

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

State of Nebraska
Funding Request #2

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary _____

Lead Agency Authorized to Act on Behalf of the Beneficiary _____
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Action Title:	
Beneficiary's Project ID:	
Funding Request No.	<i>(sequential)</i>
Request Type: (select one or more)	<input type="checkbox"/> Reimbursement <input type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
Funding Request & Direction (Attachment A)	<input type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

SUMMARY

Eligible Mitigation Action <input type="checkbox"/> Appendix D-2 item (specify): _____ Action Type <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal): _____
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):
Estimate of Anticipated NOx Reductions (5.2.3):
Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1):
Describe how the Beneficiary will make documentation publicly available (5.2.7.2).
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- Attachment A** **Funding Request and Direction.**
- Attachment B** **Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).**
- Attachment C** **Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).**
- Attachment D** **Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.]**
- Attachment E** **DERA Option (5.2.12). [Attach only if using DERA option.]**
- Attachment F** **Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.]**

CERTIFICATIONS

By submitting this application, the Lead Agency makes the following certifications:

- 1. This application is submitted on behalf of Beneficiary _____, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.**
- 2. Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.**
- 3. This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.**
- 4. Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)**
- 5. Beneficiary will maintain and make publicly available all documentation submitted in**

support of this funding request and all records supporting all expenditures of eligible mitigation action funds subject to applicable laws governing the publication of confidential business information and personally identifiable information. (5.2.7.2)

DATED: September 6, 2018

Kara L. Valentine
Deputy Director, Air & Land

[NAME]

[TITLE]

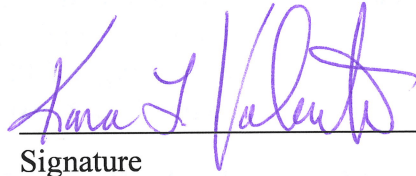
Nebraska Department of Environmental Quality

[LEAD AGENCY]

for

State of Nebraska

[BENEFICIARY]



Signature

SUMMARY Supplement

Explanation of how funding request fits into Beneficiary’s Mitigation Plan (5.2.1):

Nebraska’s Beneficiary Mitigation Plan posted in January 2018 proposed to use 25% of Nebraska’s initial allocation, or approximately \$3 million, to provide grants or rebates to replace diesel school buses (Class 4 to 8, with engine model year 2009 or older), as authorized under Eligible Mitigation Action 2. That proposed funding allocation would aid in the replacement of from 53 to 72 diesel public school buses, depending on the choice of replacement fuel. This funding request will provide funding for the first of an anticipated two annual cycles of school bus rebates.

Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):

Nebraska DEQ solicited applications from public school districts and private schools in Nebraska to receive a rebate to partially reimburse the replacement and scrapping of a diesel school bus with a new diesel or cleaner alternative-fuel bus. Forty-two applications were received, and all applicant projects will be funded. Thirty-eight applicants plan to purchase new, cleaner diesel buses, and four plan to purchase propane-fueled buses meeting California Air Resources Board Optional Low-NOx emission standards (which are stricter than current EPA NOx emission standards). Twenty-six applicants are planning to replace buses with engine model years between 1990 and 2002.

Nebraska DEQ expects that replacement of these older buses with new cleaner-burning buses will reduce emission of NOx and diesel particulates by over 90% annually. In addition, the new buses will likely be much more fuel-efficient.

Estimate of Anticipated NOx Reductions (5.2.3):

Nebraska DEQ estimated diesel emission reductions using the Heavy-Duty Vehicle Emissions Calculator provide by Argonne National Laboratories (<https://afleet-web.es.anl.gov/hdv-emissions-calculator/>). We calculated reductions for each applicant’s bus using the provided engine model year, annual mileage, fuel use, replacement fuel, and estimated lifetime of the replacement bus of 15 years.

We estimate that the 42 diesel school bus replacement projects to be funded by this request will result in lifetime reductions in NOx emissions of 13.4 tons, and reduction in particulate emissions of 0.8 ton.

Describe how the Beneficiary will make documentation publically available (5.2.7.2):

NDEQ maintains a series of webpages describing the Nebraska Diesel Emission Mitigation Program under the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries. The main Volkswagen Trust webpage, which outlines the mitigation actions eligible for funding and their status, can be found at <http://deq.ne.gov/NDEQProg.nsf/OnWeb/AirVW>. Copies of funding request certifications to the Trustee will be available through links on this web page. A separate web page (<http://deq.ne.gov/NDEQProg.nsf/OnWeb/AirVW-3>) lists the expected recipients of school bus rebates in this funding cycle.

