

2023 Environmental Cost Account (ECA) Budget Forecast for the Kerr-McGee Chemical Corp. Superfund Site in Columbus, Mississippi

Greenfield Environmental Multistate Trust LLC,

Date Submitted: 11/23/22

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Exhibit I

Date Approved: 12/21/22

Submittal to: US Environmental Protection Agency (Region 4) on November 23, 2022

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

Work Completed in 2022: Continued routine site operation, security, and property maintenance activities; completed semi-annual groundwater monitoring, sampling and reporting activities; submitted revised draft of OU3/OU5 Feasibility Study (FS) per EPA/MDEQ comments and subsequent discussions for EPA approval; completed additional sampling at 2 additional residential properties within OU2, including field collection, data validation, and evaluation activities; continued final grading activities in the Pine Yard (OU1); provided technical and field support to USGS/EPA-led phytoremediation pilot study including groundwater monitoring, soil sampling, and tree measurement and monitoring activities; completed additional planning to support Remedial Action construction of OU2 soils at 2 property with specific resident request to preserve trees and drafted construction completion report; finalized Stormwater Ditch removal action construction completion report; finalized OU1 Remedial Action Completion Report and Addendum; and continued to perform public involvement and community outreach activities by conducting one town hall meeting.

Work Planned for 2023:** Continue routine site operation, security, and property maintenance activities; operation of groundwater recovery and treatment system; semi-annual groundwater monitoring, sampling and reporting; complete draft, revised-draft, and final OU4 FS based on EPA comments on OU3/OU5 FS and submit to EPA and MDEQ for review; complete additional groundwater characterization sampling activities in the Pine Yard to inform the OU4 FS Report; prepare a work plan for the investigation of surface soils in OU3 for engineered soil cover design support; conduct remedial design activities for the former Main Plant Area (OU3/5) based on and pending EPA Record of Decision; provide technical support to EPA in the preparation of the OU3, OU4, and OU5 Proposed Plan and ROD documents; continue field activities to support to USGS/EPA-led phytoremediation pilot study, including ongoing groundwater monitoring, soil sampling, and tree auditing; complete OU1/Pine Yard final seeding and surveying activities; completion of OU2 remedial action construction activities at final property (18-16); complete and finalize OU2 Remedial Action construction completion report; Complete conceptual redevelopment master plan; and continue to perform public involvement and community outreach activities. **Note: Costs to complete any additional draft of the OU3/5 FS are not included.

Site Name: Kerr-McGee Chemical Corp. Superfund Site in Columbus, Mississippi (the Site)

