

2023 Environmental Cost Account (ECA) Budget Forecast for the Former Tronox/Kerr-McGee Federal Creosote Site in Rome, New York

Greenfield Environmental Multistate Trust LLC,

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Submittal to: NY State Department of Environmental Conservation on November 21, 2022 (Approved December 14, 2022)

Date Submitted: 09/15/2023

Amended on September 15, 2023

Date Approved: 09/22/2023

Summary of Site Work Planned in 2023 and for 2023 Budget Amendment

Work Planned in 2023: The Multistate Trust will (i) develop Site strategy plans including remedial approaches/alternatives for cleanup and closure based on risk, along with revisions to long-term Site cleanup cost estimates and (ii) provide information, figures and presentation materials requested by NYSDEC to identify and prioritize future Environmental Actions. The budget includes a placeholder allowance of \$50,000 to provide on-call technical support services in response to non-routine Environmental Actions at the Site. The Multistate Trust will work with NYSDEC to identify and prioritize Environmental Actions that can be implemented with the remaining ECA funding for the Site, including NYSDEC's requirement to mitigate wetlands associated with Lot 3B. Once the NYSDEC and the Multistate Trust have determined which Environmental Actions to implement based on the availability of ECA funding, a budget amendment will be submitted to implement the Environmental Actions. Support preparation of the Multistate Trust 2022 Annual Progress Report (portion specific to the Site). The 2023 ECA budget also includes a \$14,000 placeholder allowance for Site security, including miscellaneous repairs to fencing, gates, signage, and the on-site investigation derived storage unit (i.e., Conex rental storage container).

Work Planned with Amendment No. 1: Amendment No. 1: As documented through communications with NYSDEC, including the Multistate Trust's proposed remedial investigation (RI) approach attached to its "Response to Lot 4 and Lot 6 Strategies" letter dated July 27, 2023, the Multistate Trust will prepare a Lots 4 and 5D/6 RI Work Plan (RI Work Plan) for NYSDEC review and approval. The RI Work Plan will be prepared in accordance with the requirements of NYCRR Part 375 and the guidance in NYSDEC DER-10 and include procedures for surveying necessary to meet NYSDEC survey requirements for environmental easements, assessing visual migration of dense nonaqueous phase liquid (DNAPL) (as creosote) along the Lot 5D historic ditch, drilling shallow and deep soil borings, installing and developing groundwater monitoring wells, soil-, groundwater- and investigation-derived waste (IDW) sampling, IDW disposal and RI reporting. (As requested by NYSDEC, Lot 4 wetland delineation and test pitting along the southeastern edge of the southern-most rail dock will not be performed at this time and as such costs are not included in this budget amendment.) Upon NYSDEC-approval of the RI Work Plan, a final schedule for field implementation (including procurement, health and safety planning, and field work) will be submitted to NYSDEC. The Multistate Trust's third-party contractor anticipates that the RI field work will commence 3-4 weeks after the RI Work Plan is approved. The RI Report and IDW disposal activities are anticipated to occur in 2024 and are not included in this budget amendment.

Site Name: Former Tronox/Kerr-McGee Federal Creosote Site in Rome, New York (the Site)