All application materials, reimbursement requests, and required documentation submitted by applicants and rebate recipients for Nebraska’s Diesel Emission Mitigation program are archived in Nebraska’s Enterprise Content Management (ECM) system and are available to the public through a Public Records Search web page accessed through the NDEQ website. Also see Attachment C.

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Describe any cost-share requirement to be placed on each NOx source proposed to be mitigated (5.2.8):

Environment Mitigation Funds will be available to public school districts to provide 50%, up to a maximum of \$42,000, toward the purchase of a new diesel bus, and 60%, up to a maximum of \$57,000, toward the purchase of a new propane-fueled bus meeting California Air Resources Board Optional Low-NOx emission standards. Recipients provide the balance of the purchase cost.

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10)

Children are more vulnerable than adults to the harmful effects of nitrogen oxides and particulates in diesel exhaust; these effects can include decreased lung function, retarded lung growth, and development or exacerbation of asthma.

Most applicants for the 2018 School Bus Rebate Program are smaller rural school districts, where it is common to transport students by bus over long distances, especially for activities such as athletic events. These long travel distances with older buses increase the exposure of school children to diesel emissions from the bus tailpipe and crankcase.

Consolidated rural school districts are typically in residential areas in more populated towns in the county; bus idling at the school or nearby bus depot therefore exposes not only school children but also nearby residents to elevated levels of diesel emissions.

Replacement of these older buses with new, much cleaner buses will thus greatly reduce the exposure of vulnerable school children and school neighbors to harmful diesel emissions, and thus reduce these potential adverse health impacts.

ATTACHMENT B

PROJECT MANAGEMENT PLAN INCLUDING DETAILED BUDGET AND IMPLEMENTATION AND EXPENDITURES TIMELINE (5.2.4)

This funding request will provide advance funds to the Nebraska Department of Environmental Quality (NDEQ), enabling the Department to provide rapid reimbursement to recipients of 2018 School Bus Rebates under the Nebraska Diesel Emission Mitigation Program. The actions covered by this funding request are consistent with Eligible Mitigation Action 2 (Class 4-8 School Bus, Shuttle Bus, or Transit Bus) of the State Trust Agreement and with Nebraska’s Beneficiary Mitigation Plan (page 7: School Bus Diesel and Alternative Fuel Replacements).

PROJECT SCHEDULE AND TIMELINE, 2018 NEBRASKA SCHOOL BUS REBATE PROGRAM

Project Milestone	Date
NDEQ posts program information and application materials on agency website; mailing to all public school districts and private schools; press release issued.	1 June 2018
Deadline for submission of applications	3 August 2018
Review of applications	6-8 August 2018
Initial notification to rebate recipients (via e-mail)	9 August 2018
Formal notification to rebate recipients (via U.S. mail)	13 August 2018
NDEQ submits Project Certification and Funding Direction for Advance Funding	September 2018
Trustee allocates Advanced Funding to NDEQ	November 2018
Finalization of agreements with rebate recipients	December 2018
NDEQ reviews reimbursement requests from recipients and provides payment for projects as completed	2019 Qtr 1-3
NDEQ reports on project progress	July 2019
Deadline for completion of school bus replacement projects	30 August 2019
NDEQ reports project completion	January 2020

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PROJECT BUDGET

Period of Performance: June 2018 – September 2019			
Budget Category	Share of Total Budget to be Funded by the Trust	Cost-Share to be Paid by Project Recipient	Total Budget Amount
Equipment (school buses)	\$ 1,801,454	\$ 2,526,044	\$ 4,327,498
Contractor Support	\$ 0	\$ 0	\$ 0
Subrecipient Support	\$ 0	\$ 0	\$ 0
<u>Administrative Costs (5%)</u> Program planning, development, outreach, and administration	\$ 90,073	\$ 0	\$ 90,073
Project Totals	\$ 1,891,527	\$ 2,526,044	\$ 4,417,571
Percentage	42.8%	57.2%	100%

2018 FUNDING REQUESTS: PREVIOUS, CURRENT, AND PLANNED

	Requests to be paid through the Trust	Cost-Share	Total Project Funding
1. 2017 DERA Program Projects (previous)	\$ 287,243	\$ 687,880	\$ 975,123
2. 2018 School Bus Rebates (current request)	\$ 1,891,527	\$ 2,526,044	\$ 4,417,571
3. 2018 Transit Bus Rebates (planned)	\$ 1,255,206	\$ 2,235,165	\$ 3,490,371
TOTALS	\$ 3,433,976	\$ 5,449,089	\$ 8,883,065

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PROJECTED ANNUAL TRUST ALLOCATIONS

