental damages of a leaking UST, and
- (2) To partially provide a means of meeting the financial responsibility provisions of the Federal Regulations for UST systems. (40 CFR 280.90, Subpart H)

The legislation established the Arkansas Department of Environmental Quality (ADEQ) as the implementing agency in Arkansas for the program, and required the ADEQ to promulgate rules and regulations for its implementation. The result was ADEQ Regulation 12.

As of April 22, 1990, responsible parties (owners/operators, or their designated representatives) could apply to the ADEQ for reimbursement of costs of remedial action related to a release of product from qualified USTs and/or ASTs. Only costs related to an incident which occurred on or after February 22, 1989, are potentially eligible for reimbursement.

Each application must be submitted in accordance with the forms and instructions of the reimbursement package. A computer version of forms can be obtained by accessing our web site "<http://www.adeq.state.ar.us/rst/trustfund.htm>". Partial reimbursement requests for incomplete projects may be submitted at ninety (90) day intervals.

CONDITIONS FOR APPROVAL

Approval of an application for reimbursement will be based on the following conditions:

- (1) Tank(s) was registered and all annual fees required by state laws and regulations have been paid up to date for each tank.
- (2) The tank was in substantial compliance as defined by State law as amended by Act 1471 of 2001, at the time of the release. An annual self-inspection audit form is required for each tank.
- (3) The ADEQ was given 24 hours notice of the release in compliance with State law and ADEQ's regulation 12.

- (4) The responsible party cooperated fully with the ADEQ in corrective action to address the release.**
- (5) All work plans and estimated costs for the site assessment through corrective action were approved by the ADEQ, and the costs submitted are both reasonable and allowable.**
- (6) The ADEQ has determined that the release occurred and costs were incurred for the project on or after February 22, 1989.**
- (7) The responsible party has satisfied the deductible established for the occurrence. This amount shall be the first \$25,000, \$15,000 or \$7,500 of the reasonable and allowable costs that were incurred on or after February 22, 1989. The deductible is \$15,000 if reported on or after August 1, 1997 and before July 30, 1999. The deductible is \$7,500 on or after July 30, 1999.**

DATE OF REIMBURSEMENT ELIGIBILITY

The initial date of eligibility for reimbursement of expenses related to an occurrence is:

- 1) The eligible costs will begin to accrue on the date the release report was filed with the Department in response to an occurrence.**
- 2) The effective date of a Consent Administrative Order requiring corrective action, or other Department agreement with the Responsible Party.**

Unless previous arrangements are made with the Department, work performed before these dates or for other purposes will not be eligible for reimbursement.

ALLOWABLE COSTS

Allowable costs are those which arise directly from the performance of necessary corrective action in accordance with the requirements of the State and Federal regulations. The determination of which specific costs are allowable will be made on a case-by-case basis. However, the following costs will generally be reimbursable.

- (1) Site investigation, testing, and monitoring necessary for the preparation of an approvable Corrective Action Plan, and preparation of the plan.**
- (2) Emergency operations to address public health and environmental hazards.**
- (3) Recovery, treatment, and disposal of contaminated soils and groundwater.¹**
- (4) Removal of leaking storage tanks, when performed as a necessary part of the remediation.**
- (5) Laboratory and analytical services. (To be accepted as reasonable under Regulation 12, lab rates should compare favorably with the charges of Arkansas independent laboratories.)**
- (6) Installation and operation of environmental monitoring facilities, such as piezometers, monitoring wells, sampling stations, and so forth.**
- (7) Under certain circumstances and conditions, limited expenses for access to third-party property for remediation.**
- (8) Replacement of contaminated water wells or water supplies.**
- (9) Inspection, supervision, and other project management costs.**
- (10) Construction and installation costs for remediation equipment.**
- (11) Rental charges and maintenance costs for remediation equipment.²**
- (12) Necessary travel cost (least cost alternative) for corrective action.**

All claims will be subject to audit by the Department, or other appropriate parties. Certain costs are ineligible, see regulation 12, Chapter 3, section 12.312 (g).

1. Soil and groundwater removal and backfill costs must be negotiated with ADEQ before expenditure. ADEQ may grant additional cost approval as the project requires.

