



United States Department of the Interior

OFFICE OF THE SECRETARY
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PEP-ENVIRONMENTAL COMPLIANCE MEMORANDUM NO. ECM 10-4

Memorandum

To: Heads of Bureaus and Offices

From: Willie R. Taylor, Director
Office of Environmental Policy and Compliance

Subject: Nomination Guidance

The Office of Environmental Policy and Compliance is issuing this Environmental Compliance Memorandum (ECM) under the authority provided by 381 Departmental Manual Chapter 4.5B to convey instructions and guidance through the Environmental Memoranda Series. This ECM updates the Department's guidance on procedures for Bureaus and Offices to submit cleanup projects for consideration to receive Central Hazardous Materials Fund (CHF) funding.

The attached guidance provides direction to those Bureaus and Offices that request and receive money from the CHF. To ensure compliance with statutory and Departmental requirements, Bureaus and Offices must provide the CHF Technical Review Committee (TRC) with certain information regarding project nominations for funding consideration. Because the CHF is limited in the type of projects to which funding may be provided, this information is necessary to determine whether the nominated project meets eligibility requirements and satisfies applicable requirements established by legislation, by Departmental policy and by Secretarial Order. Additional information is used for evaluating future budget needs and project performance.

The legislation establishing the CHF provides that CHF funds may only be spent for response action and associated activity undertaken by the Department and Bureaus pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act. For CHF funding purposes, Bureaus and Offices should have completed a preliminary assessment/site inspection (PA/SI) and begun a records search for potentially responsible parties before submitting a nomination package for consideration. Questions regarding CHF eligibility can be directed to William Lodder, Team Leader, Environmental Cleanup and Liability Management Team at 202-208-6128.

Attachments

CENTRAL HAZARDOUS MATERIALS FUND (CHF)

PROJECT NOMINATION GUIDANCE

This guidance affects those Bureaus and Offices that request and receive money from the Central Hazardous Materials Fund (CHF). To ensure compliance with statutory and Departmental requirements, Bureaus and Offices must provide the CHF Technical Review Committee (TRC) with certain information regarding project nominations for funding consideration. Because the CHF is limited in the type of projects to which funding may be provided, this information is necessary to determine whether the nominated project meets eligibility requirements and satisfies applicable requirements established by legislation, Departmental policy, and Secretarial Order. Additional information is used for evaluating future budget needs and project performance.

In particular, the legislation establishing the CHF provides that CHF funds may only be spent for response action and associated activity undertaken by the Department and Bureaus pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). For CHF funding purposes, response action and associated activities include a broad range of activities undertaken pursuant to CERCLA authority, and consistent with the requirements of the National Contingency Plan (NCP) (40 CFR Part 300), in response to a release or threatened release of hazardous substances and following the completion of a preliminary assessment/site inspection (PA/SI).

Moreover, the Departmental Manual requires that Bureaus and Offices “aggressively pursue potentially responsible parties to correct their contamination of Departmental lands and facilities or to recover costs of cleanup” (518 DM 2.4). The information requested herein will help ensure that funded projects have access to adequate financial and technical support to successfully address the cleanup of the site and recover, or avoid the incurring response costs.

This guidance provides Bureaus direction in preparing their nomination packages for TRC consideration. The Office of Environmental Policy and Compliance (OEPC), which manages the CHF, will release a call letter (typically in January) to the Bureaus. Nomination documents will be submitted through the Bureau’s organization and then to OEPC for review. The TRC will evaluate nominations based on risks posed by the site, the technical merit of the proposed response action(s), consistency with the NCP, and availability of CHF funds. The TRC recommendations will be forwarded to the Deputy Assistant Secretary for Policy and International Affairs for approval. Funds will be distributed when they are made available by the U.S. Treasury.

Projects nominated for funding from the CHF must meet the following criteria to be eligible for such funds:

- The site is on federal land managed by the Bureau;
- The project will be undertaken using CERCLA response authority;
- A PA/SI has been completed by the bureau;
- A Potentially Responsible Party (PRP) search has been initiated or completed;

- The project appears to be a medium (3 to 5 years) to long-term (greater than 5 years) effort;
- The site poses a significant risk to human health or to the environment; and
- The project ranks high in the EDL prioritization (1 or 2).

