

2023 Environmental Cost Account (ECA) Budget Forecast for the Former Tronox/Kerr-McGee Facility in Springfield, Missouri

Greenfield Environmental Multistate Trust LLC,

Date Submitted: 12/21/2023

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Exhibit I

Date Approved: 01/09/2024 Submittal to: Missouri Department of Natural Resources on December 27, 2022 (Approved on January 19, 2023)

Amended on December 21, 2023

Summary of Site Work Planned for 2023:

Work Planned for 2023: Perform Site O&M of the Treatment System and compliance monitoring and reporting associated with the MSOP MO-0117331, Wastewater Contribution Permit #720, and MHWMF Part I Permit. Prepare and submit a permit renewal application for MSOP MO-0117331. Perform semiannual and quarterly groundwater monitoring and complete the 2022 AGCAR. Prepare the Wastewater Exemption Rule Technical Memorandum after receipt of comments from MoDNR on a similar memorandum for the Kansas City, Missouri Owned Funded Site. Clean onsite DNAPL (as creosote) storage tanks and dispose of contents. Continue implementation of the Off-Facility Investigation Work Plan, including surface water sampling at Woodlawn Spring and Golden Hills Detention Basin, public water supply sampling, private well sampling, monitoring well installation and associated reporting tasks. Install transducers in groundwater monitoring wells to further assess hydraulics along Clifton Drainage. Complete field and reporting activities associated with the Residential Yards ISM Work Plan. Perform soil-, seep water- and outdoor air-sampling as requested by residents and pursuant to the Residential Property Sampling Plan. Collect additional sewer water and sewer gas samples from the City of Springfield's sewer main in the area near the Facility to assess the affects of the sewer lining and incorporate those results into an Addendum to the VI Summary Report for MoDNR review and approval. Maintain the site's environmental relational database to support reporting and corrective measures study (CMS) or equivalent (i.e., remedial action optimization [RAO]/remedial alternative analysis [RAA]) and complete remedial system/process optimization evaluations in support of RAA. Perform site investigation/pre-design investigation activities to evaluate potential remedial alternatives, including constructed treatment wetlands, for the Golden Hills Detention Basin. Prepare updated Class 5 cost estimates, as necessary, to support long-term forecasting. Maintain the site-specific website. Participate in up to two community meetings. Perform domestic well sampling as necessary. Provide on-call subject matter expertise and other technical support services as needed. The budget also includes (i) a placeholder allowance of \$15,000 to collect groundwater seep and soil samples from residential backyards located within the Clifton Drainage, respond to odor issues, and to perform forensic analysis of samples collected within the Clifton Drainage area, as necessary; (ii) a \$1M placeholder allowance to complete all design, planning and construction activities to repair/replace up to 50 residential sewer laterals that have been reported by the City of Springfield as damaged due to previous and on-going facility operations; (iii) costs to support preparation of the Multistate Trust's 2022 Annual Progress Report (portion specific to the Site); and (iv) costs for ongoing strategic discussions with the MoDNR and the United States to remove the Site from the "Critical Sites List".

Work Planned with Amendment No. 1: This budget amendment decreases costs in Cost Center C by (i) removing scope and associated costs for remedial system/process optimization (in support of developing potential remedial alternatives and Class 5 remedy cost estimates) while the Multistate Trust continues to prioritize off-Facility environmental actions and engage in discussions with the beneficiaries regarding Unfunded Critical Needs, and (ii) by reducing the budget for residential sewer lateral repair/replacement planning (e.g., health and safety plan, field implementation plan, and final construction cost estimates) and design documents based on final contractor estimates. These budget decreases offset budget increases in Cost Center C and D related to: (i) additional residential soil and VI sampling requests (including all planning, sampling, laboratory analysis and reporting); (ii) residential yards Incremental Sampling Methodology (ISM)-related property access challenges, data evaluation, risk analysis and reporting; (iii) database management; (iv) vapor intrusion (VI)/ISM-related subject matter expert (SME) support; and (v) community engagement, including preparing and distributing informational materials to 2,000 addresses (e.g., fact sheets, press releases and advertisements), venue rental fees, presentation materials and media interviews; and one-on-one meetings with residents and other stakeholders.

Site Name: Former Tronox/Kerr-McGee Facility in Springfield, Missouri (the Site)