2. See RST Cost Control Guidelines Document - May 1995 and Regulation 12, Chapter 3, section 12.312 (g) (5).

DISCOVERY AND REPORTING OF A RELEASE DURING UNDERGROUND STORAGE TANK CLOSURE

If, at any time during closure, a level of contamination is encountered (i.e., free product or saturated soil) significant enough to indicate a release from the UST system has occurred, this should be reported to ADEQ within 24 hours of the discovery. Determination of eligible costs will be made from that point.

When a contractor's closure report is received and reviewed by the Department and the level of contamination indicated by the sample results warrant further assessment/remediation, a leak report will be generated by RST Division staff, and eligible costs from that point will be reviewed. However, this does not preclude the owner/operator from being subject to fines or penalties for noncompliance with the release reporting requirements as stated in 40 CFR 280.50.

No costs associated with routine elective tank closure work will be covered under the trust fund, nor will they apply toward the corrective action deductible. Examples of such work are:

1. Site preparation (uncovering tanks and lines, product/sludge removal from tank, etc.);
2. Excavation/disposal of the tank, piping system and backfill;
3. Required sampling of the tank excavation;
4. Backfilling of the excavation; and
5. Replacement of surface material (asphalt cap, concrete drive, etc.).

The costs of any other work performed during the six critical junctures of a routine elective closure as outlined by Arkansas Regulation No. 12, Chapter Five, Section 12.502(E), will not be considered eligible for trust fund coverage or application toward the deductible.

(Closure bulletin 7/19/93, REVISED 8/01/02)

STEPS FOR REIMBURSEMENT

- (1) For the purposes of this document, it will be assumed that an eligible underground or aboveground storage tank has had a release, the release has been reported, eligibility confirmed by the RST Trust Fund Section, and either an interim payment has been requested or a remediation project has been successfully completed and final payment requested.**
- (2) The owner/operator will contact the ADEQ to request an application form for reimbursement. The application form is available on ADEQ's internet site (www.adeg.state.ar.us) or the tank owner may request the form be mailed.**
- (3) The owner/operator or his designated representative (consultant) will complete the form, attaching any required supporting documentation. After notarization, the application is sent to the Regulated Storage Tank (RST) Division.**
- (4) A review of the expenses claimed on the form will be made by RST Division staff:
 - (A) A review of the reimbursement claim will be made to determine whether all the required supporting documentation has been included with the forms.**
 - (B) The expenses will be checked against the work plan to see if they are appropriate to the project.****

If necessary, additional information needed to support or document the claim will be requested.

- (5) RST Division staff will prepare a summary report of the incident, to include:
 - (A) The circumstances of the release.**
 - (B) The development of responsible party and Department response.**
 - (C) The basic elements of the remediation plan and project.**
 - (D) The results of the project.****

The report will also include the recommendations of the staff regarding payment. If certain parts of the reimbursement will not be allowable, the reasons for denial must be given.

- (6) The completed form and staff report will be mailed to the Advisory Committee members before the next meeting. Any immediate questions about the project or staff work can be answered by telephone calls from the individual members of the Committee to the staff.**
- (7) At the subsequent meeting of the Advisory Committee, a vote by the quorum will be taken on the acceptance of the application and staff recommendations. If needed, more information may be requested from the RP, either verbally or in written form.**
- (8) Acceptance or rejection of the staff recommendations will be a part of the minutes of the Advisory Committee meeting. The Chairman of the Advisory Committee will complete a standard form which declares the recommendations of the Committee to the Director. The standard form will have a place for the signature of each Committee member, as well as the signature of the Chairman.**

The Director will review the recommendations of both the staff and the Advisory Committee and either approve or deny payment of the claim.

INSTRUCTIONS
for completing
APPLICATION FOR REIMBURSEMENT

This application for reimbursement closely parallels the Federal program for contract services. Six pages are used to summarize actual costs for remediation:

- Page 1 - An information sheet to describe the site and responsible party information needed to process the claim.
- Page 2 - A one-page COST SUMMARY to summarize three basic cost categories (TF-1).
- Page 3 - A certification of the accuracy of the claim signed by the responsible party, and acknowledged by a notary. A certification from the consultant may also be required.
- Page 4 - DIRECT PERSONNEL COST RECAP sheet, include employee's name, title, number of hours charged to project, actual hourly rate (W-2), and total direct labor cost.
- Page 5 - OTHER DIRECT COST RECAP sheet, include a breakout of each category.
- Page 6 - LABOR ATTACHMENT sheet, include brief description of each task charged to the project, also include date, employees' name, title and number of hours.