Project nomination packages must include, at a minimum, the following three documents; a project narrative, a cost-to-complete estimate, and a scoring matrix. While additional information might be requested, as needed, the documents should contain the following:

1. Project Nomination Narrative - The narrative will include a summary of the site conditions and status of the cleanup; a site map; the requested project budget and a description of the proposed use of funds; information that establishes compliance with NCP requirements (including the establishment of an Administrative Record, cost documentation file, community involvement plan, and the name of the coordinating solicitor); the project team with roles and responsibilities; a summary of the PRP search, actions taken and PRP involvement; other funding sources for the project; and a summary of project performance milestones (see attachment 1 for the format).

Each project narrative is to include the response actions that have been conducted to date and those proposed for the next fiscal year (FY). Under the project budget section, each response action activity needs to have an associated cost proposal with the level of detail outlined in Attachment 2. The source and method of cost estimation, and the location of the cost estimate supporting documentation need to be provided.

2. Cost-to-Complete Estimate - All project nomination packages are to include a Cost-to-Complete Matrix (Attachment 3). Costs are to be projected for the next five years by CERCLA task(s) to be performed. Costs beyond the five-year period (the remainder of the total cost-to-complete) are to be captured in the final (sixth) column marked "additional total costs." Project costs include long-term monitoring and remedy-related operations and maintenance (O&M).

A breakdown of past CHF funds received is to be provided in the Post Performance Matrix, as well as the work accomplished over the past three years presented by CERCLA task and FY.

Packages without a completed Cost-to-Complete Matrix and a Past Performance Matrix may not be considered for funding. All packages will be reviewed by the TRC, and information may be confirmed during a CHF internal control review. These estimates are used for CHF budget modeling and funding projection. Project projections require some assumptions to model future costs, but should not be considered a pre-selection of a remedy.

3. Scoring Matrix: Nomination packages for all new or past CHF-funded projects will include a completed Scoring Matrix. The TRC will use these data as one of the tools in determining project funding. The electronic template can be found on the OEPC SharePoint site, in the ECLM document library under CHF.

All nomination packages will be reviewed by the Office of the Solicitor, Division of Land and Water Resources, Branch of Environmental Compliance and Response. At any site where Regional or Field Solicitors are working with a Bureau to evaluate enforcement opportunities, the Bureaus are strongly encouraged to request Regional/Field Solicitor coordination with the Branch of Environmental Compliance and Response. CHF funding is unlikely to be approved for any site where cost recovery or cost avoidance is not pursued, unless the Office of the Solicitor concurs with such approach.

Projects approved for funding must have a project management plan. The plan, at a minimum, should include the roles/responsibilities of members of the project team, a listing of all contaminants of concerns, a proposed budget for the total cleanup, and a project schedule with milestones. Bureaus are responsible for tracking costs associated with the project and ensuring that expenses comply with the budget in the nomination submittal. These records should be maintained for future cost recovery efforts.

Abandoned mine lands (AMLs) are a significant portion of the projects submitted to the CHF for funding. In order to protect the investment made in remediating these sites, Bureaus and Offices should work with the Office of the Solicitor to make every effort to seek a release of any mineral claims at the site and a withdrawal of such land from future mining claims. If a release and/or withdrawal cannot be obtained, then the relevant Bureau should inform the claimant that the Bureau will seek CERCLA response costs for any response actions undertaken at the site if the claimant disturbs the remedy. As noted earlier, PRPs associated with abandoned mine sites should be actively pursued, including all mine claimants. Bureaus should work with the Office of the Solicitor to determine how to proceed with cost recovery at sites with viable PRPs.

Information on project nomination documents can be found at the OEPC SharePoint site in the ECLM document library under CHF and Project Nomination Document directories.

Questions regarding this guidance or accessing the OEPC SharePoint site can be referred to the Office of Environmental Policy and Compliance, Environmental Cleanup and Liability Management Team, William Lodder, phone: 202-208-6128; email: william.lodder@ios.doi.gov.

Attachment 1
Central Hazardous Materials Fund
Project Nomination Narrative Format

Title: Site Name/FY (Year Requesting Funds)

Project Background/Description: Two or three paragraphs summarizing the history of site with a general site description.

Project Status: Two or three paragraph summary of the site's PA/SI report or current status in CERCLA process. Include the contaminants of concern, response actions (including studies) that been conducted to date, and those proposed for the current proposed funding year.

Map: provide a map showing the location, area(s) of concern in relation to population at risk, and location(s) of the release(s). Include surface water and topographic features.

Proposed Use of Funds: Provide a budget by phase for the year that the funds are being requested (see attachment 2 for detail). Information should include any projected carryover and other fund types. Also show the amount of past CHF and any other funding sources received for the project.

Regulatory Status: Identify and describe the level of involvement of any other Federal or State agencies involved in the response action or other activity at the site. Include any existing or proposed permits, agreements, orders, or other regulatory or enforcement activities. This activity review must include any actions undertaken by Natural Resources trustees at the site.