	2018	2019	2020
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$ 3,433,976	\$ 2,617,463	\$ 2,053,375
2. Anticipated Annual Cost Share	\$ 5,449,089	\$ 3,467,317	\$ 2,978,410
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$ 8,883,065	\$ 6,084,780	\$ 5,031,785
4. Cumulative Trustee Payments Made in Previous Years Against Cumulative Approved Beneficiary Allocation	\$ 0	\$ 3,433,976	\$ 6,051,439
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$ 3,433,976	\$ 2,617,463	\$ 2,053,375
6. Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$ 3,433,976	\$ 6,051,439	\$ 8,104,814
7. Beneficiary Share of Estimated Funds Remaining in Trust at Start of Year	\$ 12,248,348	\$ 8,814,372	\$ 6,196,909
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 5)	\$ 8,814,372	\$ 6,196,909	\$ 4,143,534

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LIST OF EXPECTED SCHOOL BUS REBATE RECIPIENTS

School District	City	Rebate	New Bus Fuel
Alma Public Schools	Alma	\$42,000	Diesel
Anselmo-Merna Public School	Merna	\$42,000	Diesel
Bayard Public Schools	Bayard	\$42,000	Diesel
Beatrice Public Schools	Beatrice	\$42,000	Diesel
Bellevue Public Schools	Bellevue	\$42,000	Diesel
Bertrand Public Schools	Bertand	\$42,000	Diesel
Blair Community Schools	Blair	\$42,000	Diesel
Brady Public Schools	Brady	\$42,000	Diesel
Bridgeport Public Schools	Bridgeport	\$39,225	Diesel
Centennial Public School	Utica	\$54,684	Propane
Cozad Community Schools	Cozad	\$42,000	Diesel
Elkhorn Valley Schools	Tilden	\$42,000	Diesel
Elm Creek Public Schools	Elm Creek	\$42,000	Diesel
Fillmore Central Schools	Geneva	\$42,000	Diesel
Fort Calhoun Community Schools	Fort Calhoun	\$42,000	Diesel
Fremont Public Schools	Fremont	\$42,000	Diesel
Giltner Public Schools	Giltner	\$42,000	Diesel
Gordon-Rushville Public Schools	Gordon	\$42,000	Diesel
Hampton Public School	Hampton	\$42,000	Diesel
Hartington-Newcastle Public Schools	Hartington	\$40,438	Diesel
Hastings Public Schools	Hastings	\$42,000	Diesel
Heartland Schools	Henderson	\$40,620	Diesel
HTRS Public Schools	Humboldt	\$42,000	Diesel
Kearney Public Schools	Kearney	\$57,000	Propane
Lewiston Consolidated Schools	Lewiston	\$42,000	Diesel
Lexington Public Schools	Lexington	\$42,000	Diesel
Loomis Public Schools	Loomis	\$55,890	Propane
Louisville Public School District #32	Louisville	\$41,743	Diesel
Neligh-Oakdale Public Schools	Neligh	\$41,743	Diesel
North Bend Central Public Schools	North Bend	\$42,000	Diesel
Ogallala Public Schools	Ogallala	\$42,000	Diesel
Osmond Community Schools	Osmond	\$41,896	Diesel
Overton Public Schools	Overton	\$42,000	Diesel
Paxton Consolidated Schools	Paxton	\$39,605	Diesel
Ravenna Public Schools	Ravenna	\$42,000	Diesel
Seward School District	Seward	\$41,510	Diesel
South Sioux City Community Schools	South Sioux City	\$42,000	Diesel
Stanton Community Schools	Stanton	\$41,575	Diesel
Stapleton Public Schools	Stapleton	\$47,819	Propane
Tri County Public Schools	Dewitt	\$41,707	Diesel
Wallace School District	Wallace	\$42,000	Diesel
York Public Schools	York	\$42,000	Diesel
TOTAL		\$1,801,454	

ATTACHMENT C

**DETAILED PLAN FOR REPORTING ON
ELIGIBLE MITIGATION ACTION IMPLEMENTATION (5.2.11)**

The Nebraska Department of Environmental Quality (NDEQ) will provide detailed reporting on this funding request under Eligible Mitigation Action 2 (School, Shuttle, and Transit Buses) in two ways: 1) timely updates to NDEQ’s Volkswagen Environmental Mitigation Trust – Nebraska Diesel Emission Mitigation Program web pages; and 2) semi-annual reports to the Trustee as required by subparagraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries.

NDEQ Website

NDEQ maintains a series of webpages describing the Nebraska Diesel Emission Mitigation Program under the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries. The main Volkswagen Trust webpage, which outlines the mitigation actions eligible for funding and their status, can be found at <http://deq.ne.gov/NDEQProg.nsf/OnWeb/AirVW>. Copies of funding request certifications to the Trustee will be available through this web page. Separate web pages for individual project categories are being developed and posted as funding programs open; these pages will track the status, progress, and results for projects under these funding categories.

