

**2022 Environmental Cost Account (ECA) Budget Forecast for the Former Kerr-McGee/Tronox Wood Treating Site in Indianapolis, Indiana**

Date Submitted: 06/01/22

Greenfield Environmental Multistate Trust LLC,

Date Approved: 06/27/22

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Submittal to: Indiana Department of Environmental Management on November 26, 2021 (Approved on December 30, 2021)

Amended on June 1, 2022

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

**Work Planned for 2022:** Perform routine quarterly Site inspections, utilities and an annual groundwater sampling event with reporting. Maintain compliance with the hazardous waste laws and regulations, including maintenance of the IDW and hazardous waste storage area. The 2022 budget includes a placeholder allowance of \$10,000 for unplanned Site improvements or repairs. Finalize the evaluation of exposure potential for on- and off-Site human health risk associated with surface soil, soil gas/vapor and groundwater and the delineation of environmental impacts along Site property boundary. Finalize the soil gas/vapor sampling analytical data review and prepare the Soil Gas/Vapor Risk Evaluation Report. Prepare a Waste Management Plan for the Site and update the Additional Site Characterization and CSM Update Report with the findings from the 2021 Site investigation activities. The 2022 budget also includes a placeholder allowance of \$33,000 for the Multistate Trust's third-party contractor to perform environmental oversight of the stormwater drainage ditch vegetation clearing and sediment removal activities. This amount does not include costs to implement response actions in the event an unknown condition is encountered (e.g., identification of free product as creosote). If an unknown environmental condition is encountered, the Multistate Trust will contact IDEM to determine next steps and a budget amendment will be submitted if necessary. The Multistate Trust is in discussions with the adjacent property owners to develop a cost sharing agreement for the stormwater drainage ditch vegetation clearing and sediment removal activities, which would reduce the Multistate Trust's portion of the estimated costs. The Multistate Trust will schedule a meeting with IDEM after the Additional Site Characterization and CSM Update Report has been submitted to discuss next steps. A budget amendment may be submitted if further work in 2022 is contemplated or necessary.

**Work Planned with 2022 Amendment:** As directed by IDEM in the Tronox Site Assessment Report Approval Letter (February 2022), environmental actions will be conducted to seek to facilitate reuse and closure of the Former Leased Office/Maintenance Area and Storage Yard Area in accordance with IDEM's Remediation Closure Guide (dated 2012), including: (i) coordinate with IDEM to integrate reuse and cleanup efforts (e.g., evaluate, prepare and submit to IDEM a Redevelopment Plan); (ii) conduct a Risk Assessment to evaluate Engineering Control(s) (EC), Institutional Control(s) (IC), and/or Environmental Restrictive Covenant(s) (ERC) as possible remedies for the Former Leased Office/Maintenance Area and Storage Area; (iii) evaluate, prepare and submit a Remedy Proposal, including the submittal of a Record of Remedy Selection State Form 54471 and Record of Site Closure State Form 54472; (iv) prepare and submit a Site Remedy Engineering Design; and (v) prepare and submit an Operations and Maintenance Plan detailing criteria and guidelines for inspections and maintenance of the remedy.

Site Name: Former Kerr-McGee/Tronox Wood Treating Site in Indianapolis, Indiana (the Site)

Site Location: Indianapolis, Indiana

Multistate Trust Site Code: X

Cost Center	Cost Center Description	2022 Original Budget (Approved 12/30/21)	Committed Costs (As of 4/30/22)	YTD Costs (As of 3/31/22)	Proposed Amendment	Proposed Amended 2022 Budget	2022 Scope of Work
X.A	Regulatory Compliance and Site Operations/Maintenance	\$118,000	\$65,143	\$1,425	\$0	\$118,000	No change to original scope or budget anticipated.
X.C	New Environmental Actions	\$114,000	\$97,955	\$41,802	\$64,300	\$178,300	Work Planned with 2022 Amendment: As directed by IDEM in the Tronox Site Assessment Report Approval Letter (February 2022), environmental actions will be conducted to seek to facilitate reuse and closure of the Former Leased Office/Maintenance Area and Storage Yard Area in accordance with IDEM's Remediation Closure Guide (dated 2012), including: (i) coordinate with IDEM to integrate reuse and cleanup efforts (e.g., evaluate, prepare and submit to IDEM a Redevelopment Plan); (ii) conduct a Risk Assessment to evaluate Engineering Control(s) (EC), Institutional Control(s) (IC), and/or Environmental Restrictive Covenant(s) (ERC) as possible remedies for the Former Leased Office/Maintenance Area and Storage Area; (iii) evaluate, prepare and submit a Remedy Proposal, including the submittal of a Record of Remedy Selection State Form 54471 and Record of Site Closure State Form 54472; (iv) prepare and submit a Site Remedy Engineering Design; and (v) prepare and submit an Operations and Maintenance Plan detailing criteria and guidelines for inspections and maintenance of the remedy.
X.D	Technical Team/Project Management	\$59,000	\$59,000	\$11,870	\$12,000	\$71,000	The budget amendment includes additional costs for anticipated increase in level of effort for the Technical team to support the additional activities described above.
X.E	Project Fees & Expenses	\$5,000	\$5,000	\$473	\$2,000	\$7,000	No change to original scope or budget anticipated.
X.F	Regulator Oversight Costs	\$10,000	\$10,000	\$0	\$0	\$10,000	No change to original scope or budget anticipated.
X.G	Legal Fees and Accounting Fees	\$33,000	\$33,000	\$4,244	\$0	\$33,000	No change to original scope or budget anticipated.
X.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	\$0	\$0	No change to original scope or budget anticipated.
X	<b>Total Site 2022 Budget</b>	<b>\$339,000</b>	<b>\$270,098</b>	<b>\$59,814</b>	<b>\$78,300</b>	<b>\$417,300</b>	
	<b>Total Former Kerr-McGee/Tronox Wood Treating Site in Indianapolis, Indiana</b>	<b>\$973,000</b>				<b>\$973,000</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>\$634,000</b>				<b>\$555,700</b>	<b>Initial Funding (2/14/11): \$366,782</b> <b>Anadarko Settlement Funds (2015 and 2016): \$2,265,715</b> <b>Waterfall Distribution from Sale of Property: \$12,267</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 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.