Certain supporting documentation must be provided for each of the cost categories, and examples of required or permissible types will be given in the instructions. In addition, Arkansas Regulation No. 12 requires that proof of payment of the costs claimed must accompany the application. Each application must have a summary of activities report when requesting reimbursement. The summary of activities report must contain a specific time period and a narrative describing the activities accomplished for the reimbursement request. The request for reimbursement should also include any problems encountered, prognosis, and a projected completion date for a specific phase or project.

Attach a copy of IRS form W-9 which includes the RP's Federal Tax Identification number. This is required before payment of the claim for accounting purposes.

Before mailing:

Before the packet is submitted, it should be checked for completeness. All blanks must be completed. Where supporting documentation is required by the instructions, it must be legible, and it must be attached. Failure to do so will result in the return of the packet to the sender, and reimbursement will be delayed.

After the packet is completed and the necessary documentation is included, it should be sent to:

**Attention: Regulated Storage Tank Division
Arkansas Dept. of Environmental Quality
5301 Northshore Drive
North Little Rock AR 72118-5317**

General Instructions

- **PLEASE type or print carefully all information requested.**
- **Carefully read all instructions in the following sections. Some of the items are not self explanatory. An example is provided on colored pages at the end of the packet. Please study the example carefully before completing the form.**
- **Only one copy of each form is included. If you need additional copies, please make what you need, or contact the ADEQ. It is recommended that photo copies be made of the original forms, and any initial entries be made on the copies. The final figures should then be transcribed to the originals.**
- **Where attachments are used to explain individual aspects of the cost summary, those attachments must be keyed by reference numbers.**
- **Each page submitted for a claim will be copied more than once, and each page will become part of our filing system. In order to facilitate this process, all documents submitted must be standard letter size (8.5" X 11"), legible and suitable for photo copying. Do not send originals of supporting documentation.**
- **Please number each page.**

Instructions for Page 1 - SITE INFORMATION

- Item (1) Each tank site in Arkansas has an identification number. If you do not know your number, get it from the ADEQ. All remediation activity and the associated Trust Fund activity will be keyed to this number.**
- Item (2) Enter the requested data about the responsible party.**
- Item (3) This is the location (street) address of the release site. It should be complete enough for a person unfamiliar with the site to locate it.**
- Item (4) Due to differences in the regulatory status, separate accounting is necessary for UST and aboveground tank sites. Check only one.**
- Item (5) List the type(s) of product released.**
- Item (6) Federal tax identification number, IRS Form W-9.**

Instructions for Page 2 - COST SUMMARY

This portion of the form usually is completed by the prime consultant or contractor for the corrective action. The format generally follows the actual cost breakdowns of the EPA Form 5700-41 program, utilizing the cost principles of 48 CFR 31.1 and 31.2, as modified by Arkansas Regulation No. 12.

The major difference between this program and the EPA version is that the Form 5700 is used for estimated costs in advance of actual work delivered. The COST SUMMARY is used as a standard method of breaking down cost claims which reconciles the differences between the billing systems used by various consultants, for work which has already been delivered, billed and for which payment has been made.

Please read the following instructions carefully. Not all of the items are self-explanatory. The most common reason for returning applications without reimbursement is failure to correctly complete the COST SUMMARY portion.

Item (1) - DIRECT PERSONNEL COSTS

Direct Personnel Costs will be actual salary or wage costs (W-2 Form) on an hourly basis at regular time rate only. Total direct personnel expenses should be allocated according to the categories shown, including the total hours and actual cost for each category. Enter the Direct Personnel Cost Total in the space provided.

Supporting Documentation Required

An appropriately-referenced attachment must be used to recap the Direct Personnel Cost category totals, and it must provide the following information for each employee: Name, Employee Title or Classification, Hours Claimed, Hourly Pay Rate, and Line Total. It may be in any format which provides the necessary information, although a spreadsheet or tabular approach is suggested.

The recap must be supported by additional documentation:

- A) Invoice or billing statement requesting payment.
- B) Evidence that the payment has been made.

Item (2) - INDIRECT COSTS

Most of the difficulty with completing the COST SUMMARY lies with Indirect Costs. Please read and follow the instructions carefully, and take another look at the example form before proceeding.

Indirect Costs are allocated within individual firms by a variety of methods. For the purposes of this program, however, cost pools must be included for Indirect Personnel Costs and General and Administrative (G & A) Costs. Additional pools may be added, if required.