Site Location: Rome, New York

Multistate Trust Site Code: XXIV

Cost Center	Cost Center Description	Total 2023 Budget (Approved 12/14/22)	Committed Costs (As of 7/31/23)	Proposed Budget Amendment	Proposed Amended 2023 Budget	2023 Scope of Work
XXIV.A	Regulatory Compliance and Site Operations/Maintenance	\$14,000	\$11,989	\$0	\$14,000	Budget includes a placeholder allowance for Site security, including miscellaneous repairs to fencing, gates, signage, and the onsite investigation derived storage unit (i.e., Conex rental storage container). Amendment No. 1: No change to the original budget is anticipated at this time.
XXIV.C	New Environmental Actions	\$115,000	\$112,049	\$503,000	\$618,000	The Multistate Trust will (i) develop Site strategy plans including remedial approaches/alternatives for cleanup and closure based on risk, along with revisions to long-term Site cleanup cost estimates and (ii) provide information, figures and presentation materials requested by NYSDEC to identify and prioritize future Environmental Actions. The budget includes a placeholder allowance of \$50,000 to provide on-call technical support services in response to non-routine Environmental Actions at the Site. The Multistate Trust will work with NYSDEC to identify and prioritize Environmental Actions that can be implemented with the remaining ECA funding for the Site, including NYSDEC's requirement to mitigate wetlands associated with Lot 3B. Once NYSDEC and the Multistate Trust have determined which Environmental Actions to implement based on the availability of ECA funding, a budget amendment will be submitted to implement the Environmental Actions. Amendment No. 1: As documented through communications with NYSDEC, including the Multistate Trust's proposed RI approach attached to its "Response to Lot 4 and Lot 6 Strategies" letter dated July 27, 2023, the Multistate Trust will prepare a Lots 4 and 5D/6 RI Work Plan for NYSDEC review and approval. The RI Work Plan will be prepared in accordance with the requirements of NYCRR Part 375 and the guidance in NYSDEC DER-10 and include procedures for surveying necessary to meet NYSDEC survey requirements for environmental easements, assessing visual migration of DNAPL (as creosote) along the Lot 5D historic ditch, drilling shallow and deep soil borings, installing and developing groundwater monitoring wells, soil-, groundwater- and IDW sampling, IDW disposal and RI reporting. (As requested by NYSDEC, Lot 4 wetland delineation and test pitting along the southeastern edge of the southern-most rail dock will not be performed at this time and as such costs are not included in this budget amendment.) Upon NYSDEC-approval of the RI Work Plan, a final schedule for field implementation (including procurement, health and safety planning, and field work) will be submitted to NYSDEC. The Multistate Trust's third-party contractor anticipates that the RI field work will commence 3-4 weeks after the RI Work Plan is approved. The RI Report and IDW disposal activities are anticipated to occur in 2024 and are not included in this budget amendment.
XXIV.D	Technical Team/Project Management	\$43,000	\$43,000	\$9,000	\$52,000	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, and contract management. Budget also includes fees for preparation of Multistate Trust 2022 Annual Progress Report. Amendment No. 1: The amended budget includes costs to provide direction and oversight for the preparation of the RI Work Plan and implementation of the RI field work.
XXIV.E	Project Fees & Expenses	\$9,000	\$9,000	\$0	\$9,000	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 2022 Annual Progress Report. Amendment No. 1: No change to the original budget is anticipated at this time.
XXIV.F	Regulator Oversight Costs	\$0	\$0	\$0	\$0	Budget assumes that the NYSDEC will not seek reimbursement for oversight costs incurred. If NYSDEC requests reimbursement of oversight costs, the Multistate Trust will submit a budget amendment for those costs. Amendment No. 1: No change to the original budget is anticipated at this time.
XXIV.G	Legal Fees and Accounting Fees	\$21,000	\$21,000	\$0	\$21,000	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, work associated with deed restrictions and Site closure 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 2022 Annual Progress Report. Amendment No. 1: No change to the original budget is anticipated at this time.
XXIV.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	\$0	Budget assumes no lease revenues in 2023. Amendment No. 1: No change to the original budget is anticipated at this time.
XXIV	Total Site 2023 Budget	\$202,000	\$197,038	\$512,000	\$714,000	
Total Former Tronox/Kerr-McGee Federal Creosote Site in Rome, New York Estimated Funding at Beginning of 2023		\$9,114,000			\$9,114,000	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)		\$8,912,000			\$8,400,000	Initial Funding (2/14/11): \$700,000 Anadarko Settlement Funds (2015 and 2016): \$18,125,721 Waterfall Distribution from Sale of Property: \$98,136

*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.