

2024 Environmental Cost Account (ECA) Budget Forecast for the Former Kerr-McGee/Tronox Wood Treating Facility in Texarkana, Texas

Date Submitted: 11/24/2023
Date Approved: 12/28/2023

Greenfield Environmental Multistate Trust LLC,
 Trustee of Multistate Environmental Response Trust (collectively, the Multistate Trust)
 Submittal to: Texas Commission on Environmental Quality on November 24, 2023

[Exhibit I](#)

Summary of Site Work Completed in 2023 and Planned for 2024:

Work Completed in 2023: Prepared permit renewal application for RCRA Hazardous Waste Permit No. 50076. Completed Cultural Resources Survey, completed remedial design, and submitted permit application to USACE for Days Creek re-route and Waggoner Creek lining remedial construction projects, including meeting with USACE to discuss responses to comments on initial permit submittal. Completed renewal of Industrial Wastewater Discharge Permit with TWU. Performed soil excavation remedial action and began Remedial Action Completion Report (RACR) for soil (excavation and RACR anticipated to be complete in late 2023). Prepared soil capping design and specifications for areas to be capped. Initiated preparation of on-Site deed restrictions and off-Site restrictive covenants. Performed routine Site O&M. Performed all compliance activities, monitoring, and reporting, to meet the requirements of the TWU wastewater discharge permit, post-closure care requirements for the on-Site hazardous waste management unit, and other long-term monitoring requirements for the Site. Prepared Chapter 3.Z (specific to the Site) of the Multistate Trust 2022 Annual Progress Report.

Work Planned for 2024: Complete the renewal of RCRA Hazardous Waste Permit No. 50076. Achieve USACE approval of permit application for Days and Waggoner Creek remedial construction. Complete soil excavation in south drip track area (in progress) and obtain TCEQ approval of soil excavation RACR. Achieve TCEQ approval of soil capping design. Complete competitive procurement for soil capping, Waggoner Creek lining, and Days Creek reroute (Costs for soil capping, Waggoner Creek lining, and Days Creek reroute construction are not included in 2024 budget; a budget amendment request will be submitted following procurement/bidding). Implement on-Site deed restrictions, off-Site restrictive covenants, and establish conservation easement (fees to off-Site landowners are not included in 2024 budget; a budget amendment may be requested if fees are required by off-Site land owners for completion of restrictive covenants or establishment of conservation easement). Perform routine Site O&M. Perform all compliance activities, monitoring, and reporting, to meet the requirements of the TWU wastewater discharge permit, post-closure care requirements for the on-Site hazardous waste management unit, and other long-term monitoring requirements for the Site. Prepare the Multistate Trust 2023 Annual Progress Report (portion specific to the Site).

Site Name: Former Kerr-McGee/Tronox Wood Treating Facility in Texarkana, Texas (the Site)

Site Location: Texarkana, Texas

Multistate Trust Site Code: XXX

Cost Center	Cost Center Description	Total 2023 Approved Budget	Project Costs incurred in 2023 (as of 9/30/2023)	2024 Budget	2024 Scope of Work
XXX.A	Regulatory Compliance and Site Operations/Maintenance	\$640,050	\$375,891	\$671,000	Continue operations and maintenance (O&M) of groundwater and creosote recovery and treatment system, including well field, collection trenches, treatment building, process tanks, and other system infrastructure. Perform TCEQ-required groundwater monitoring and reporting (planned to be increase to semiannual based on updated permit/compliance plan anticipated in late 2023), and TWU-required discharge permit compliance semiannual monitoring and reporting. Perform routine Site maintenance, including mowing and maintaining security. Budget includes utilities and meter calibrations. Includes a \$50k allowance for unplanned events or emergency response, and \$25k for system infrastructure/equipment modification and/or repair. \$20k is budgeted for transportation and off-Site disposal of recovered dense nonaqueous phase liquid (DNAPL). Increased budget as compared to 2023 due primarily to additional groundwater monitoring and increasing O&M costs.
XXX.C	New Environmental Actions	\$803,000	\$116,322	\$848,000	Complete renewal of Hazardous Waste Permit 50076 and implement actions prescribed by Compliance Plan. Obtain USACE approval of permit application for Days Creek reroute and Waggoner Creek liner projects, including 60% design documents and performing 'No Rise' flood plain surface water model and certification if required by Bowie County. Complete Aquatic Relocation Plan and Sand & Gravel Permit as requested in USACE comments on Pre-Construction Notice. Complete soil excavation (in progress) and confirmation sampling in South Drip Track area, and achieve TCEQ approval of soil excavation RACR. Achieve TCEQ approval of soil capping design & specifications. Complete competitive procurement for soil capping, Waggoner Creek lining, and Days Creek reroute construction projects (Costs for soil capping, Waggoner Creek lining, and Days Creek reroute construction are not included in 2024 budget; if starting construction in 2024, a budget amendment request will be submitted following receipt and evaluation of bids). Complete deed restriction for on-Site land use restrictions, obtain restrictive covenants for off-Site land use restrictions, and establish conservation easement in area of Days Creek reroute. Includes budget to perform a property survey of the Site, if required as part of filing deed notice(s) for Site. Fees for non-owned property restrictive covenants / conservation easement / creek re-route, if required, are not included in the 2024 budget.
XXX.D	Technical Team/Project Management	\$217,000	\$115,080	\$280,000	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 2023 Annual Progress Report.
XXX.E	Project Fees & Expenses	\$22,000	\$1,181	\$18,000	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 2023 Annual Progress Report.
XXX.F	Regulator Oversight	\$0	\$0	\$0	Regulatory oversight costs for lead agency.
XXX.G	Legal Fees and Accounting Fees	\$111,000	\$29,725	\$111,000	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, construction procurement support, and other legal affairs. In addition, the 2023 legal budget includes a \$25k allowance for outside counsel to support a real estate transaction for the Site and support establishment of restrictive covenants as off-Site institutional controls. 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 2023 Annual Progress Report.
XXX.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2023.
XXX	Total Site 2024 Budget	\$1,793,050	\$638,198	\$1,928,000	
Total Former Kerr-McGee/Tronox Wood Treating Facility in Texarkana, Texas Estimated Funding at Beginning of 2024 Budget Year*				\$17,627,000	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2022 actual and 2023 estimated costs; plus 2011 - 2022 actual and 2023 estimated investment activity and other receipts.
Estimated Remaining Funds (Post-2024)				\$15,699,000	Initial Funding (2/14/11): \$2,537,176 Anadarko Settlement Funds (2015 and 2016): \$22,657,151 Waterfall Distribution from Sale of Property: \$122,669

*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.
 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.