

**2022 Environmental Cost Account (ECA) Budget Forecast for the Former Tronox/Kerr-McGee (Moss American) in Sauget, Illinois**

Greenfield Environmental Multistate Trust LLC,  
Trustee of Multistate Environmental Response Trust (Multistate Trust)

**Exhibit I**

**Date Submitted: 11/30/21**

**Date Approved: 12/20/21**

Submittal to: Illinois Environmental Protection Agency on November 30, 2021

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

**Work Completed in 2021:** Finalized and submitted the Supplemental Remedial Investigation (SRI) Approach Scenario Memorandum and cost estimates for each of the 3 proposed scenarios for conducting a SRI to the Illinois EPA. Participated in a technical meeting with the Illinois EPA to determine which scenario to implement from the SRI Approach Scenario Memorandum. Submitted a 2021 ECA budget amendment to complete the SRI Work Plan. Began the preparation of the SRI Work Plan, including the Health and Safety Plan (HASP), Waste Management Plan (WMP) and Quality Assurance Project Plan (QAPP) (collectively the SRI Work Plan). Began developing a strategy to remove the Site from the "Critical Sites List" and for participated in discussions with the Illinois EPA and the United States.

**Work Planned for 2022:** Continue the preparation of the preparation of the SRI Work Plan for Illinois EPA review and approval; conduct a property survey and prepare a Site topographic map; and confirm offsite property ownership and support the preparation of access agreements for locations where offsite investigations are proposed. As previously discussed with Illinois EPA, the SRI Work Plan prioritizes the dense nonaqueous phase liquid (DNAPL) source delineation, extent of on- and offsite groundwater impacts and investigations to evaluate the potential for vapor intrusion at nearby residential properties. Budget includes costs for ongoing discussions with the Illinois EPA and United States regarding the strategy to remove the Site from the "Critical Sites List".

**Note:** A 2022 ECA budget amendment will be submitted to Illinois EPA for the implementation of the SRI field investigation and preparation of the SRI report after the approval of the SRI Work Plan. Prior to submitting the budget amendment, a revised cost estimate will be prepared to implement the SRI Work Plan as written. The Multistate Trust and the Illinois EPA will participate in a virtual meeting to discuss comments on the SRI Work Plan and the associated cost estimate.