Some multiple of direct costs must be used for each indirect cost pool. A suitably-referenced attachment must be used to describe the consultant's method of determining such costs for each pool. Indirect Costs must not include advertising, entertainment, political contributions, officers life insurance premiums, bad debts and profit to the consultant.

Enter the multiplier (or rate) for each cost pool, and the total actual cost allocated to that cost pool. Enter the Indirect Costs Total in the space provided.

The explanation of the method of determining each indirect cost pool must include historic cost data for the preceding fiscal period. No exceptions will be made.

If field supplies, travel, mileage, freight charges and telephone expenses are charged to the job site as direct costs, then these and other similar costs should be excluded from the cost pool.

Item (3) - OTHER DIRECT COSTS

Other Direct Costs are those costs reasonable and allowable under Arkansas Regulation No. 12 and the Trust Fund Cost Control Program, and which can be directly allocated to corrective action at the subject site. Other direct costs may include:

- (1) Travel costs, including daily subsistence and transportation costs. Airfare is generally not reimbursable. However, airfare and related costs may be paid if the total is equal to or less than comparable land travel.
- (2) Eligible equipment rentals documented as rented from third-party. "Tools of the Trade" as defined by the cost control document must be carried as indirect cost rather than charged to the project unless an actual third part receipt is provided. Photocopies, photocopy paper and other office supplies are considered to be overhead and not reimbursable.

- (3) Subcontracts. For each subcontract above \$10,000, a separate Cost Summary (Form TF-1) completed by the subcontractor must be appended and properly referenced. Subcontract work with a cost of more than \$5,000.00 should show documentation of three or more written bid proposals with unit cost and quantities specified.**
- (4) Laboratory and analytical charges unless they exceed the amounts considered reasonable in Arkansas. Only laboratories certified by ADEQ's Technical Services Division will be eligible for reimbursement.**
- (5) Other allowable costs not included in the above categories.**

Instructions for Page 2 continued:

Total Other Direct Costs should be allocated according to the categories shown. The actual, invoiced cost to the project should be used. Direct cost overhead, if claimed, must be claimed as an indirect cost. Enter the Other Direct Costs total in the space provided.

A properly-referenced attachment must be used to recap the Other Direct Costs, by category, and it must provide the following information for each invoiced or billed item: A description of the item, the quantity used, the unit cost, and the line total. Please be specific. It must be possible to find each item in the supporting documentation.

Supporting documentation required to support the recap of Other Direct Costs might include, but is not limited to: invoices, billing statements, cash tickets, or receipts. These materials should be descriptive enough or itemized to the extent that the work performed is clearly indicated. If not, a narrative must be attached, which describes the work performed in detail. Also needed is evidence that the costs incurred have been paid.

Item (4) - TOTAL ACTUAL COST

Enter the total for all DIRECT PERSONNEL COSTS, INDIRECT COSTS, and OTHER DIRECT COSTS.

Item (5) - PROFIT TO CONSULTANT/CONTRACTOR

Under the Federal definition, profit is considered the excess of invoice price over total actual cost. Since certain customary costs of doing business, such as bad debts, are not allowable, true profits to the consultant/contractor may not be reflected by the dollar figure entered here.

Item (6) - TOTAL CLAIM AMOUNT

Enter the TOTAL CLAIM AMOUNT for this claim. Any deductibles required will be subtracted by Department staff after the reimbursement application is processed.

Instructions for Page 3 - CERTIFICATION

Page 3 of 3 contains the certification language required by Arkansas Regulation No. 12, Chapter Three, Section 12.308 (E). It must be signed by the responsible party and acknowledged by a notary.

