Montana Comprehensive Environmental Response, Compensation, and Liability Act

Core Cooperative Agreement Amendment Application - SFY 2016

July 1, 2015 - June 30, 2016

DRAFT FINAL

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Introduction

This funding application requests for the Montana Department of Environmental Quality (DEQ) Superfund Program's Core functions under Cooperative Agreement No. VC-00852704. The period of this cooperative agreement requested is from July 1, 2014 through June 30, 2019. The Core functions provide non-site-specific support, administrative and information technology services necessary to carry out the state's federal Superfund mission. DEQ commits to continuing its active participation in the federal Superfund program by providing state-lead, management assistance, and pre-remedial services to the Environmental Protection Agency (EPA) in a cost-effective and cooperative manner. The budget and project period for this request will be from July 1, 2015 - June 30, 2016.

Program Status

The Remediation Division manages DEQ's Superfund mission through the Federal Superfund and Construction Bureau and the Hazardous Waste Cleanup Bureau. Staff from both bureaus will work on federal Superfund cleanup activities under this cooperative agreement, the site-specific cooperative agreements, or the MultiSite cooperative agreements.

DEQ has the lead management and court-ordered settlements that fund National Priorities List (NPL) sites in Montana including Clark Fork River Operable Unit Remedial Action, Streamside Tailings Operable Unit of the Silver Bow Creek/Butte Area NPL site Remedial Design/Remedial Action (RD/RA), and Montana Pole NPL site RD/RA.

General Core Program Work Plan

Attachments I and II identify specific components by general category and estimates of the workhour effort and associated labor, fringe benefit, other direct and indirect costs required for this application. The commitment categories and workhour estimates are in conformance with published guidance concerning the state Core programs. DEQ based these estimates on past workload history and anticipated State Fiscal Year (SFY) 2016 activities, with the understanding that it is difficult to forecast the exact level of effort required to complete nonsite-specific activities. Attachment II provides details of the budget estimate for all personnel and other direct and indirect costs, by object class category.

This application includes additional state-specific components in the work plan. These components include continued implementation of community relations activities, general staff training for all Superfund staff, maintenance of safety and health monitoring and program implementation, contract procurement, in-house legal support, and administrative and information technology support. The budget estimates include travel costs and other direct expenses associated with these activities.

Staff training is an essential activity in the Core program. Ongoing difficulty with turnover and increase in potential retirements in both professional and non-professional employees in the program adds emphasis to this need. DEQ has included training time for Superfund staff attorneys, support staff, technical staff, and program managers. Examples of ongoing training

needs include personal protection and safety, risk assessment and communication, contract management, DEQ office software and computer use, EPA guidance, discipline-specific technical updates, Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and Resource Conservation and Recovery Act (RCRA) orientation, and program and project management.

Public interest and concern dictate the need for state management personnel to participate in decisions affecting state CERCLA sites. Administrative and legal responsibilities for the Superfund program continue to require a significant level of effort. The complexity, scope and enforcement requirements of the program require substantial coordination and management.

DEQ's Superfund program maintains in-house legal support for applicable or relevant and appropriate requirements (ARARs) development and enforcement support. DEQ has adopted EPA's enforcement-first policy in an effort to maximize the benefits from limited resources. Montana has taken an active role in ARARs development at NPL sites. State ARARs are a major concern at Montana's NPL sites, and often include critical ARARs for remedy selection.

Program support (administrative and clerical) is integral to the effectiveness of the technical and legal project staff. The Superfund program operates under three consent decrees, three site-specific memoranda of agreement, and seven cooperative agreements. In addition, DEQ utilizes several contracts, some with multiple task orders, for technical support. The administrative support staff provides general office support, document control for records management, guidance documents, and contract monitoring.

DEQ intends to continue to participate in the Association of State and Territorial Solid Waste Management Officials (ASTSWMO), especially on technical and Superfund policy and guidance issues, and in discussions and communications on improving the efficiency and timeliness of CERCLA response actions. Additionally, ASTSWMO is instrumental in keeping state personnel up-to-date on CERCLA requirements, and EPA policy and directives. ASTSWMO participation requires commitment of staff time for four out of state trips. ASTSWMO pays for most travel, lodging, and meal expenses for ASTSWMO activities.

DEQ management has also been active in EPA Region 8's efforts to communicate and coordinate Superfund activity among the Region 8 states. DEQ will participate in the annual superfund managers' coordination meetings and conference calls associated with that effort.

Budget Estimate

Please refer to the attached Core budget request for SFY 2016. Generally, DEQ used SFY 2015 estimated expenses to prepare the budget estimate for Core SFY 2016. The following paragraphs summarize assumptions used to develop the requested budget.

Personal Services

DEQ used prior years' budgeted and actual expenditure levels with some adjustments to estimate the budget, workloads, and activities anticipated for SFY 2016. DEQ estimated the personnel costs

on average salaries for categories of positions and adjusted to reflect prior years' workloads, and anticipated activities in SFY 2016.