**Site Name: Former Tronox/Kerr-McGee (Moss American) in Sauget, Illinois (the Site)**

**Site Location: Sauget, Illinois**

**Multistate Trust Site Code: IX**

Cost Center	Cost Center Description	Total 2021 Approved Budget	Project Costs incurred in 2021 (as of 10/31/2021)	2022 Budget	2022 Scope of Work
IX.A	Regulatory Compliance and Site Operations/Maintenance	\$73,900	\$16,608	\$93,900	Budget includes the costs to (i) perform annual groundwater sampling event, laboratory analysis, and preparation of the 2022 Annual Groundwater Quality Report, (ii) basic Site utilities (power and water), (iii) perform routine Site security, inspection, and maintenance activities, (iv) conduct manual DNAPL recovery, and (v) disposal of four (4) drums containing soil and one (1) drum containing purged groundwater. Budget includes a placeholder allowance of \$10,000 for unplanned or emergency events. The long-time Site operator is retiring in late-Q1 2022; thus the Multistate Trust is evaluating potential contractors and will seek Illinois EPA approval of a new O&M contractor in the event that a new contractor is proposed. The budget increase of \$20,000 is a placeholder allowance to account for transition costs.
IX.C	New Environmental Actions	\$200,000	\$24,385	\$159,000	Budget includes the costs for (i) Multistate Trust third-party contractor project management, (ii) preparation the draft and final SRI Work Plan to implement Scenario 2 as described in the Supplemental Remedial Investigation Approach Scenarios and Cost Estimates memo and as discussed in the August 25, 2021 meeting with Illinois EPA, (iii) an initial site visit, (iv) access agreement support and confirmation of offsite property ownership where offsite investigation is proposed, and (v) a site property boundary survey, topographic survey, and preparation of a topographic map.  The 2021 ECA Budget Amendment was approved by Illinois EPA on November 9, 2021. A notice to proceed was issued to the Multistate Trust third-party contractor on November 16, 2021; thus, costs to prepare the SRI Work Plan are anticipated to be minimal in 2021. Therefore the entire 2021 ECA Budget Amendment amount for the preparation of the SRI Work Plan and the Initial Field Work Pre-Planning tasks were included in the 2022 ECA Budget (\$134,000). Additionally, \$25,000 is included in the budget for Multistate Trust third-party contractor project management.  After Illinois EPA has had the opportunity to review the SRI Work Plan, a 2022 ECA Budget amendment will be submitted to incorporate costs to implement the SRI Work Plan field investigation activities and to prepare the SRI report.
IX.D	Technical Team/Project Management	\$126,000	\$28,271	\$89,000	Budget includes fees and expenses for providing project direction and oversight of technical elements of (i) ongoing regulatory compliance and O&M, and (ii) new Environmental Actions including Site strategy, technical oversight of environmental contractors, project controls, project communications, financial management, beneficiary communications, community involvement, redevelopment planning, quality assurance/quality control, and contract management. A budget amendment will be submitted to complete the SRI Work Plan for the selected SRI scenario, to implement the SRI field work and to prepare the SRI Report. Budget also includes fees and expenses for developing the strategy to remove the site from the "Critical Sites List" and for participating in discussions with the Lead Agency and United States. <sup>1</sup>
IX.E	Project Fees & Expenses	\$19,000	\$322	\$5,000	Budget includes Managing Principal time and expenses for: (i) oversight and approval of technical strategy and Environmental Actions; (ii) beneficiary communications; (iii) support for beneficiary community involvement; (iv) key stakeholder communications; (v) Settlement Agreement matters; (vi) budget submittals; and (vii) redevelopment planning activities. A budget amendment will be submitted to complete the SRI Work Plan for the selected SRI scenario, to implement the SRI field work and to prepare the SRI Report. Budget also includes fees and expenses for developing the strategy to remove the site from the "Critical Sites List" and for participating in discussions with the Lead Agency and United States. <sup>1</sup>
IX.F	Regulator Oversight Costs	\$15,000	\$0	\$15,000	Regulatory Oversight Cost for Lead Agency
IX.G	Legal Fees and Accounting Fees	\$31,000	\$8,663	\$22,000	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. The budget also includes costs for financial services, including accounting, bookkeeping, financial reporting, invoice processing, budget preparation, and budget tracking. A budget amendment will be submitted to complete the SRI Work Plan for the selected SRI scenario, to implement the SRI field work and to prepare the SRI Report. Budget also includes fees and expenses for developing the strategy to remove the site from the "Critical Sites List" and for participating in discussions with the Lead Agency and United States. <sup>1</sup>
IX.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2022
IX	<b>Total Site 2022 Budget</b>	<b>\$464,900</b>	<b>\$78,248</b>	<b>\$383,900</b>	
	<b>Total Former Tronox/Kerr-McGee (Moss American) in Sauget, Illinois Estimated Funding at Beginning of 2022 Budget Year*</b>			<b>\$4,321,000</b>	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.
	<b>Estimated Remaining Funds (Post-2022)</b>			<b>\$3,937,100</b>	<b>Initial Funding (2/14/11): \$3,960,429</b> <b>Anadarko Settlement Funds (2015 and 2016): \$4,531,430</b> <b>Waterfall Distribution from Sale of Property: \$24,534</b>

\*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.

This Single Page Document Constitutes the Annual Budget Submitted to the Lead Agency under Section 3.2.4 of the Multistate Environmental Response Trust Agreement. Supplemental Worksheets, if any, Do Not Comprise a Portion of the Annual Budget.

**Notes:**

<sup>1</sup>Subject to further consultation with its Lead Agencies and the United States, the Multistate Trust currently defines an Owned Funded Site (OFS) as a "Critical Site" if the OFS lacks sufficient Environmental Cost Account (ECA) funds to address one or more of the following criteria or conditions: (i) Known, uncontrolled, unacceptable or potentially unacceptable exposure of human and/or ecological receptors to OFS site contaminants; (ii) Uncontrolled migration of OFS contaminants off-site at concentrations that exceed applicable risk-based criteria; (iii) Unable to characterize the nature and extent of contamination to determine whether there is an unacceptable exposure of human health and the environment to OFS contamination, and to implement protective remedies; and (iv) Potential impacts to drinking water supplies, actual or likely direct human contact and sensitive socioeconomic impacts, including Environmental Justice communities and populations at risk, because the Multistate Trust endeavors to prioritize such OFSs.

Critical Sites need an infusion of funds sufficient to address the above criteria so that an OFS is no longer classified as a Critical Site. Additional funds will likely be necessary to achieve regulatory closure. While many OFSs may lack sufficient funds to achieve final regulatory closure (including long-term stewardship), funding shortfalls in those cases can potentially be addressed by funding receipts from waterfalling funds under the Settlement Agreement and Multistate Trust Agreement, interest income, the sale of property and/or the transfer of such responsibility to a successor to the Multistate Trust.