

2024 Environmental Cost Account (ECA) Budget Forecast for the Kerr-McGee Chemical Corp. Superfund Site in Navassa, North Carolina

Date Submitted: 12/11/2023

Greenfield Environmental Multistate Trust LLC,

Date Approved: 01/23/2024

Trustee of Multistate Environmental Response Trust (collectively, the Multistate Trust)

Exhibit I

Submission to: US Environmental Protection Agency (Region 4) on December 11, 2023

Summary of Site Work Completed in 2023 and Planned for 2024:

Work Completed in 2023: (1) OU2: Finalized remedial action work plan (RAWP) for new selected remedy (Alternative 3), completed contracting activities for OU2 remedial action (RA); (2) OU3: (Southern Marsh) secured Beneficiary approval of Data Quality Objectives for Supplemental Remedial Investigation (SRI) Phase II marsh characterization, prepared draft Baseline Ecological Risk Assessment Addendum (BERA), performed porewater sampling using Passive Diffusion Sampling (PDS) devices, began initial draft of Focused Feasibility Study; (3) OU4 (Pond and Process Area): Designed, implemented, and conducted OU4 SRI Phase II, completed draft OU4 Human Health Risk Assessment (HHRA), finalized OU4 BERA and submitted for Beneficiary review and approval, began drafting initial outline of OU4 Feasibility Study (FS). (4) OU5 (Groundwater): Conducted semi-annual groundwater monitoring well sampling program; (5) Community Engagement and Environmental Justice program implementation, including costs associated with training and redevelopment planning activities; (6) Overall: Project Management, updated Conceptual Site Model (CSM) and site strategy.

Work Planned for 2024: Includes: (1) OU2: Complete RA to include soil excavation and placement in on-site soil stockpiles, and prepare RA Completion Report; (2) OU3: (Southern Marsh) Finalize and secure Beneficiary approval of Draft BERA Addendum, complete PDS porewater sampling and reporting, draft and finalize OU3 Focused Feasibility Study; (3) OU4 (Pond and Process Area): Report on OU4 SRI conducted in 2023, finalize and secure beneficiary approval of OU4 HHRA, draft and finalize OU4 Focused Feasibility Study; (4) OU5 (Groundwater): Conduct semi-annual groundwater monitoring well sampling program, conduct pilot study for source area remediation; (5) Community Engagement and Environmental Justice program implementation, including costs associated with training and redevelopment planning activities; (6) Overall: Project Management, update CSM and site strategy.

Site Name: Kerr-McGee Chemical Corp. Superfund Site in Navassa, North Carolina (the Site)

Site Location: Navassa, North Carolina

Multistate Trust Site Code: XX

Cost Center	Cost Center Description	Total 2023 Approved Budget	Project Costs incurred in 2023 (as of 9/30/2023)	2024 Budget	2024 Scope of Work
XX.A	Regulatory Compliance and Site Operations/Maintenance	\$210,000	\$4,877	\$100,000	Budget includes caretaker functions, access needs, site security, site maintenance, etc.
XX.C	New Environmental Actions	\$7,911,000	\$1,809,066	\$6,121,000	Work Planned for 2024: Includes: (1) OU2: Complete RA to include soil excavation and placement in on-site soil stockpiles, and prepare RA Completion Report; (2) OU3: (Southern Marsh) Finalize and secure Beneficiary approval of Draft BERA Addendum, complete PDS porewater sampling and reporting, draft and finalize OU3 Focused Feasibility Study; (3) OU4 (Pond and Process Area): Report on OU4 SRI conducted in 2023, finalize and secure beneficiary approval of OU4 HHRA, draft and finalize OU4 Focused Feasibility Study; (4) OU5 (Groundwater): Conduct semi-annual groundwater monitoring well sampling program, conduct pilot study for source area remediation; (5) Community Engagement and Environmental Justice program implementation, including costs associated with training and redevelopment planning activities; (6) Overall: Project Management, update CSM and site strategy.
XX.D	Technical Team/Project Management	\$1,023,000	\$509,315	\$1,026,000	Budget includes fees and expenses for providing project direction and oversight of technical elements of on-going and new Environmental Actions including Site strategy, technical oversight of environmental contractors, project controls, project communications, financial management, beneficiary communications, community involvement, site-specific environmental justice program development and implementation, quality assurance/quality control, and contract management. Budget also includes fees for preparation of Multistate Trust Annual Progress Report.
XX.E	Project Fees & Expenses	\$175,000	\$46,148	\$175,000	Budget includes Managing Principal time and expenses for: oversight and approval of technical strategy and Environmental Actions; beneficiary communications; support for beneficiary community involvement; key stakeholder communications; Settlement Agreement matters; budget submittals; redevelopment planning activities; and preparation of Multistate Trust Annual Progress Report.
XX.F	Regulator Oversight Costs	\$800,000	\$36,207	\$550,000	Placeholder budget for EPA and NCDEQ oversight costs.
XX.G	Legal Fees and Accounting Fees	\$155,000	\$50,291	\$155,000	Budget includes fees and expenses for in-house legal services required to support Environmental Actions, including the preparation and execution of contracts, SOWs, access agreements, and other legal affairs. In addition, the budget includes outside legal support for the development of institutional controls (if needed), review of documents related to property recombination/subdivision, and construction contract support for OU2. Budget includes costs for financial services, including accounting, bookkeeping, financial reporting, invoice processing, budget preparation, and budget tracking. Budget also includes costs for legal and financial affairs support in preparation of Multistate Trust Annual Progress Report.
XX.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2024.
XX	Total Site 2024 Budget	\$10,274,000	\$2,455,904	\$8,127,000	

Total Kerr-McGee Chemical Corp. Superfund Site in Navassa, North Carolina Estimated Funding at Beginning of 2024 Budget Year*	\$22,259,000	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2022 actual and 2023 estimated costs; plus 2011 - 2022 actual and 2023 estimated investment activity and other receipts.
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Estimated Remaining Funds (Post-2024)	\$14,132,000	Initial ECA Funding (2/14/11): \$618,060 Initial SA Funding (2/14/11): \$3,590,495 Anadarko Settlement Funds (2015 and 2016) Received in Anadarko Account (AA): \$90,628,602 Fund transfer from AA to ECA on 8/11/2015: \$45,100,021 Pro-Rata Portion of Waterfall Distributions from Sales of Other Sites Properties: \$490,678 (Note: Funds are not from sales of Navassa Site properties.)
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Estimated Balance Segregated Amount Subaccount (SA)	\$3,901,311	The Trust does not plan to use funds from the SA in 2024.
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Estimated Balance Anadarko Amount Subaccount (AA)	\$49,765,003	The Trust does not plan to use funds from the AA in 2024.
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Estimated Balance TOTAL (Post-2024)	\$67,798,314	Total all accounts (ECA, SA, and AA)
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*This is a projection based on estimates and is subject to change once final costs have been received. Actual balances are presented in the quarterly distributed financial statements.