Administrative Record Status: Identify the location of the administrative record and if (and the date, if applicable) the index has been reviewed by a solicitor to determine if it meets the requirements stated in 40 CFR 300.800-300.825.

Cost Documentation: Summarize how cost documentation is being managed. Is the site using the CHF Cost Tracking Application, another tool, or hard copy of receipts?

Community Relations Plan: Summarize the community relations plan status. Identify milestones and schedules being met or planned.

Health and Safety Plan: For projects where the bureau staff is actively on-site, state whether a health and safety plan has been implemented and if staff has received HAZWOPER training.

Project Team: Provide the names, addresses, telephone/fax numbers, email addresses and relevant experience of each member of the Project Team; e.g., bureau remedial project manager and regional or field solicitor office attorney. Please identify if project team members work full-time or collateral duty on the project.

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PRP Search Status and Involvement: Provide a summary of the PRP search status and any involvement from the PRP(s) in relation to the project. Also report cost avoidance activities associated with PRPs.

Has a Project Management Plan been prepared: Provide the date the project plan was developed, and the date it was last updated.

Cleanup Standards and Exceedance: Provide a table detailing which contaminants that are determined to be present at the site following the SI and which media that contained the contaminant. Provide the cleanup standard used to compare the level of contamination and cite where the cleanup standard originated. For example:

Media Type: Soil	Exceedances:	Cleanup Standards:
Chromium (Cr)	889 mg/kg	30 mg/kg
Cadmium (Cd)	780 mg/kg	10 mg/kg
Media Type: Groundwater	Exceedances:	Cleanup Standards:
Carbon tetrachloride (CCl ₄)	34.7 ppb (27MW0026B)	5 ppb (MCL)

PA/SI Recommendations: Provide the PA/SI recommendation section as an attachment to the project narrative.

Attachment 2

Central Hazardous Materials Fund Project Nomination Cost Estimate Guidance

In an effort to provide the Technical Review Committee with better cost estimates for response action activities planned for the next fiscal year, this attachment provides guidance in presenting cost estimates for Central Hazardous Materials Fund proposals. For each itemized cost, please provide a general description of the expense and its related costs. Cost estimates should be included in the nomination package as outlined in ECM 99-02. Related costs can be combined, such as, travel costs for an entire office. However, where sites are supported by multiple offices, each office's costs should be identified. Itemized cost headings are listed below. If a major cost category is not shown below, the project manager can add specific itemized cost headings for their project.

1. Identify the appropriate Phase and task for the proposed work and provide a description. Itemized costs for specific activities under each task should be included.
 - a. Phase (Management, Study, or Implementation)
 - b. Task (select applicable CERCLA tasks for the associated Phase from the list below)
 - Management – Contracts, PRP Activities, Community/Public Relations, or Administrative Record
 - Studies – Remedial Investigation, Feasibility Study, Human health Risk Assessment, Ecological Risk Assessment, Engineering Evaluation/Cost Analysis, Proposed Plan/Record of Decision, or Remedial Design
 - Implementation – Interim Action, Remedial Action, Long-term Monitoring, Operations and Maintenance
2. Itemized Costs will be presented as Labor, Travel, Contracts, Materials, Other.
 - a. Labor Costs
(Provide list of proposed positions and associated costs)
 - b. Travel Costs
(Provide description of travel costs)
 - c. Contract Costs
(Identify the work to be accomplished by the contractor and the projected contract cost.)
 - d. Materials
(Identify Equipment or materials being purchased for CHF site and the related costs)
 - e. Other Costs

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(e.g., training costs; training must be required to support the site, i.e., HAZWOPER refresher. Conference travel/expenses are not considered to be site-related without OEPC authorization)

Example:

Task A

A1a. Phase: Management

A1b. Task: Administrative Record

Project administrative assistant maintains the administrative records for this project. On an annual basis, the Solicitor's Office reviews the administrative record to ensure files are maintained appropriately.

A2a. Labor Costs:

Administrative Assistant	64/hr/year	\$2,240
SOL Attorney	8/hr/year	\$1,280

Subtotal Task A **\$3,520**

Task B

B1a. Phase: Study

B1b. Task: Remedial Investigation (RI)

The Project manager and a senior hydrogeologist will participate in quarterly meeting with state regulators regarding the RI.

Field work will be conducted as outline in the approved final Work Plan dated August 2007. Activities include the collection and analysis of surface and subsurface soil samples at 10 locations (20 samples), install 4 groundwater monitoring wells and collect and analyze 4 groundwater samples. Four weeks of contractor field work is planned.