- The Superfund legal staff provides general legal review and assistance to the program. This assistance includes interpretation of legal aspects of Superfund requirements, regulations, policies, and guidance; review of nonsite-specific procurement and contracts; and review of other environmental and contracting laws and regulations pertinent to state CERCLA issues. The budget includes time for legal staff training. DEQ used estimates expenses and level of effort for prior years for the budget estimate.
- Budget estimates for environmental specialist/environmental engineer technical staff under general Core reflect the estimated workload for prior years and anticipated general program requirements. This estimate includes time for ASTSWMO activity participation.
- Budget estimates for a community relations specialist include continued implementation of community relations activities such as developing site-specific updates, maintaining mailing list and assisting with implementation of the community involvement plan.
- Nonsite-specific databases for which these staff provide assistance include contract and task order tracking that the program has implemented in response to past EPA audits, medical and health and safety monitoring tracking, and general EPA toxicological and Superfund remedy databases are used by the project officers. Additional database tracking has been established for both travel and training of staff.
- Based on recent history of staff retention, DEQ anticipates turnover of one staff annually therefore requiring recruitment and subsequent training. This necessitates additional hours of time for supervisory personnel, new employee orientation time, and potential reimbursement of new recruit moving expenses.
- The administrative and information technology staff may provide all non-site-specific support to the program. This support is most appropriately accounted in the Core budget. These activities are generally receptionist duties and non site-specific clerical functions including typing, filing, requisitions, distribution, mail, copying, general office maintenance, and answering the phone. Other activities include processing various fiscal documents such as purchase requisitions, travel reimbursement, and tracking of payroll hours by sites as required by EPA. Fiscal staff also prepares reports needed for quarterly reports and assist with the various duties required to prepare all of the EPA grant applications.

Travel

Travel expenses are for training/education and nonsite-specific activities by program management and technical staff. The out-of-state travel budget includes:

- Two managers to attend two annual Region 8 EPA-State Superfund conference or other management meetings during the year;

- One attorney to attend one national continuing legal education course specifically related to Superfund law during the year;
- One Geographical Information Specialist Professional to attend annual GIS training;
- Four out of state trips to ASTSWMO conferences, and;
- One technical staff to attend an EPA sponsored risk assessment conference.

Contracted Services

This budget category provides funding for internal copying and printing support, including any special projects. The expenses incurred in the consultant category are for temporary employees. Over the past three years, temporary services have provided coverage for vacant positions in the administrative support positions. Many activities must continue despite turnover and vacancies in staff.

Additionally, DEQ will continue to contract with the Montana Department of Justice to retain the services of attorneys to provide DEQ and EPA state legal participation and review. DEQ anticipates non-site-specific administrative expenses to support her legal work on Butte Priority Soil.

Computer services are for network connection charges on the state's computer system, which cover repair service for network components; training and assistance with network, word processing, spreadsheet, and database software; and network organization and utilization assistance from the Information Services Division of the Department of Administration. These charges are mandatory for connection to the department and state's computer system and to support the Remediation Information Management System software development and implementation.

DEQ has spent considerable resources in the development of a critical new programmatic and sample data management system to replace the Division's current MS Access 2003, which Microsoft ~~will not~~no longer supports starting April 2014. Due to unsupported technology and data integrity concerns, the department finds it necessary to replace this legacy system that dates back to 1989. The new system will align with state standards; include new and /or refined business functionality required by state and federal law and meet business requirements identified during the DEQ's business process assessment. DEQ will leverage the funding for the new system from multiple sources including Core grant funding.

Supplies and Other

Budgets in these categories reflect prior year expenditure levels including funding for computer supply replacement. Also, included in these categories are registration and materials required for training conferences, telephone charges, postage, subscriptions to pertinent Superfund and hazardous substances publications, reference materials, recruitment advertising, office materials, and repair costs

For training, DEQ uses cost-effective EPA training courses whenever possible, but sometimes they are not available when needed. Examples of non-site specific technical training include:

- Occupational Safety and Health Administration (OSHA) 40-hour Health and Safety training or the 8-hour OSHA or Mine Safety and Health Administration (MSHA) refresher course;
- EPA sponsored courses (groundwater investigation, risk assessment, Remedial Project Manager (RPM) training, etc.);
- Outside training (e.g., DEQ contracts with Montana Tech to provide Introduction to Hydrology, Field Hydrology, Groundwater Modeling, etc.); and
- Other courses that may be appropriate depending upon the program development needs.

Indirect Charges

Because DEQ's approved indirect rate for SFY 2016 will not be complete until later in the summer, DEQ requests the currently approved rate of 23.59% for personal services and 4% for operating costs with a contract/task order cap of $150,000.