All application materials, reimbursement requests, and required documentation submitted by applicants and rebate recipients for Nebraska’s Diesel Emission Mitigation program are archived in Nebraska’s Enterprise Content Management (ECM) system and are available to the public through a Public Records Search web page accessed through the NDEQ website.

Semi-Annual Reports to the Trustee

As required by subparagraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries, NDEQ will submit a report to the Trustee within 6 months of the first disbursement and thereafter no later than January 30 and July 30 for the preceding 6-month periods. These reports will describe the progress implementing this and any other Eligible Mitigation Action ongoing during the reporting period. These reports will include a summary of all costs expended and a complete description of the status (including the actual or projected termination date), development, implementation, and any modification of the Eligible Mitigation Action. These semi-annual reports to the Trustee will be available for public access through links on the main Volkswagen Trust page on the NDEQ website.

ATTACHMENT D

**DETAILED COST ESTIMATES FROM SELECTED VENDORS
FOR EACH PROPOSED EXPENDITURE EXCEEDING \$25,000 (5.2.6)**

Each applicant for the 2018 Nebraska Diesel Emission Mitigation Program was required to seek at least one price quote for a replacement bus and submit it with their application. The table below summarizes the cost ranges of the submitted quotes by bus type, fuel type, and use. Environmental Mitigation Funds will provide 50% or \$42,000, whichever is less, toward the purchase of a new diesel bus, and 60% or \$57,000, whichever is less, toward the purchase of a new propane-fueled bus meeting California Air Resources Board Optional Low-NOx emission standards.

Bus Type	Diesel Route Bus	Propane Route Bus	Diesel Activity Bus
Type A	NA	\$ 79,699	NA
Type B	NA	NA	NA
Type C	\$ 78,450 – 107,850	\$ 91,140 – 126,850	\$ 105,450
Type D	\$ 115,890 – 163,350	NA	\$ 156,900
Coach	NA	NA	\$ 438,600

School buses are classified by chassis type, body type, and gross vehicle weight rating (GVWR; see table on the following page). Costs for a bus of a certain type and fuel vary based on the bus size (number of passengers), auxiliary equipment such as wheelchair lifts, and dealer inventory.






A “route bus” is used to transport students to and from school on a daily basis. An “activity bus” is used to transport students to and from other schools for activities such as athletic events. Activity buses commonly have individual coach-style seats and are thus more expensive than route buses. One applicant plans to replace a coach-style activity bus.

Vendors providing quotes were:

Manufacturer	Dealer
Blue Bird	Nebraska/Central Equipment, Inc. 112 Apollo Avenue, Alda, NE 68810
IC Bus	Cornhusker International, 3131 Cornhusker Hwy, Lincoln, NE 68504
Thomas	Truck Center Companies, 14321 Cornhusker Rd, PO Box 27379, Omaha, NE 68127
Thomas	Coach Masters Inc., 6410 E. Hwy 30, Kearney, NE 68847
CT Coachworks	National Bus Sales, 8649 South Regency Dr., Tulsa, OK 74131

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Descriptions of School Bus Types

	<p>TYPE A: A Type “A” school bus is a van conversion or bus constructed utilizing a cutaway front section vehicle with a left-side driver’s door. This definition includes two classifications: Type A-I, with a Gross Vehicle Weight Rating (GVWR) less than or equal to 14,500 pounds; and Type A II, with a GVWR greater than 14,500 pounds and less that or equal to 21,500 pounds.</p>
	<p>TYPE B: A “type B school bus” is a conversion or body constructed and installed upon a van or front-section vehicle chassis, or stripped chassis, with a gross vehicle weight rating of more than 10,000 pounds, designed for carrying more than ten persons. Part of the engine is beneath or behind the windshield and beside the driver’s seat. The entrance door is behind the front wheels.</p>
	<p>TYPE C: A Type “C” school bus is constructed utilizing a chassis with a hood and front fender assembly. The entrance door is behind the front wheels. A “type C school bus” also includes a cutaway truck chassis or truck chassis with cab, with or without a left side door, and with a GVWR greater than 21,500 pounds.</p>
	<p>TYPE D: A “type D school bus” is a body installed upon a chassis, with the engine mounted in the front, midship or rear, with a gross vehicle weight rating of more than 10,000, designed for carrying more than ten persons. The engine may be behind the windshield and beside the driver’s seat; it may be at the rear of the bus, behind the rear wheels, or midship between the front and rear axles. The entrance door is ahead of the front wheels. A type D school bus has a maximum length of 45 feet.</p>
	<p>Coach-style bus</p>