

2023 Environmental Cost Account (ECA) Budget Forecast for the Former Tronox/Kerr-McGee (Moss American) in Sauget, Illinois

Greenfield Environmental Multistate Trust LLC,

Date Submitted: 11/21/22

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Exhibit I

Date Approved: 01/18/23 Submittal to: Illinois Environmental Protection Agency on November 21, 2022, Revised December 21, 2022

Summary of Site Work Completed in 2022 and Planned for 2023:

Work Completed in 2022: Performed routine Site operation, security, and property maintenance activities. Performed monthly gauging of dense non-aqueous phase liquid (DNAPL as creosote) and annual groundwater monitoring and reporting activities. Prepared and submitted the Supplemental Remedial Investigation (SRI) Work Plan, including Waste Management Plan (WMP), for Illinois Environmental Protection Agency (Illinois EPA) review and approval. The Multistate Trust received Illinois EPA's letter approving the SRI Work Plan on November 29, 2022. As previously discussed with Illinois EPA, the SRI Work Plan prioritizes the DNAPL source delineation, extent of on- and offsite groundwater impacts and investigations to evaluate the potential for vapor intrusion at nearby residential properties. As part of the pre-field work planning activities, a property boundary and topographic survey was conducted. Supported preparation of Chapter 3.H (specific to the Site) of the Multistate Trust 2021 Annual Progress Report. Participated in strategic discussions the Illinois EPA and the United States to remove the Site from the "Critical Sites List".

Work Planned for 2023: Perform routine Site operation, security, and property maintenance activities. Perform monthly gauging of DNAPL and annual groundwater monitoring and reporting activities. Repair approximately 90 linear feet of chain link security fence to prevent unauthorized access and risk of exposure to Site-related contaminants to human receptors. Implement the Illinois EPA-approved SRI, including: (i) contractor-specific revisions to the health and safety plan (HASP), quality assurance project plan (QAPP) and waste management plan (WMP); (ii) field planning activities, including, subcontractor procurement, property access agreements, and utility locating; (iii) all field work activities to implement the SRI as approved by Illinois EPA; and (iv) SRI Reporting. If the vapor intrusion sampling results indicate that the vapor intrusion pathway is complete, the Multistate Trust will work with Illinois EPA to determine the best path forward. A budget amendment will be submitted to reallocate ECA funds as appropriate. Develop a fact sheet and distribute to the nearby residents and community officials. Participate in meetings with the beneficiaries and stakeholders, as appropriate. Support preparation of the Multistate Trust's 2022 Annual Progress Report (portion specific to the Site). 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".

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 2022 Approved Budget	Project Costs incurred in 2022 (as of 9/30/2022)	2023 Budget	2023 Scope of Work
IX.A	Regulatory Compliance and Site Operations/Maintenance	\$93,900	\$36,579	\$124,000	Budget includes: (i) the annual groundwater sampling event, laboratory analysis, and preparation of the 2023 Annual Groundwater Quality Report, (ii) basic Site utilities (power and water), (iii) routine Site security, inspection, and maintenance activities, (iv) manual DNAPL recovery, (v) repair of approximately 90 linear feet of security fencing, and (vi) repair of the roof and sliding door of an onsite building to establish an IDW storage area. Budget also includes a placeholder allowance of \$10,000 for unplanned or emergency events. Utilities, laboratory charges and other routine O&M budgets have been estimated to account for potential rate adjustments due to inflation. The Multistate Trust will monitor actual costs incurred and impacts to the 2023 ECA budget and if necessary, submit a budget amendment.
IX.C	New Environmental Actions	\$159,000	\$141,957	\$2,696,000	Budget includes: (i) Multistate Trust third-party contractor project management for their various scopes of work in 2023, (ii) community engagement support (e.g., graphic support and flyer distribution), and (iii) implementation of the SRI, including (1) contractor-specific revisions to the HASP, QAPP and WMP, (2) field planning activities, including, subcontractor procurement, property access agreements, and utility locating, (3) all field work activities to implement the SRI as approved by Illinois EPA, and (4) SRI Reporting.
IX.D	Technical Team/Project Management	\$89,000	\$39,455	\$209,000	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, quality assurance/quality control, contract management, and facilitation of future reuse and integration of the cleanup plans. Budget also includes fees for preparation of Multistate Trust 2022 Annual Progress 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. ¹
IX.E	Project Fees & Expenses	\$5,000	\$473	\$14,000	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; (vii) redevelopment planning activities; and (viii) preparation of Multistate Trust 2022 Annual Progress 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. ¹
IX.F	Regulator Oversight Costs	\$15,000	\$4,568	\$20,000	Regulatory oversight costs for lead agency.
IX.G	Legal Fees and Accounting Fees	\$22,000	\$12,000	\$46,000	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. 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 2022 Progress 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. ¹
IX.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2023.
IX	Total Site 2023 Budget	\$383,900	\$235,032	\$3,109,000	
Total Former Tronox/Kerr-McGee (Moss American) in Sauget, Illinois Estimated Funding at Beginning of 2023 Budget Year*				\$4,042,000	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2021 actual and 2022 estimated costs; plus 2011 - 2021 actual and 2022 estimated investment activity and other receipts.
Estimated Remaining Funds (Post-2023)				\$933,000	Initial Funding (2/14/11): \$3,960,429 Anadarko Settlement Funds (2015 and 2016): \$4,531,430 Waterfall Distribution from Sale of Property: \$24,534 1988 Consent Decree: \$55,667

¹This 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:

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 OFSs 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.