Date _____

APPLICATION FOR REIMBURSEMENT
from the
PETROLEUM STORAGE TANK TRUST FUND

(1) ADEQ Identification Number: _____

(2) Responsible Party Information:

Company Name _____

Contact Person _____

Address _____

City and State _____

Zip Code _____

Phone () - _____

(3) Release Location:

Facility Name _____

Address _____

City and State _____

(4) Type of Tank (check only one):

Aboveground Underground

(5) Type of Product Released:

Gasoline Kerosene Jet Fuel Diesel Heating Oil
Aviation Gas Used Motor Oil Other (list) _____

Date of Release ____/____/____ Release (LUST) Number _____

(6) Federal Tax I.D. Number - IRS Form W-9. _____

Contractor / Responsible Party :

Facility: _____	ID# _____
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Dates current costs incurred: From _____ to _____	Request date: _____
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COST SUMMARY (PLEASE READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING)

1. DIRECT PERSONNEL COST	Hours	Actual cost	TOTALS	
Principal/Managerial		\$		
Professional/Technical		\$		
Support		\$		
DIRECT PERSONNEL COST TOTAL:			\$.00	
2. INDIRECT COSTS (Specify cost pools attach explanation)	Base	Rate	Actual Cost	
Indirect Personnel	\$			
G & A Costs	\$		\$	
INDIRECT COSTS TOTAL:				\$.00
3. OTHER DIRECT COSTS (List by category -attach recap)			Actual Cost	
Equipment Rental			\$	
Travel and Per Diem (None if in G & A)			\$	
Laboratory (If over \$10,000, attach separate TF-1)			\$	
Subcontracts (If over \$10,000, attach separate TF-1)			\$	
Other			\$	
OTHER DIRECT COSTS TOTAL:				\$.00
4. TOTAL ACTUAL COSTS				\$.00
5. PROFIT TO CONSULTANT/CONTRACTOR (Percentage ____ %)				\$.00
6. TOTAL CLAIM AMOUNT				\$.00
A. Total Contract Billing to Date Including Above:				\$.00
B. Amount Deductible (\$25,000, \$15,000 or \$7,500 see page 2 item 7)				\$.00
C. Amount Previously Retained/Disallowed by RST:				\$.00
D. Amount Previously Received (paid by ADEQ):				\$.00
E. Amount of this Request (same as line 6 above):				\$.00

CERTIFICATION

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information is, to the best of my knowledge and belief, true, accurate, and complete. I also certify that the amounts claimed for reimbursement under this application have been paid in full. I further certify that I have the authority to submit this application on behalf of

_____.

Print/type name of Owner/Operator or Responsible Party

Signature of Owner/Operator or Responsible Party

ACKNOWLEDGMENT

Sworn to and subscribed before me this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

Interim Request No		Page		of	
Contractor/ Responsible Party :					
Facility:					
Dates current costs incurred: From				to	
				Request date:	
COST SUMMARY					
(PLEASE READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING)					
1. DIRECT PERSONNEL COST		Hours	Actual cost	TOTALS	
Principal/Managerial			\$		
Professional/Technical			\$		
Support			\$		
DIRECT PERSONNEL COST TOTAL:				\$	
2. INDIRECT COSTS (Specify cost pools attach explanation)		Base	Rate	Actual Cost	
Indirect Personnel		\$		\$	
G & A Costs		\$		\$	
INDIRECT COSTS TOTAL:				\$	
3. OTHER DIRECT COSTS (List by category - attach recap)			Actual Cost		
Equipment Rental			\$		
Travel and Per Diem (None if in G & A)			\$		
Laboratory (If over \$10,000, attach separate TF-1)			\$		
Subcontracts (If over \$10,000, attach separate TF-1)			\$		
Other			\$		
OTHER DIRECT COSTS TOTAL:				\$	
4. TOTAL ACTUAL COSTS					\$
5. PROFIT TO CONSULTANT/CONTRACTOR (Percentage ____%)					\$
6. TOTAL CLAIM AMOUNT					\$
A. Total Contract Billing to Date Including Above:					\$
B. Amount Deductible (\$25,000, \$15,000 or \$7,500 - see page 2 item 7)					\$
C. Amount Previously Retained/Disallowed by RST:					\$
D. Amount Previously Received (paid by ADEQ):					\$
E. Amount of this Request (same as line 6 above):					\$

Interim Request No.		Page 4 of 6		
Contractor:				
Facility:		ID#		
Dates current costs incurred: From		to	Request date:	
Direct Personnel Cost Recap				
Name	Title	Hours	Rate	Total
Total Principle/Managerial:				
Total Support:				
Total Direct Personnel Cost:				

Contractor:

Facility:	ID#
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Dates current costs incurred: From	to	Request date:
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OTHER DIRECT COST RECAP

