

2022 Environmental Cost Account (ECA) Budget Forecast for the Kerr-McGee Chemical Corp. Superfund Site in Navassa, North Carolina

Date Submitted: 12/01/21

Greenfield Environmental Multistate Trust LLC,

Exhibit I

Date Approved: 01/14/22

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Submittal to: US Environmental Protection Agency (Region 4) on December 1; 1st Revision - December 17, 2021; 2nd Revision - January 12, 2022

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

Work Completed in 2021: Included; (1) Overall: Project Management, Update CSM and strategy, Community Engagement; (2) OU1: Support Finalizing Record of Decision; (3) OU2: Finalized Ecological Risk Assessment and HHRA, Drafted feasibility study and remedial action work plan, prepared workplans and performed D/F sampling and PDI surface soil sampling, prepared contractor RFQ and bid package for OU2 Remedial Action (4) OU3 (Southern Marsh) Drafted BERA Tech Memo Addendum, (5) OU4 (Pond and Process Area): Developed draft DQOs and Work Plan (6) OU5 (Groundwater): Conducted semi-annual groundwater monitoring well sampling program; Developed draft DQOs and Work Plan.

Work Planned for 2022: includes; (1) Overall: Project Management, Update CSM and strategy, (2) Community Engagement and Environmental Justice program implementation, including costs associated with potential training and redevelopment planning activities; (3) OU2: Develop and secure approval of feasibility study and remedial action work plan, Complete soil excavation and removal, Support EPA in OU2 Proposed Plan and ROD activities; (4) OU3 (Southern Marsh) Complete and secure Beneficiary approval of DQOs BERA Addendum, Develop Focused Feasibility Study for Southern Marsh Area; (5) OU4 (Pond and Process Area): Design, implement and conduct Supplemental Remedial Investigation to better define extent of contamination and extent of NAPL, Draft and submit a HHRA Addendum and BERA for Beneficiary review and approval. (6) OU5 (Groundwater): Conduct semi-annual groundwater monitoring well sampling program.

Site Name: Kerr-McGee Chemical Corp. Superfund Site in Navassa, North Carolina (the Site)

Site Location: Navassa, North Carolina

Multistate Trust Site Code: XX

Cost Center	Cost Center Description	Total 2021 Approved Budget	Project Costs incurred in 2021 (as of 9/30/2021)	2022 Budget	2022 Scope of Work
XX.A	Regulatory Compliance and Site Operations/Maintenance	\$151,000	\$49,981	\$198,000	Budget includes caretaker functions, access needs, site security, site maintenance, etc.
XX.C	New Environmental Actions	\$9,632,300	\$1,853,685	\$9,606,500	Work to be performed in 2022 includes; (1) Overall: Project Management, Update CSM and strategy, (2) Community Engagement and Environmental Justice program implementation, including costs associated with potential training and redevelopment planning activities; (3) OU2: Develop and secure approval of feasibility study and remedial action work plan, Complete soil excavation and removal, Support EPA in OU2 Proposed Plan and ROD activities; (4) OU3 (Southern Marsh) Complete and secure Beneficiary approval of DQOs BERA Addendum, Develop Focused Feasibility Study for Southern Marsh Area; (5) OU4 (Pond and Process Area): Design, implement and conduct Supplemental Remedial Investigation to better define extent of contamination and extent of NAPL, Draft and submit a HHRA Addendum and BERA for Beneficiary review and approval. (6) OU5 (Groundwater): Conduct semi-annual groundwater monitoring well sampling program.
XX.D	Technical Team/Project Management	\$1,028,000	\$615,254	\$1,015,000	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, site-specific environmental justice program development and implementation, quality assurance/quality control, and contract management.
XX.E	Project Fees & Expenses	\$179,000	\$76,688	\$163,000	Budget includes Managing Principal time and expenses for: oversight and approval of technical strategy and Environmental Actions; beneficiary communications; support for beneficiary community involvement; key stakeholder communications; Settlement Agreement matters; budget submittals; redevelopment planning activities.
XX.F	Regulator Oversight Costs	\$700,000	\$57,672	\$700,000	Placeholder budget for EPA and NCDEQ oversight costs.
XX.G	Legal Fees and Accounting Fees	\$204,000	\$52,744	\$250,000	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. In addition, the 2022 budget includes a placeholder budget of \$30,000 of outside legal support for the development of institutional controls and construction contract development support for OU2. The budget also includes costs for financial services, including accounting, bookkeeping, financial reporting, invoice processing, budget preparation, and budget tracking.
XX.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2022
XX	Total Site ECA Account 2022 Budget	\$11,894,300	\$2,706,024	\$11,932,500	
	Total Kerr-McGee Chemical Corp. Superfund Site in Navassa, North Carolina Estimated ECA Account Funding at Beginning of 2022 Budget Year*			\$28,553,000	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. NOTE: As of 12/17/2021, the Multistate Trust has not received or accrued oversight costs from the United States for the calendar years 2018 through 2021. These unrecorded costs will result in a reduction in the presented Net Trust Assets balance when received.
	Estimated ECA Account Remaining Funds (Post-2022)			\$16,620,500	Initial ECA Funding (2/14/11): \$618,060 Initial SA Funding (2/14/11): \$3,590,495 Anadarko Settlement Funds (2015 and 2016) Received in Anadarko Account (AA): \$90,628,602 Fund transfer from AA to ECA on 8/11/2015: \$45,100,021 Pro-Rata Portion of Waterfall Distributions from Sales of Other Sites Properties: \$490,678 (Note: Funds are not from sales of Navassa Site properties).
	Estimated Balance Segregated Amount Subaccount (SA)			\$3,840,024	The Trust does not plan to use funds from the SA in 2022.
	Estimated Balance Anadarko Amount Subaccount (AA)			\$48,952,182	The Trust does not plan to use funds from the AA in 2022.
	Estimated Balance TOTAL (Post-2022)			\$69,412,706	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.