

**2022 Environmental Cost Account (ECA) Budget Forecast for the Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma**

Greenfield Environmental Multistate Trust LLC,

Trustee of Multistate Environmental Response Trust (Multistate Trust)

**Exhibit I**

**Date Submitted: 12/10/21**

**Date Approved: 02/08/22**

Submittal to: Oklahoma Department of Environmental Quality on December 10, 2021

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

**Work Completed in 2021:** Performed W-6 compliance monitoring and maintenance, Site mowing and maintenance, surface water sampling and inspections to track appearance of metal precipitates in surface water tributaries, and update/submit the draft groundwater characterization report. Identification of and response to sheen observations in Cedar Creek, including reporting, increased frequency of inspections, focused surface water and groundwater sampling. Also communicated with Mike Vaughn, new City Manager for Cleveland

**Work Planned for 2022:** Continue WP-6 compliance monitoring and maintenance, Site mowing and maintenance, including perimeter fence and Site building and equipment; evaluate additional Site maintenance needs and provide recommendations. Perform initial repairs to Site building to address damage caused by vandals, evaluate site security and future needs for building to determine scope of building repairs and need for additional maintenance. Solicit contractor proposals for approved non-routine maintenance activities and building repairs and review approved 2022 ECA budget to determine if funds are sufficient. Prepare sheen response sampling report and develop sheen response plan. Address DEQ review comments on draft groundwater characterization report. Based on DEQ approval of draft groundwater characterization report, prepare groundwater investigation work plan for DEQ review and approval. Implement groundwater investigation work per DEQ-approved work plan, update Conceptual Site Model based on new information and prepare draft report (one comprehensive sampling event is assumed in this scope and budget forecast). Perform surface soil sampling at City lot and prepare report and recommendations; continue communications with City of Cleveland and outline potential reuse options and considerations, as appropriate.

Site Name: Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma (the Site)

Site Location: Cleveland, Oklahoma

Multistate Trust Site Code: XXV

Cost Center	Cost Center Description	Total 2021 Approved Budget	Project Costs incurred in 2021 (as of 11/30/2021)	2022 Budget	2022 Scope of Work
XXV.A	Regulatory Compliance and Site Operations/Maintenance	\$183,500	\$80,903	\$227,900	WP-6 groundwater compliance monitoring, progress reporting, surface-water sampling/inspections and routine caretaking, mowing, and road maintenance. The 2022 Budget Forecast includes an increase over 2021 in the scope of mowing events to manage overgrowth from increased precipitation and provide continued access to sampling locations, address erosion of Site roads from heavy rains in 2021, to reflect changes in contractor site staffing, and provide limited repairs to vandal damage to Site building. Multistate Trust will evaluate the need for additional, non-routine Site and building maintenance and solicit contractor bids. 2022 ECA Budget will be re-evaluated based on contractor bids to determine adequacy of funds and may need to be amended based on actual contractor proposals.
XXV.C	New Environmental Actions	\$492,000	\$15,000	\$561,000	Develop Cedar Creek sheen response plan based on November/December 2021 sheen in creek observations and sampling. Perform reporting for groundwater in accordance with recommendations of the pending Groundwater Characterization Report (subject to modification upon DEQ review/approval of the Report). The conceptual site model (CSM) and the site strategy will be updated based on the sheen observations, the gw report, new data collected in 2022 and DEQ input to the report. The budget includes funds to perform limited sampling to update understanding of site conditions of the City lot in preparation for potential property transfer. Prepare draft investigation work plan for DEQ review and approval. Based on DEQ-approved work plan, perform Site characterization investigations, sampling and analyses based on the final DEQ approved groundwater characterization report. Prepare draft investigation report and update Conceptual Site Model; budget assumes 1 full Site-wide sampling event. A detailed Site schedule will be prepared in First Quarter 2022.  Results of the groundwater characterization program will decide the next steps for the site; this will be addressed in a remedial alternatives analysis/update to the aqueous FS.  If a decision is made to move forward with removal and disposal of WP-6, a cost/benefit analysis will be completed.
XXV.D	Technical Team/Project Management	\$128,000	\$19,174	\$131,000	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/engagement on reuse, quality assurance/quality control, and contract management. No formal community outreach (i.e. fact sheets / meetings) is anticipated.
XXV.E	Project Fees & Expenses	\$17,000	\$341	\$10,000	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.
XXV.F	Regulator Oversight Costs	\$40,000	\$0	\$40,000	Placeholder estimates for ODEQ oversight costs.
XXV.G	Legal Fees and Accounting Fees	\$34,000	\$9,061	\$33,000	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. The budget also includes costs for financial services, including accounting, bookkeeping, financial reporting, invoice processing, budget preparation, and budget tracking.
XXV.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2022.
XXV	Total Site 2022 Budget	\$894,500	\$124,479	\$1,002,900	
<b>Total Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma Estimated Funding at Beginning of 2022 Budget Year*</b>				<b>\$50,128,000</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>\$49,125,100</b>	<b>Initial Funding (2/14/11): \$8,036,586</b> <b>Anadarko Settlement Funds (2015 and 2016): \$45,314,301</b> <b>Waterfall Distribution from Sale of Property: \$245,339</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.