

Funding & Implementation of MUSTA Programs

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Presentation Outline

- Summary of State Funding for Leaking Underground Storage Tank Cleanups
- Status of the Funding Programs
- Invoicing Tips
- Answers to Frequently Asked Questions
- Questions and Answers from Attendees

Environmental Protection Regulatory Fee

- One cent per gallon on all refined petroleum product sold for resale or consumption in this state
- Brings in approximately \$57 million annually
- The first \$20 million annually goes into the Underground Storage Tank Cleanup Fund and is used to pay MUSTA Claims
- The remainder is deposited into the Refined Petroleum Fund

Refined Petroleum Fund Allocations

Underground Storage Tank Cleanup Fund (MUSTA) Claim Eligibility Requirements

- Releases discovered on or after December 30, 2014
- USTs are properly registered at the time of the release
- FR mechanism in place at the time of the release
- Owner at the time of the discovery of the release must file the claim
- Approved claims are transferrable to new owners

MUSTA Fund Status

- Number of approved claims: 200
- Amount paid: \$8.6 million
- Fund balance: Approximately \$71 million

Legacy Release Program Claim Eligibility

- Release reported prior to December 30, 2014
- Release not closed prior to December 30, 2014
- Work performed on or after December 30, 2014
- Only the owner or operator at the time of the reporting of the release is eligible
- UST registration must be up-to-date

Legacy Release Program Claim Funding Limits

- Program limit: Up to \$36 million
- Per property limit: \$50,000 based on \$100,000 in approved work invoices (50% co-pay)
- Currently no deadline for performing work or submitting work invoices

Legacy Release Program Status

- Number of Approved Claims: 678
- Number of Claims on Waiting List: 25
- Amount Paid to Date: \$3 million

Public Highway Cleanup Program

- Available to local units of government and county road commissions for the cost of corrective actions to manage, relocate, or dispose of any media contaminated by regulated substances left in place within a public highway

Public Highway Cleanup Eligibility

- Claim must be associated with a release of refined petroleum from an underground storage tank system being managed under Part 213
- Claim is for corrective actions completed after January 24, 2018, the effective date of the program
- An Alternate Institutional Control (AIC) or Road Dedication Letter (RDL) must be in place prior to initiation of the work and the submittal of the PHC Claim
 - The AIC/RDL must be submitted with the PHC Claim Submittal Form for PHC Claim approval

Public Highway Cleanup Funding & Reimbursement Limits

- “Program” Funding Limit: No statutory limit
- Per Claim Funding Limit: \$200,000 with no co-pay or deductible

Public Highway Cleanup Claim Status

- Claims to date
 - None
- How success will be measured
 - By an increased number of LUGs signing off on institutional controls

Cost Guidance and Controls for all MUSTA Administered Cleanups

- Schedule of Costs
- Bidding Requirements
- List of Ineligibles
- MUSTA Audit Program

Updating of Schedule of Costs

- We will be sending an email to all consultants on our email list in August seeking volunteers to assist in updating the schedule of costs
- 6 consultants will be randomly selected and will be provided additional information upon selection

Main Reasons for Denied Costs

- Ineligible expenses such as UST removals, expenses incurred prior to reporting of release, site restoration, shipping
- Not having solicited competitive bids when required
- Markup on non-subcontractor charges
- Corrective actions not related to release(s) covered by an approved MUSTA Claim

Information from May 11th Email

- Please note that MUSTA can only reimburse for eligible costs related to the products and releases noted on submitted and approved claims for either the Underground Storage Tank Cleanup Fund (USTCF) or Legacy Release Program (LRP).
- If a release is reported following the approval of a MUSTA or LRP claim for a previous release, an Additional Release Eligibility Form must be submitted and approved for costs for corrective actions related to the subsequent release to be considered eligible for reimbursement.

Invoicing Guidance & Tips

- Invoices are to be submitted to: DEQ-MUSTA@michigan.gov
- Submitting Large files – FTP Site/DropBox
 - Separate invoices from supporting documentation
- Claimant/SIGMA/Invoice Form must match

- Instructions and Notes for completing an Invoice are located on the Invoice Submittal Form
- Make sure the Invoice is legible and the math is correct
- Provide all charges on the MUSTA Invoice
 - Do not short change yourself
- Invoices must include all supporting documentation, examples include:
 - Completed Disposal/Waste Manifests/Landfill Tickets
 - Subcontractor Invoices
 - Relevant Reports
 - Receipts (Hotel, Equipment, Supplies, etc.)
 - Chains of Custody
- Use the Description of Activities Completed During the Dates of Service section on the Invoice Submittal Form to provide additional information related to corrective actions completed
- If additional information is requested provide a response as quickly as possible
- To receive payment and Owner (claimant) must:
 - Be registered online as a vendor
 - Register with the same name and address as listed on their claim form
 - Include the owner (claimant), address, and tax id number on invoice submittal forms exactly how they are registered online
 - *Failure to do this results in lengthy delays in payments*

Frequently Asked Questions

- Are costs to reimburse an off-site property owner for allowing a restrictive covenant eligible for reimbursement?
 - Yes. However, there has been no reasonable cost established by the MUSTA Board, so these are handled on a case-by-case basis
- How much soil may be removed without bidding?
 - Up to 200 tons per tank or 500 tons per facility provided that actions meet the definition of an initial response per the Schedule of Costs
- How long are invoice reviews taking?
 - Due to the heavy volume of invoices for the Legacy Release Program, reviews are taking between 30 and 45 days
- What do we do if an item is not on the Schedule of Costs?
 - Identify the item on the invoice as NL. It will be added to a tracker and discussed during the annual Schedule of Costs update process

Sources of Information

- Visit www.michigan.gov/deqmusta
- Sign up for our Email list at: <https://public.govdelivery.com/accounts/MIDEQ/subscriber/new>
- To be safe...if you have any questions on the implementation of the Fund or eligibility of work and/or costs, please call or email:

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Thank You. MUSTA greatly appreciates your attendance and looks forward to working with you to make the Underground Storage Tank Cleanup Fund, Legacy Release Program, and Public Highway Cleanups successful.