Site Location: Columbus, Mississippi

Multistate Trust Site Code: XVI

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
XVI.A	Regulatory Compliance and Site Operations/Maintenance	\$789,850	\$422,534	\$1,087,500	Budget scope includes: (i) general property operations and maintenance; (ii) semi-annual groundwater compliance sampling and reporting; (iii) groundwater recovery and treatment system operation and permit compliance; (iv) disposal of remediation waste; (v) property utility fees; (vi) \$30,000 allowance for unforeseen potential groundwater recovery and treatment system repairs, and; (vii) an estimated \$127,000 for the transport and disposal at an offsite facility of recovered NAPL.
XVI.C	New Environmental Actions	\$1,633,300	\$703,716	\$1,907,500	Budget scope includes: (i) revisions to the BERA in response to Beneficiaries' comments on the November 11, 2020, submittal; (ii) preparation and submittal of the revised-draft and final OU4 FS Report; (iii) technical support to EPA in the preparation of OU3, OU4, and OU5 Proposed Plan and ROD documents; (iv) field activities and technical support of USGS/EPA phytoremediation pilot study, including groundwater monitoring, soil sampling, and annual tree measurement activities; (v) additional monitoring well installation, groundwater sampling and characterization in Pine Yard to inform the OU4 FS Report; (vi) preparation of a work plan for the investigation of surface soils in OU3 for engineered soil cover design support; (vii) remedy design for the former Main Plant Area (OU3/5) based on EPA Record of Decision; (viii) labor for graphics and design to support redevelopment planning; and (ix) technical support for ongoing public involvement and outreach activities. The 2023 Cost Center C budget scope also includes limited carry-over of remedial action construction activities from 2022, specifically: (i) completion of OU2 remedial action construction activities at 2 properties; (ii) completion of OU1/Pine Yard final seeding and surveying activities; and (iii) completion and finalization of Construction Completion Report for the OU2 Remedial Action.
XVI.D	Technical Team/Project Management	\$398,000	\$320,537	\$393,000	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 and coordination with environmental contractors, project controls, project communications, financial management, beneficiary communications, quality assurance/quality control, and contract management. Budget includes implementation of community outreach and engagement efforts, facilitation of community meetings, and redevelopment planning activities. Budget also includes fees for preparation of Multistate Trust Annual Progress Report. The 2023 Cost Center C budget scope also includes limited carry-over of remedial action construction management activities from 2022, specifically: completion of OU2 remedial action construction activities at 2 properties completion of OU1/Pine Yard final grading and surveying activities; finalization of Construction Completion Report for the OU2 Remedial Action.
XVI.E	Project Fees & Expenses	\$88,000	\$72,392	\$109,000	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; redevelopment planning activities; and preparation of Multistate Trust Annual Progress Report. 2023 Budget includes higher than anticipated level of effort by the Managing Principal to: support EPA and Multistate Trust staff on potential property transfer negotiations for the Pine Yard, contracting plans and continuity of operations matters; and preparation of the Columbus annual progress report.
XVI.F	Regulator Oversight Costs	\$250,000	\$0	\$250,000	Budget assumes EPA and MDEQ oversight.
XVI.G	Legal Fees and Accounting Fees	\$147,000	\$98,281	\$151,000	Budget includes third-party legal costs to advise the Multistate Trust on contract matters and 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 Progress Report.
XVI.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2023.
XVI	Total Site ECA Account 2023 Budget	\$3,306,150	\$1,617,460	\$3,898,000	
Total Kerr-McGee Chemical Corp. Superfund Site in Columbus, Mississippi Estimated ECA Account Funding at Beginning of 2023 Budget Year*				\$1,428,000	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. NOTE: As of 11/22/2022, the Multistate Trust has not received or accrued oversight costs from the United States for the calendar years 2014 through 2022. These unrecorded costs will result in a reduction in the presented Estimated ECA Account Funding at Beginning of 2023 Budget Year balance when received.
Estimated ECA Account Remaining Funds (Post-2023)				-\$2,470,000	Initial ECA Funding (2/14/11): \$2,827,231 Initial SA Funding (2/14/11): \$2,692,871 Anadarko Settlement Funds (2015 and 2016) Received in Anadarko Amount Account (AA): \$67,971,452 Fund transfer from SA to ECA on 10/13/2013: \$538,773 Fund transfer from AA to ECA on 8/11/2015: \$33,244,890; 9/04/2019: \$8,750,600; 4/13/2020: \$8,277,800 Fund transfer from AA to SA on 8/11/2015: \$1,160,252 Waterfall Distribution from Sale of Property in ECA: \$368,008 The Trust will be submitting a request to transfer funds from the Anadarko Account (AA) to the Environmental Cost Account (ECA) to fund Environmental Actions in 2023.
Estimated Balance Segregated Amount Subaccount (SA)				\$2,827,970	The Trust does not plan to use funds from the SA in 2023.
Estimated Balance Anadarko Amount Subaccount (AA)				\$18,373,177	The Trust will be submitting a request to transfer funds from the Anadarko Account (AA) to the Environmental Cost Account (ECA) to fund Environmental Actions in 2023.
Estimated Balance TOTAL (Post-2023)				\$18,731,147	Total all accounts (ECA, SA, and AA)

*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.