



POLICY #19

p. 1 of 2

Subject Reasonable Cost Guidelines
Adopted 6/17/2022; 5/17/2019; 7/21/2017; 5/19/2017; 11/20/2015; 8/16/2013; 11/16/2012;
11/21/2008; 7/21/2006; 3/15/2002; 12/1/2000; 11/6/1998; 9/4/1998; 6/16/1997

On June 2, 1997, the Petroleum Storage Tank Committee adopted Reasonable Cost Guidelines for work performed July 1, 1997, forward. On June 16, 1997, the Committee re-adopted these same Guidelines as Committee Policy 19.

On December 1, 2000, the Committee adjusted the Guidelines for inflation and increased all rates 9.4% for work performed January 1, 2001, forward.

On February 16, 2001, the Committee added guidance regarding costs for 3rd Party Liability.

On March 15, 2002, the Committee adjusted the Guidelines for inflation and increased all rates 4.7% for work performed January 1, 2002, forward.

On November 21, 2008, the Committee generally increased the Guideline rates (including labor by an average of 17%), although a few Guideline rates were lowered to reflect market conditions, established rates for many task and labor codes, added several new task and labor codes and deleted several outdated task and labor codes, all for work performed January 1, 2009, forward.

On November 16, 2012, the Committee lowered the rate for potholing and removed travel related rates, effective immediately.

On August 16, 2013, the Committee adopted new task and labor codes and rates related to well permitting, well gauging and slug testing, adding task and labor codes and rates in the 7 range for report submittals, and adding task and labor codes related to subcontractor travel and shipping. A task and labor code was added as 3.12 to allow for competitive bidding of excavation efforts. These new codes and rates are effective for corrective action plans approved October 1, 2013, forward.

On November 20, 2015, the Committee adjusted the Guideline rates for labor increasing all labor rates by 10%. The motion included a provision to keep markup at 15%. Also, the rates for task and labor codes 7.1 and 7.2 for Monitoring and Remediation Reporting were increased 10%, and the rate for task and labor code 7.5 for Site Decommissioning Report was removed. These changes are effective for work performed January 1, 2016, forward.

On May 19, 2017, the Committee adjusted the rate for task and labor code 6.9 – EPA Method 8260 - laboratory analysis of soil and groundwater samples for benzene, toluene, ethylbenzene, xylenes/methyltertbutylether/total volatile petroleum hydrocarbons (BTEX/MTBE/TVPH). This is the most common analysis performed related to petroleum contamination assessment and remediation. The rate was lowered from \$115 per sample to \$65 per sample or \$70 per sample if the laboratory has a physical presence in Colorado. Laboratories performing this analysis must be accredited or certified for OPS to accept the results of the analysis. The new rates are effective for analyses performed on and after July 1, 2017.

On July 21, 2017, the Committee adjusted the reasonable cost guideline rates for the other analyses that include benzene, toluene, ethylbenzene and xylenes (BTEX) of 6.1, 6.7 and 6.8, capping the rates paid for these analyses at \$65 for an out-of-state laboratory and \$70 for an in-state laboratory, similar to the recently adopted rate for 6.9

On May 17, 2019, the Committee approved an increase to the reasonable cost guideline rates for labor by 13%,



reporting labor component by 13%, specific activities in direct push and drilling by 28% on average, and groundwater sampling activities by 15%-21%.

On June 17, 2022, the Committee approved an average 15.6% increase to the reasonable cost guideline rates for labor (Task Labor Codes 5.1 through 5.9) and an increase to associated labor-based rates (4.1, 4.2, 4.3, 7.1, and 7.2). The increases align with Consumer Price Index (CPI or inflation) data for the Denver metro area since 2019 as published by the Colorado Department of Local Affairs. The new rates are effective July 1, 2022.