DATE	INVOICE#	VENDORS AND EXPLANATION OF EXPENSE	AMOUNT
		EQUIPMENT RENTAL:	
		TOTAL EQUIPMENT RENTAL:	
		TRAVEL AND PER DIEM:	
		TOTAL TRAVEL EXPENSE:	
		LABORATORY:	
		TOTAL LABORATORY EXPENSE:	
		SUBCONTRACTS:	
		TOTAL SUBCONTRACTS:	
		OTHER EXPENSE:	
		TOTAL OTHER EXPENSE:	
		TOTAL OTHER DIRECT COST RECAP:	

RELATED PARTY - FINANCIAL DISCLOSURE ATTACHMENT

THIS FORM MUST BE COMPLETED IN THE FOLLOWING CIRCUMSTANCES:

- 1. By the Responsible Party if there is ownership or voting control of a vendor of cost included on TF-1. Voting control or ownership of five (5) percent of the company is considered as a related party.**
- 2. By the consultant for any vendor of cost included on Form TF-1 if there is five (5) percent or more ownership or control.**

SECTION 3 - OFFICE OR DIRECTORSHIP

LIST EVERY OFFICE OR DIRECTORSHIP HELD BY YOU OR YOUR SPOUSE IN ANY BUSINESS, CORPORATION, FIRM OR ENTERPRISE SUBJECT TO RECEIVING FUNDS FROM ARKANSAS PETROLEUM STORAGE TANK TRUST FUND.

a) _____
(Name of corporation, firm or enterprise)

(Address)

(Office or directorship held)

(Name of office holder)

b) _____
(Name of corporation, firm or enterprise)

(Address)

(Office or directorship held)

(Name of office holder)

SECTION 4 - SIGNATURE

I CERTIFY UNDER PENALTY OF PERJURY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT.

STATE OF ARKANSAS _____
(SIGNATURE)

COUNTY OF _____

SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC, ON THE ____ DAY OF _____, _____

NOTARY PUBLIC

ADDRESS

MY COMMISSION EXPIRES:

(DATE)

CITY, STATE, ZIP

**THE FOLLOWING PAGES ARE
EXAMPLES
OF COMPLETED FORMS
USED IN THE
REIMBURSEMENT APPLICATION**

Interim Request No. 5		Page of	
Contractor: Z Best Engineering Co., Inc.			
Facility ID# 99000123			
Dates current costs incurred: From 1-1-04 to 3-31-04		RA Date: 4-10-04	
COST SUMMARY (PLEASE READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING)			
1. DIRECT PERSONNEL COST		Hours	Actual cost
Principal/Managerial		3	\$ 90.00
Professional/Technical		94	\$1,230.50
Support		10	\$ 92.98
DIRECT PERSONNEL COST TOTAL:			\$ 1,413.48
2. INDIRECT COSTS (Specify cost pools attach explanation)		Base	Rate
Indirect Personnel		\$1,413.48	.44
G & A Costs		\$1,413.48	.90
INDIRECT COSTS TOTAL:			\$ 1,894.06
3. OTHER DIRECT COSTS (List by category - attach recap)		Actual Cost	
Equipment Rental		\$ 1,290.00	
Travel and Per Diem (None if in G & A)		\$ 711.63	
Laboratory (If over \$10,000, attach separate TF-1)		\$ 230.00	
Subcontracts (If over \$10,000, attach separate TF-1)		\$ 694.50	
Other		\$ 61.90	
OTHER DIRECT COSTS TOTAL:			\$ 2,988.03
4. TOTAL ACTUAL COSTS		\$ 6,295.57	
5. PROFIT TO CONSULTANT/CONTRACTOR (Percentage 10% on cost)		\$ 629.55	
6. TOTAL CLAIM AMOUNT		\$ 6,925.12	
A. Total Contract Billing to Date Including Above:		\$ 106,925.12	
B. Amount Deductible ((\$25,000, \$15,000 or \$7,500 see page 2 item 7))		\$ (25,000.00)	
C. Amount Previously Retained/Disallowed by RST:		\$.00	
D. Amount Previously Received (paid by ADEQ):		\$ 75,000.00	
E. Amount of this Request (same as line 6 above):		\$ 6,925.12	

