

2022 Environmental Cost Account (ECA) Budget Forecast for the Former Kerr-McGee Titanium Dioxide Beneficiation Plant Site in Mobile, Alabama

Date Submitted: 08/02/22

Greenfield Environmental Multistate Trust LLC,

Date Approved: 08/09/22

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Submittal to: Alabama Department of Environmental Management on November 30, 2021; Approved on December 15, 2021

Amended on August 2, 2022

Summary of Site Work Completed in 2021 and Planned for 2022:

Work Planned for 2022: fulfilling all regulatory compliance requirements (NPDES, LF Permit, and RML); operating and maintaining the WWTP (including continued WWTP repairs and upgrades); French drain/extraction well system operation and other facility activities; management and repairs to address weather related impacts or unanticipated maintenance needs; routine groundwater monitoring, reporting, and compliance activities; complete permitting activities for in-place landfill/impoundment closure; complete procurement and contracting for in-place impoundment/landfill closure and remedial construction; initiate remedial construction for in-place closure of the IOX landfill/impoundments (complete installation of cement-bentonite containment wall and initiate landfill capping and closure construction); completion of site-wide investigations reporting to characterize nature and extent of NARM and chemical impacts in the former facility area and other areas on the property; perform VCP (chemical) related site remediation and closure activities; perform NARM impacted material consolidation into the IOX impoundments; and perform Final Status Surveys and RML termination activities to sequentially close NARM areas. (Note: Landfill capping/closure construction costs and NARM consolidation/disposal costs are not included. A revised budget as well as Lead Agency approval to complete these activities will be requested as an amendment to the 2022 ECA Budget once contractor proposals are received and selected for implementation.)

Work Planned with 2022 Budget Amendment: The budget amendment includes a higher than anticipated level of effort by the Managing Principal to support Environmental Actions at the Site, including: IOX impoundment closure prime contractor and owner's representative procurement and selection; IOX impoundment containment wall construction delivery and resolution of technical and logistical issues; development and implementation of Site strategy; preparation of the Mobile annual progress report; and managerial oversight of operations and staff, including transition in staff. Budget includes costs for three trips to Alabama.

Site Name: Former Kerr-McGee Titanium Dioxide Beneficiation Plant Site in Mobile, Alabama (the Site)

Site Location: Mobile, Alabama

Multistate Trust Site Code: III

Cost Center	Cost Center Description	2022 Original Budget (Approved 12/15/21)	Committed Costs (As of 6/30/22)	YTD Costs (As of 5/31/22)	Proposed Amendment	Proposed Amended 2022 Budget	2022 Scope of Work
III.A	Regulatory Compliance and Site Operations/Maintenance	\$3,585,000	\$2,558,733	\$719,303	\$0	\$3,585,000	No change to original scope or budget anticipated.
III.C	New Environmental Actions	\$21,812,000	\$21,014,511	\$7,655,936	\$0	\$21,812,000	No change to original scope or budget anticipated.
III.D	Technical Team/Project Management	\$1,301,000	\$1,273,375	\$500,244	\$0	\$1,301,000	No change to original scope or budget anticipated.
III.E	Project Fees & Expenses	\$53,000	\$53,000	\$46,069	\$125,000	\$178,000	The budget amendment includes a higher than anticipated level of effort by the Managing Principal to support Environmental Actions at the Site, including: IOX impoundment closure prime contractor and owner's representative procurement and selection; IOX impoundment containment wall construction delivery and resolution of technical and logistical issues; development and implementation of Site strategy; preparation of the Mobile annual progress report; and managerial oversight of operations and staff, including transition in staff. Budget includes costs for three trips to Alabama.
III.F	Regulator Oversight Costs	\$75,000	\$75,000	\$2,590	\$0	\$75,000	No change to original scope or budget anticipated.
III.G	Legal Fees and Accounting Fees	\$305,000	\$280,000	\$76,067	\$0	\$305,000	No change to original scope or budget anticipated.
III.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	\$0	\$0	No change to original scope or budget anticipated.
III	Total Site 2022 Budget	\$27,131,000	\$25,254,619	\$9,000,209	\$125,000	\$27,256,000	
	Total Former Kerr-McGee Titanium Dioxide Beneficiation Plant Site in Mobile, Alabama Estimated Funding at Beginning of 2022 Budget Year*	\$272,616,000				\$272,616,000	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2020 actual and 2021 estimated costs; plus 2011 - 2020 actual and 2021 estimated investment activity and other receipts.
	Estimated Remaining Funds (Post-2022)	\$245,485,000				\$245,360,000	Initial Funding (2/14/11): \$21,587,129 Anadarko Settlement Funds (2015 and 2016): \$271,885,808 Waterfall Distribution from Sale of Property: \$1,472,033

*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.