

November 15, 2005

USE OF ASBESTOS ABATEMENT FUNDS ON MAJOR CONSTRUCTION PROJECTS

1. PURPOSE: This Veterans Health Administration (VHA) Directive establishes policy for the proper use of asbestos abatement funds on major construction projects.

2. BACKGROUND

a. The Department of Labor's Occupational Safety and Health Administration (OSHA) issued specific asbestos regulations addressing worker protection which, by the terms of Executive Order 12196, apply to the Department of Veterans Affairs (VA). The Environmental Protection Agency (EPA) issued specific regulations addressing removal of asbestos containing materials (ACM), emissions of asbestos fibers, and disposal of ACM which, by the terms of the Clean Air Act (Public Law 95-95), apply to VA. VA recognizes that asbestos fibers have a deleterious effect on health when inhaled.

b. VA Directive 7700, Occupational Safety and Health, does not contain instructions relative to the appropriate use of asbestos abatement funds on major construction projects. In the beginning, all asbestos-related costs were absorbed as part of the overall construction budget. VA soon realized that costs associated with asbestos abatement would sometimes exceed the actual cost of the otherwise normal construction. Because the costs for abatement became proportionately so large for so many projects, VA and Congress agreed to fund a specific budget line item for asbestos abatement. This began in 1983 for the major construction program.

3. POLICY: It is VHA policy that asbestos-containing materials located in facilities must be controlled in accordance with generally-accepted practices and OSHA and EPA requirements, and the most cost effective method of asbestos management and abatement must be implemented.

4. ACTION: The Chief Facilities Management Officer (CFMO), or designee, VHA Central Office is responsible for ensuring that:

a. Asbestos abatement funding is not to be used for the replacement of major pieces of mechanical, electrical equipment or systems, such as: air handling units; heating and air conditioning mixing boxes; supply, exhaust, and return air fans; lighting fixtures; transformers: etc. *NOTE: If it is not cost effective to clean these type items, they should be replaced using project construction funds.*

b. The costs associated with the following work are appropriate for funding by the Asbestos Abatement Line Item: *NOTE: Unless the costs were originally included in the project construction funding.*

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- (1) Regulated ACM, other ACM, and Asbestos Contaminated Building Elements (ACE) as deemed appropriate for the protection of public health and the environment by the project CIH.
- (2) Encapsulation or enclosure of ACM or ACE
- (3) Removal and replacement of walls, pipe chases, ceilings, cabinets, etc., necessary to permit removal of ACM or ACE;
- (4) Removal, replacement and reinsulation of piping, ducts, structure, etc., as necessary to abate ACM and return the element to its original condition;
- (5) Construction of temporary barriers, showers, changing area, etc;
- (6) Repairing and refinishing of chases and partitions partially demolished for access to ACM or ACE;
- (7) Decontamination of ACE, including equipment, lighting, carpeting, ceiling tiles, and architectural surfaces;
- (8) Phasing, operational impact, and increase in contract construction time directly caused by asbestos abatement;
- (9) Temporary installation and removal of utilities, including water, electricity, waste, etc., necessary to support the abatement process;
- (10) Monitoring, inspection, testing, and administrative costs related to the preceding;
- (11) Contracting with qualified Industrial Hygienist consultant having appropriate Asbestos Hazard Energy Response Act (AHERA) certification to conduct asbestos survey of existing conditions and asbestos abatement design and construction monitoring as defined in the VA Asbestos Abatement Design Manual;
- (12) Peer review of the asbestos abatement design documents by a consulting firm specialized in asbestos abatement projects; and
- (13) All markups (overhead, profit, etc.) of the prime contractor on all asbestos-related work covered by the original construction contract and changes to the contract.

c. Project Managers assure that contractors are aware of the requirement that work associated with the Asbestos Abatement Line Item is identified in Specification Section 00100, "Instruction to Bidders and Notices," at the pre-bid conference. When a project which includes asbestos abatement is bid, each bidder is asked to identify separately the costs associated with asbestos abatement. That is, the bidders are asked to identify their bid costs for "General Construction" and for "Asbestos Abatement" as separate bid items, which are considered in total for the purpose of making the contract award. Final funding for each specific project is then

approved with the project funding statement based on the actual low bid, along with a reasonable contingency allowance.

d. The asbestos design consultant coordinates with the design architect and/or engineer to develop an Asbestos Abatement Line Item estimate, including all elements identified in subparagraph 4a. The estimate must be submitted during the design in accordance with the minimum submission requirements identified in the appropriate PG-18-15 volume, see Web site: <http://vaww.va.gov/facmgt/standard>.

e. Since estimating asbestos abatement costs on projects is difficult to determine in occupied areas because accessing the asbestos contaminates the occupied space, when additional funding is required, it is obtained through the approval of higher-level authorities. The CFMO approves additional funds from the asbestos line item up to a cumulative total of \$250,000. The Deputy Under Secretary for Health for Operations and Management (10N) approves funds exceeding that total. After (10N) approves, the CFMO cumulative \$250,000 approval limit is renewed.

5. REFERENCES

a. VA Directive 7700, Occupational Safety and Health

b. Department of Labor's Occupational Safety and Health Administration OSHA standard in Title 29 Code of Federal Regulations (CFR) 1926.1101 Asbestos, Tremolite, Anthophyllite, and Actinolite.

c. EPA Asbestos Regulation found in 40 CFR Part 61.145 and Part 763.

d. Asbestos Standard for Construction Industry (OSHA #3096).

e. Executive Order 12196, Occupational Safety and Health Programs for Federal Employees.

f. Clean Air Act (Public Law 95-95).

g. VA Asbestos Abatement Design Manual.

h. Asbestos Hazard Emergency Response Act (AHERA) (Public Law 99-519).

6. FOLLOW-UP RESPONSIBILITY: Project Management Service (183B) is responsible for the content of this VHA directive.

7. RESCISSION: VHA Directive 97-030 is rescinded. This VHA Directive expires November 30, 2010.

Jonathan B. Perlin, MD, PhD, MSHA, FACP
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