



REMEDIATION AND REDEVELOPMENT DIVISION

**Temporary Reimbursement Program (TRP) Guidance**

**Bidding, Cost Guidelines, and Ineligible Costs**

**Issued: November 22, 2006 - Revised January 17, 2007**

This guidance shall be followed by persons with approved TRP pre-certifications and the Qualified Underground Storage Tank Consultants (QC) for corrective action activities under the Temporary Reimbursement Program (TRP).<sup>1</sup> Failure to adhere to this guidance may result in a denial of payment for activities performed by the QC and may subject the QC to suspension or removal from the QC List.

**Items Required to be Bid**

The QC shall submit the following items for competitive bidding:

- A. Well drilling, including soil borings and monitoring wells. This includes activity to construct a well or probe for the purpose of drawing soil/groundwater samples, for bailing/pumping free product, or for the treatment of soil/groundwater or vapor monitoring. These services are required to be competitively bid regardless of the contract amount. Hand augering is not required to be competitively bid unless the contractor's invoice will exceed \$5,000 (see item F).
- B. Laboratory analysis. This includes activity for the purpose of performing analytical work on soil, water, or vapor samples as conducted in a fixed or mobile laboratory setting capable of replicating laboratory instrumentation, conditions, and quality assurance/quality control. It does not include activities performed by a portable, hand-held device that is operated at the site, or field analysis performed by the use of a portable gas chromatograph. Laboratory services are required to be competitively bid regardless of the contract amount.
- C. Construction of treatment systems. This includes activities where the actual construction of a soil, groundwater, or vapor treatment system is performed at the site. It also includes the installation of treatment systems that are partially assembled on site or delivered to the site already assembled. These services are required to be competitively bid regardless of the contract amount.
- D. Removal of contaminated soil. This includes activities where contaminated soils are excavated from the ground and either remain on site or are transported off the site. If the soil is removed from the site, the transportation and disposal of the soils shall be included in the bidding process. These services are required to be competitively bid regardless of the contract amount.

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<sup>1</sup> Established under Part 215, Refined Petroleum Fund, of the Natural resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451).

- E. Operation of treatment systems. This includes activities where soil, groundwater, or vapor treatment systems, and free product recovery systems are operated and maintained in proper working conditions. These services are required to be competitively bid regardless of the contract amount. Sampling of wells and treatment systems, and hand bailing of free product does not require bidding.
- F. Any contract award to a single contractor which exceeds \$5,000.00, whether or not the activity is listed in (A) through (E) listed above.

Upon completion of the bidding process, copies of the bid solicitation and all of the bids received shall be provided to the Remediation and Redevelopment Division (RRD) along with the Competitive Bid Summary Form (EQP 4465).

### **Bidding Options**

Activities may be bid by a QC, according to either one of, or a combination of, the following options:

- A. For each activity being performed on an individual site, on an annual basis.
- B. For each activity being performed at an individual site, regardless of the number of times the activity is performed, or the length of time required to complete the activity.
- C. For each activity being performed under the supervision of the QC at all associated TRP-eligible sites on an annual basis.

The bidding process must be conducted by a QC per Part 215, Section 21558. Upon completion of the bidding process by the QC, the eligible person may hire the contractor(s) directly.

### **Number of Bids Required**

A minimum of three competitive bids shall be solicited by the QC. Costs incurred by the QC in complying with these bidding requirements are eligible items for reimbursement.

If at least three competitive bids are solicited but less than three are received, the QC should provide a justification for not re-bidding the project. If the reasons that bidders were not responsive are the result of inadequate bid specifications or time allowance provided by the QC, the QC should provide a reasonable opportunity for a responsive bid to be submitted.

### **Bid Selection**

The lowest responsive bidder should be accepted. If the lowest responsive bid is not going to be accepted, the QC shall provide a written reason as to why the lowest bid will not be chosen and receive **prior** concurrence from the RRD before commencing work. Personal preference of an eligible person shall not be considered a valid reason for rejecting a responsive bid. **A responsive bid is defined as a bid that is submitted on time, and conforms in all material aspects to the terms, conditions, specifications, and requirements of the bid solicitation.**

### Qualified Consultant Bids

A QC who intends to bid on a work activity must submit his bid to the RRD **prior to receiving competitive bids from other contractors**. The QC may only perform the work activity if his bid is the lowest responsive bid. If two related but legally separate companies work out of the same building and/or have the same employees, the contractor's bid must also be submitted prior to receiving bids from other non-related contractors.

### RRD Concurrence with Bids

As previously mentioned, upon completion of the bidding process, copies of the bid solicitation and all of the bids received shall be provided to the RRD along with the Competitive Bid Summary Form (EQP 4465). RRD concurrence is only required if the QC is not accepting the lowest responsive bid. The RRD will have 21 days from the date of submittal of the bids to respond. Failure of the RRD to respond within 21 days of receipt of the bids shall be considered concurrence.

### Cost Guidelines

The RRD has established Cost Guidelines (EQP 4012) for certain activities. Invoice amounts above the Cost Guidelines shall be disallowed unless the QC has provided justification that is satisfactory to the RRD. Note that the Cost Guidelines include items that are required to be competitively bid. If any bid item (of the selected bidder) is higher than the maximum allowed by the Cost Guidelines, the QC may wish to seek additional bids.

### Ineligible Costs

The activities listed in EQP 4013 are ineligible. In that this is not an exhaustive list, a final determination will be made during invoice review. If the eligible person and/or the QC have questions regarding the eligibility of a planned activity, he/she may request a clarification by sending an e-mail to [rpf@michigan.gov](mailto:rpf@michigan.gov) or calling 517-335-2880.

Approval:

  
SIGNATURE

1-17-07

DATE

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Summary of Changes	
Date	Change
January 17, 2007	Amended item E on Page 2 to reflect that bidding is not required for sampling of wells & treatment systems, and hand bailing of free product.