Form TF-1

Interim Request No. 5		Page of	
Contractor: Z Best Engineering Co.			
Facility ID# 99000123			
Dates current costs incurred: From 1/1/04 to 3/31/04		Request date: April 10, 2004	
OTHER DIRECT COST RECAP			
DATE	INVOICE#	VENDORS AND EXPLANATION OF EXPENSE AMOUNT	
1/1/04	0103-94	EQUIPMENT RENTAL: XYZ Systems Equipment Co, Soil Vapor Extraction System - 1/5-31, 2004, 27 DAYS @ \$15.00 Per day	
2/1/04	0203-94	2/1-28, 2004, 28 DAYS @ \$15.00 Per day	\$405.00
3/1/04	0303-94	3/1-31, 2004, 31 DAYS @ \$15.00 Per day	420.00
			465.00
TOTAL EQUIPMENT RENTAL:			\$1,290.00
1/5/04	Mileage	TRAVEL AND PER DIEM: ABC Company-owned truck - 1,865 miles @ .35 per mile	\$ 652.75
		Holiday Inn	48.62
1/5/04		Meals - actual receipts	10.26
TOTAL TRAVEL EXPENSE:			\$ 711.63
1/10/04	14086	LABORATORY: DEF Laboratory BTEX: 3 tests @ \$50.00 EA	\$150.00
		TPH: 2 tests \$40.00	80.00
TOTAL LABORATORY EXPENSE:			\$230.00
3/04		SUBCONTRACTS: Wilson Contracting: local site visits	\$181.90
1/13/04	78560	FGH Electric, Inc. - upgrade 3 HP motor to 6 HP motor	500.00
1/17/04	62189	JKL Machine Shop, Inc. - cut three holes in well housing for SVE	42.60
	CREDIT	Adjustment due to: Error in previous claim invoice #1602	- 30.00
TOTAL SUBCONTRACTS:			\$694.50
1/04	Stmt.	OTHER EXPENSE: Electric Service (gas & electric)	\$61.90
TOTAL OTHER EXPENSE:			\$61.90
TOTAL OTHER DIRECT COST RECAP			\$2,988.03

Interim Request No. 5		Page of		
Contractor: Z Best Engineering Co.				
Facility: Any Service Station		ID# 99000123		
Dates current costs incurred: From 1/1/04 to 3/31/04		Request date: April 10, 2004		
Sample Direct Personnel Cost Recap - Attachment 1				
Name	Title / Task	Hours	Rate	Total
1/1/04 Allen Adams	Principle - Review Report	.5	30.00	15.00
1/2/04 Harry Melton	Project Manager - Proj. Mgmt.	3	25.00	75.00
Total Principle/Managerial:				\$90.00
1/3/04 Chuck Crow	Senior Engineer, PE- site visit	2.0	25.00	50.00
1/4/04 Bob Casey	Staff Engineer - Qtr. report	10.0	16.75	167.50
1/4-6/04 John Smith	Geologist - Task, etc.	24.5	14.50	355.25
1/4-5/04 Cecil Ball	Env. Scientist - Task, etc	16.5	13.50	222.75
1/7/04 David Downs	Env. Scientist - Task, etc.	10	12.50	125.00
1/08/04 Peter Gunn	Field Technician - Task, etc.	31	10.00	310.00
Total Professional/Technical:				\$1,230.50
1/10/04 Harry Hyde	Office Manager - Task, etc.	1.5	13.40	20.10
1/12/04 Betty Bostin	Draftsman - Task, etc.	4	10.00	40.00
1/14/04 Sharon Brown	Clerical - Task, etc.	2	8.00	16.00
1/15/04 Vida Blue	Word Processing - Task, etc.	2.5	6.75	16.88
Total Support:				\$92.98
Total Direct Personnel Cost:				\$1,413.48

INDIRECT COST RATES
Fiscal Year ended Dec 31, 2003

Gross Revenues (Total Hourly Billing) **\$1,250,021.48**

Direct Personnel Cost (exclude indirect wages) **\$484,596.08**

Indirect Personnel Cost:

Payroll Taxes	53,305.00	
Health & Life Insurance	67,843.45	
Retirement Plan Benefits	40,642.37	
Workman's Comp	42,971.42	
Indirect Labor – Utilization	9000.00	
		213,762.24

General and Administrative Cost:

Office Maintenance

Rental - Office Suite	54,010.21	
Utilities	35,300.21	
Supplies	24,855.74	
Equipment	31,705.83	
Dues, Licenses, Taxes	30,375.70	
Office Salaries	18,000.00	
		194,247.69

