

**2023 Environmental Cost Account (ECA) Budget Forecast for the Former Kerr-McGee/Tronox Wood Treating Site in Indianapolis, Indiana**

Greenfield Environmental Multistate Trust LLC,

**Exhibit I**

**Date Submitted: 11/21/22**

**Trustee of Multistate Environmental Response Trust (Multistate Trust)**

**Date Approved: 01/30/23**

**Submittal to: Indiana Department of Environmental Management on November 21, 2022**

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

**Work Completed in 2022:** Performed routine semi-annual Site inspections and annual groundwater sampling event. Prepared 2022 Annual Groundwater Monitoring Report and submitted to IDEM on October 11, 2022. Maintained compliance with the hazardous waste laws and regulations, including maintenance of investigation derived waste (IDW) and hazardous waste storage area. Conducted unplanned Site improvements and limited repairs of the security fence and gates around the Site. Prepared 2021 Annual Site Report and submitted to IDEM on February 2, 2022. Evaluated 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. Finalized the soil gas/vapor sampling analytical data review and prepared Vapor Intrusion Investigation and Evaluation Report and submitted to IDEM on May 4, 2022. Updated the Additional Site Characterization and CSM Update Report with the findings from the 2021 Site investigation activities and submitted to IDEM on May 16, 2022. Conducted further investigation activities of the Former Leased Office/Maintenance Area and Storage Yard Area (Former Leased Area) consistent with IDEM's Tronox Site Assessment Report Approval Letter dated February 16, 2022 to integrate future reuse and cleanup of the Former Leased Area in accordance with IDEM's Risk-Based Closure Guide (July 2022), including: (i) preparation of a Redevelopment Integration Plan and submittal to IDEM on September 14, 2022; and (ii) preparation of the Corrective Action Design Report (CADR), including risk assessments to evaluate the use of engineering controls, institutional controls and/or environmental restrictive covenants as possible remedies and the submittal of a Record of Remedy Selection State Form 54471 and Record of Site Closure State Form 54472. Participated in strategic discussions with IDEM and the United States regarding the strategy to remove the Site from the "Critical Sites List".

**Work Planned for 2023:** Perform routine semi-annual Site inspections and annual groundwater sampling event. Prepare 2023 Annual Groundwater Monitoring Report and submit to IDEM. Perform activities to maintain compliance with the hazardous waste laws and regulations, including maintenance of IDW and hazardous waste storage area. The budget includes placeholder allowances of (i) \$10,000 for unplanned Site improvements or repairs and (ii) \$100,000 to remove trees/vegetation along the Plant Property's perimeter fence and repair damaged fencing to better secure the Site and prevent unauthorized access and risk of exposure to Site-related contaminants to human receptors (costs assume a 50/50 split between the ECA and AA). Respond to IDEM comments, if any, on the Former Leased Area Corrective Action Design Report (CADR) and revise as appropriate. Upon approval of the Former Leased Area CADR, prepare and submit both a Site Remedy Engineering Design and Operations and Maintenance Plan detailing criteria and guidelines for inspections and maintenance of the remedy. To address data gaps in the northwest portion of the Plant Property, prepare a Site Investigation Work Plan--Northwest Area (Plant Property). After approval of the Site Investigation Work Plan--Northwest Area (Plant Property) by IDEM, a budget amendment will be submitted to include the associated field investigation and reporting activities. The budget includes a placeholder allowance of \$15,000 for vapor intrusion subject matter expertise to support the development of the Site Investigation Work Plan--Northwest Area (Plant Property) and to evaluate data collected from the northwest portion of the Plant Property. The budget also includes a placeholder allowance of \$36,000 for the Multistate Trust's third-party contractor to perform environmental oversight of the potential 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 dense nonaqueous phase liquid [DNAPL] 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. Support preparation of the Multistate Trust's 2022 Annual Progress Report (portion specific to the Site). Budget includes costs for ongoing discussions with IDEM and the United States regarding the strategy to remove the Site from the "Critical Sites List".

**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	Total 2022 Approved Budget	Project Costs incurred in 2022 (as of 9/30/2022)	2023 Budget	2023 Scope of Work
X.A	Regulatory Compliance and Site Operations/Maintenance	\$118,000	\$44,453	\$193,000	Perform routine semi-annual Site inspections and the annual groundwater sampling event. Prepare the 2023 Annual Groundwater Monitoring Report and submit to IDEM. Perform activities to maintain compliance with the hazardous waste laws and regulations, including maintenance of the investigation derived waste (IDW) and hazardous waste storage area. The budget includes placeholder allowances of (i) \$10,000 for unplanned Site improvements or repairs and (ii) \$100,000 to remove trees/vegetation along the Plant Property's perimeter fence and repair damaged fencing to better secure the Site and prevent unauthorized access and risk of exposure to Site-related contaminants to human receptors (costs assume a 50/50 split between the ECA and AA). Increase in budget from 2022 to 2023 is due to identification of significant damage to the Plant Property's perimeter fence.
X.C	New Environmental Actions	\$178,300	\$89,995	\$134,000	Respond to IDEM comments, if any, on the Former Leased Area Corrective Action Design Report (CADR) and revise as appropriate. Upon approval of the Former Leased Area CADR, prepare and submit both a Site Remedy Engineering Design and Operations and Maintenance Plan detailing criteria and guidelines for inspections and maintenance of the remedy. To address data gaps in the northwest portion of the Plant Property, prepare a Site Investigation Work Plan--Northwest Area (Plant Property). After approval of the Site Investigation Work Plan--Northwest Area (Plant Property) by IDEM, a budget amendment will be submitted to include the associated field investigation and reporting activities. The budget includes a placeholder allowance of \$15,000 for vapor intrusion subject matter expertise to support the development of the Site Investigation Work Plan--Northwest Area (Plant Property) and to evaluate data collected from the northwest portion of the Plant Property. The budget also includes a placeholder allowance of \$36,000 for the Multistate Trust's third-party contractor to perform environmental oversight of potential 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 dense nonaqueous phase liquid [DNAPL] 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.
X.D	Technical Team/Project Management	\$71,000	\$40,228	\$80,000	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. In addition, the budget 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. <sup>1</sup>
X.E	Project Fees & Expenses	\$7,000	\$2,441	\$6,000	Budget includes Managing Principal time and expenses for: oversight and approval of technical strategy and Environmental Actions; beneficiary communications; support for beneficiary and community involvement; key stakeholder communications; policy matters; Settlement and Trust Agreement matters; and redevelopment planning activities. In addition, the budget 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. <sup>1</sup>
X.F	Regulator Oversight Costs	\$10,000	\$0	\$10,000	Regulatory oversight costs for lead agency
X.G	Legal Fees and Accounting Fees	\$33,000	\$11,982	\$28,000	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. In addition, the budget 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. <sup>1</sup>
X.I	Lease & Property Use (Income & Costs)	\$0	\$495	\$0	Budget assumes no lease revenues in 2023.
X	Total Site 2023 Budget	\$417,300	\$188,604	\$451,000	
<b>Total Former Kerr-McGee/Tronox Wood Treating Site in Indianapolis, Indiana Estimated Funding at Beginning of 2023 Budget Year*</b>				<b>\$744,000</b>	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.
<b>Estimated Remaining Funds (Post-2023)</b>				<b>\$293,000</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 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.