Site Location: Springfield, Missouri

Multistate Trust Site Code: XV

Cost Center	Cost Center Description	Total 2023 Budget (Approved 1/19/23)	Committed Costs (As of 9/30/23)	Proposed Budget Amendment Increase (Decrease)	Proposed Amended 2023 Budget	2023 Amended Scope of Work
XV.A	Regulatory Compliance and Site Operations/Maintenance	\$924,000	\$826,792	\$0	\$924,000	No change to original scope or budget anticipated.
XV.C	New Environmental Actions	\$2,246,000	\$1,686,507	-\$86,000	\$2,160,000	Budget includes costs to (i) perform Multistate Trust third-party contractors project management, (ii) implement field activities in accordance with the MoDNR-approved Off-Facility Investigation Work Plan, including implementation of the surface water sampling at Woodlawn Spring and GHDB, and preparation and submittal of the associated reports including, surface water sampling at Woodlawn Spring and GHDB, public water supply sampling, domestic well sampling, and monitoring well installation; (iii) collect additional sewer gas and sewer water samples from the City of Springfield's sewer main in the area near the Facility to assess the affects of the sewer lining and incorporate those results into an Addendum to the VI Summary Report for MoDNR review and approval; (iv) complete the implementation of field activities at residential properties located adjacent to the Clifton Drainage per the MoDNR-approved Residential Yards ISM Work Plan and prepare a report summarizing the results; (v) collect additional hydraulic monitoring at monitoring wells along Clifton Drainage; (vi) maintain the site's environmental relational database to support reporting and CMS or equivalent (i.e., RAO/RAA); (vii) perform site investigation/pre-design investigation activities to evaluate potential remedial alternatives, including constructed treatment wetlands, for the GHDB; (viii) prepare updated Class 5 cost estimates, as necessary, to support long-term forecasting; (ix) maintain the site-specific website; (x) complete remedial system/process optimization evaluations in support of RAA and (xi) provide on-call subject matter expertise and other technical support services as needed. The budget also includes (i) a placeholder allowance of \$15,000 to collect groundwater seep and soil samples from residential backyards located within the Clifton Drainage, respond to odor issues, and to perform forensic analysis of samples collected within the Clifton Drainage area, as necessary; and (ii) a \$1M placeholder allowance to complete design, planning and construction activities to repair/replace up to 50 residential sewer laterals that have been reported by the City of Springfield as damaged due to previous and on-going facility operations. Laboratory charges have been estimated to account for potential rate adjustments due to inflation. The Multistate Trust will monitor actual costs incurred and impacts to the 2023 ECA budget and if necessary, submit a budget amendment. Amendment No. 1: This budget amendment decreases costs in Cost Center C by (i) removing scope and associated costs for remedial system/process optimization (in support of developing potential remedial alternatives and Class 5 remedy cost estimates) while the Multistate Trust continues to prioritize off-Facility environmental actions and engage in discussions with the beneficiaries regarding Unfunded Critical Needs, and (ii) by reducing the budget for residential sewer lateral repair/replacement planning (e.g., health and safety plan, field implementation plan, and final construction cost estimates) and design documents based on final contractor estimates. These budget decreases offset budget increases in Cost Center C and D related to: (i) additional residential soil and VI sampling requests (including all planning, sampling, laboratory analysis and reporting); (ii) residential yards ISM-related property access challenges, data evaluation, risk analysis and reporting; (iii) database management; (iv) VI/ISM-related SME support; (v) community engagement support and venue rental fees; and (vi) one-on-one meetings with residents and other stakeholders.
XV.D	Technical Team/Project Management	\$293,000	\$325,001	\$86,000	\$379,000	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 and expenses for preparation of Multistate Trust 2022 Annual Progress Report. Budget also includes fees and expenses for ongoing strategic discussions with the MoDNR and the United States to remove the Site from the "Critical Sites List". ¹ Amendment No. 1: This amendment increases this budget line item by \$86,000 for additional effort associated with the overseeing the activities described in Cost Center C and community engagement, including (i) preparing and distributing informational materials (e.g., fact sheets, press releases and advertisements); (ii) preparing for and participating in the community meetings (e.g., presentation materials and media interviews); and (iii) one-on-one meetings with residents and other stakeholders.
XV.E	Project Fees & Expenses	\$17,000	\$17,000	\$0	\$17,000	No change to original scope or budget anticipated.
XV.F	Regulator Oversight Costs	\$35,000	\$35,000	\$0	\$35,000	No change to original scope or budget anticipated.
XV.G	Legal Fees and Accounting Fees	\$73,000	\$73,000	\$0	\$73,000	No change to original scope or budget anticipated.
XV.I	Lease & Property Use (Income & Costs)	\$62,000	\$0	\$0	\$62,000	No change to original scope or budget anticipated.
XV	Total Site 2023 Budget	\$3,526,000	\$2,963,300	\$0	\$3,526,000	
Total Former Tronox/Kerr-McGee Facility in Springfield, Missouri Estimated Funding at Beginning of 2023 Budget Year*		\$14,276,000			\$14,018,000	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)		\$10,750,000			\$10,492,000	Initial Funding (2/14/11): \$2,025,323 Anadarko Settlement Funds (2015 and 2016): \$22,657,151 Waterfall Distribution from Sale of Property: \$122,669

¹This 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. The balance presented in the Proposed Amended 2023 Budget column has been updated from the original estimate. 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:

²Subject 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.

Amendment No. 1: Note the new definition: An OFS is classified as an OFS with Unfunded Critical Needs because it lacks sufficient funds to: (i) control or mitigate ongoing human exposure or an imminent threat of such exposure to site contaminants at concentrations that exceed levels protective of human health; or (ii) adequately characterize the site to determine whether such exposures or imminent threat of exposures exists.