Vehicle Expense (Exclude if Direct) **57,353.70**

Field supplies (Exclude if Direct charged) **55,748.82**

Repairs & Maintenance
(Exclude if Direct) **28,883.05**

Insurance (exclude stockholders benefits) **27,707.01**

Depreciation (Exclude if Direct charged) **72,196.63**

436,136.90

Indirect Personnel Rate: $213762.24/484,596.08 =$ **0.44**

G & A Rate: $436,136.90/484,596.08 =$ **0.90**

Total Indirect Cost ratio **1.34 (134%)**

Example - Attachment #3

Interim Request No. 5			Page of	
Contractor: Z Best Engineering Co.				
Facility: Any Service Station ID#: 99000123				
Dates current costs incurred: From 1/1/04 to 3/31/04			Request date: April 10, 2004	
PAGE #	DATE	INVOICE #	VENDOR'S NAME	INV. AMOUNT
	1-31-04	0103-94	XYZ Equipment Co. Soil Vapor Extraction System 1/5-31, 2004, 27 DAYS @ \$15.00 Per day	\$405.00
	2-28-04	0203-94	XYZ Equipment Co. Soil Vapor Extraction System 2/1-28, 2004, 28 DAYS @ \$15.00 Per day	420.00
	3-31-04	0303-94	XYZ Equipment Co. Soil Vapor Extraction System 3/131, 2004, 31 DAYS @ \$15.00 Per day	465.00
TOTAL				\$1,290.00

EXAMPLE Attachment 4

Interim Request No. 5			Page	of
Contractor: Z Best Engineering Co.				
Facility: Any Service Station			ID# 99000123	
Dates current costs incurred: From 1/1/04 to 3/31/04			Request date: April 10, 2004	
PAGE #	DATE INCURRED	INVOICE #	DESCRIPTION	INV. AMOUNT
	1-4-04	Mileage	Z BEST Company-owned truck- 160 miles @ .35 per mile To site (name)	\$ 56.00
	1-5-04		155 miles @ .35 per mile From site (name)	54.25
	1-4-04	Motel	Holiday Inn Alsville	48.62
	1-4-04	Meal	Copy of actual receipts	10.62
	1-20-04	Mileage	310 miles @ .35 per mile To and From (site name)	108.50
	2-5-04	Mileage	310 miles @ .35 per mile To and From (a site name)	108.50
	2-20-04	Mileage	310 miles @ .35 per mile To and From (site name)	108.50
	3-5-04	Mileage	310 miles @ .35 per mile To and From (site name)	108.50
	3-21-04	Mileage	310 miles @ .35 per mile To and From (site name)	108.50
TOTAL				\$711.63

Interim Request No. 5			Page of	
Contractor: Z Best Engineering Co.				
Facility: Any Service Station ID# 99000123				
Dates current costs incurred: From 1/1/04 to 3/31/04			Request date: April 10, 2004	
PAGE #	INVOICE DATE	INVOICE #	DESCRIPTION	AMOUNT
	1/10/04	14086	LABORATORY DEF Laboratory BTEX: 3 tests @ \$50.00 EA TPH: 2 tests @ \$40.00 EA	\$230.00
TOTAL				\$230.00

Interim Request No. 5			Page of	
Contractor: Z Best Engineering Co.				
Facility: Any Service Station ID# 99000123				
Dates current costs incurred: From 1/1/04 to 3/31/04			Request date: April 10, 2004	
PAGE #	DATE INCURRED	INVOICE #	DESCRIPTION	INV. AMOUNT
	3/1/ 04	94-1502	<p>SUBCONTRACTS:</p> <p>Clint Wilson: Local site visits</p> <p>January 3 \$10.00</p> <p>January 7 \$10.00</p> <p>January 11 \$10.00</p> <p>January 14 \$10.00</p> <p>January 18 \$10.00</p> <p>January 21 \$10.00</p> <p>January 25 \$10.00</p> <p>January 29 \$10.00</p> <p>Expenses January 30 \$101.90 (Attached)</p>	\$181.90
TOTAL				\$181.90

Interim Request No. 5			Page of	
Contractor: Z Best Engineering Co.				
Facility: Any Service Station ID# 99000123				
Dates current costs incurred: From 1/1/04 to 3/31/04			Request date: April 10, 2004	
PAGE #	INVOICE DATE	INVOICE #	DESCRIPTION	INV. AMOUNT
	2/04	148736	Electric Service (gas & electric) - 1/04	\$61.90
TOTAL				\$61.90