The bureau will install fencing and signs as described in the RI Work Plan.

B2a. Labor Costs:

Project Manager	10/hr a week @ 12 months	\$52,000
Bureau Site Manager	50/hr a week @ 6 wks	\$22,500
Technical Oversight (geologist)	40/hr a week @ 5 wks	\$20,000
Field Tech	40/hr a week @ 1 wk	\$ 2,000

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Subtotal	\$96,500
B2b. Travel Costs:	
Travel to Quarterly Regulatory Meetings 2 people	4 trips @\$800/trip \$ 6,400
B2c. Contract Costs:	
RI Field Work (FY09)	\$58,000
Laboratory	\$ 3,200
Subtotal	\$61,200
B2d. Materials:	
Fencing/Signage	\$12,000
Subtotal Task B	\$176,100
Total (FY09):	\$179,620

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Attachment 3 – Cost-to-Complete and Past Performance Matrixes (Example Only)

CHF Project Total Cost to Complete Matrix

Bureau:

Project:

OU (if applicable):

Task	Actual/ Projected Start Year	Projected End Year	FY11	FY12	FY13	FY14	FY15	Additional Cost to Complete
PRP Search								
AOC Negotiation								
CD Negotiation								
EE/CA								
Remedial Investigation								
Feasibility Study								
Action Memorandum / Record of Decision								
Remedial/Removal Design								
Remedial/Response Action								
Interim Response								
O&M								
Natural Attenuation								
LTM								

Example

Instructions:
 (MS Excel template available from DOI or Bureau headquarters.) This information provides a simplified project schedule and budget for planning purposes. Enter the actual or projected start date for proposed task in the "Start Year" column. Enter the projected end date in the "End Year" column. Enter the estimated amount to complete task in the appropriate fiscal year column. If project will extend beyond FY2015 then identify the remaining costs in "Additional Cost to Complete" column.

Electronic MS Excel version is available from the OEPC SharePoint site or your TRC representative.

CHF Project Performance Review

Section 1

Bureau:

Project:

OU (if applicable):

Section 2

Task	Response Action	Funds Received		
	Goal Accomplished	FY07	FY08	FY09

Section 3

Work proposed in FY09 Nomination Package:

Example

Work accomplished in FY09:

Electronic MS Excel version is available from the OEPC SharePoint site or your TRC representative.

Central Hazardous Material Fund – CHF Project Nomination Guidance

Attachment 4 – Scoring Matrix

**CENTRAL HAZARDOUS MATERIALS FUND (CHF)
SCORING MATRIX**

This form is designated only to document the scoring process used to rank CHF sites nominated for funding in the next fiscal year (FY). There is often uncertainty associated with the process of ranking sites, and therefore, the ranking results are subject to change based on receipt of new information. The information on this form is strictly confidential and is protected by all applicable privileges. Nothing on this form constitutes or should be construed as an admission of fact or the assertion, adoption, or concession of any legal, regulatory, financial, accounting, environmental, scientific or engineering position, projection, or conclusion.

Rank Score 0

SECTION I: INFORMATION ONLY (no score)

Funding Request for FY (xxxx): _____

Bureau: [Select ▼](#)

Site Name: [Select Existing CHF Site Name ▼](#)

Location (State): _____

Evaluator's Name: _____

Evaluator's Position: _____

Evaluator's Signature: _____

1a. Is the site listed in the DOI Environmental and Disposal Liabilities (EDL) database? [Select ▼](#)

1b. If Yes, provide the DOI EDL ID number: ID # _____

1c. If No, explain why not in the space provided. _____

1d. If site is not an EDL, is it a Location of Concern (LOC)? [Select ▼](#)

2. Has a Preliminary Assessment or equivalent been performed for this site? [Select ▼](#)

3.a. Select the applicable site type. [Select ▼](#)
Other: _____

3.b. Select the Primary Site Contaminants (COCs/COPCs):

Select ▼	Select ▼	Select ▼
Select ▼	Select ▼	Select ▼

4. If applicable, what is the NPL, CERCLIS, Federal Docket, or RCRIS site name and ID number?

4a. [Select ▼](#)

4b. Name: _____

4c. ID Number: _____

5a. Has the site previously received CHF funding? [Select ▼](#)

5b. If Yes, is there an expected carry-over from previous fiscal years? [Select ▼](#)

5c. Provide the expected carry-over, if applicable. _____

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Electronic MS Excel version available from OEPC SharePoint site or TRC representative.