

**APPENDIX D-4**  
**Beneficiary Eligible Mitigation Action Certification**

## BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

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Beneficiary Colorado

Lead Agency Authorized to Act on Behalf of the Beneficiary Colorado Department of Public Health & Environment  
*(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)*

<b>Action Title:</b>	Alt Fuels Class 4-8 school buses
<b>Beneficiary's Project ID:</b>	Alt Fuels 9A18AD
<b>Funding Request No.</b>	<i>(sequential)</i> 1
<b>Request Type:</b> (select one or more)	<input checked="" type="checkbox"/> Reimbursement <span style="margin-left: 150px;"><input type="checkbox"/> Advance</span> <input type="checkbox"/> Other (specify): _____
<b>Payment to be made to:</b> (select one or more)	<input checked="" type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
<b>Funding Request &amp; Direction (Attachment A)</b>	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

### SUMMARY

<b>Eligible Mitigation Action</b>	<input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>EMA #2, Class 4-8 school buses</u>
<b>Action Type</b>	<input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal): _____
<b>Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):</b> See attached	
<b>Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):</b> See attached	
<b>Estimate of Anticipated NOx Reductions (5.2.3):</b> See attached	
<b>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):</b> See attached	
<b>Describe how the Beneficiary will make documentation publicly available (5.2.7.2).</b> <b>See attached</b>	
<b>Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).</b> See attached	
<b>Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).</b> <b>See attached</b>	

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).  
See attached

**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 Colorado, 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: 12/20/2018



Garry Kaufman  
Director, Air Pollution Control Division

Colorado Department of Public Health & Environment

[LEAD AGENCY]

for

Colorado

[BENEFICIARY]

## Summary

<b>Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):</b>
The state of Colorado's Beneficiary Mitigation Plan (BMP) describes how funding will be provided for eligible projects to reduce NOx emissions. As outlined in the BMP, The ALT Fuel Vehicle Replacement Program will distribute funding for several Eligible Mitigation Actions (EMA's) including EMA 1, 2, 3, 6, 7, and 8. The Colorado BMP has allocated \$18 million to these EMA's. This D-4 funding request is for EMA #2, Class 4-8 school buses.
<b>Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):</b>
<p>To help improve air quality and to encourage switching to cleaner fueled vehicles across the state, this mitigation action will replace 83 older diesel school buses with new propane or electric school buses and associated electric charging infrastructure.</p> <p>The Regional Air Quality Council (RAQC) will implement this EMA under a contract with Colorado Department of Public Health and Environment (CDPHE), in partnership with the Colorado Energy Office (CEO) and the Colorado Department of Transportation (CDOT). The eligibility requirements for Class 4-8 School Buses under the Alternative Fuel Vehicle Replacement Program are detailed in the BMP on pages 11-13.</p> <p>These new alternatively fueled buses will help reduce NOx emissions, VOCs, and greenhouse gases associated with the older (pre-2009) diesel buses that will be scrapped. Emission reductions from this D4 submission for the replacement of approximately 83 school buses (81 propane, 2 electric) are estimated to be: NOx (19.03 tons/yr), VOCs (1.94 tons/yr), and GHG (197.16 tons/yr). These buses will result in an air quality benefit to 11 different school districts operating in 10 different counties statewide.</p>
<b>Estimate of Anticipated NOx Reductions (5.2.3):</b>
The estimated emissions benefits from the replacement of 83 school buses (81 propane, 2 electric) will reduce NOx emissions by 19.03 tons/yr. The estimates were prepared using the Greenhouse gases, Regulated Emissions, and Energy use in Transportation (GREET) model. Annual vehicle miles traveled (VMT) were sourced from estimates provided by the school districts receiving funding.
<b>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):</b>
The Colorado Department of Public Health & Environment.
<b>Describe how the Beneficiary will make documentation publicly available (5.2.7.2). :</b>
The Colorado Department of Public Health and Environment (CDPHE) has created a public website for information related to the Volkswagen settlement, which can be accessed at: <a href="https://www.colorado.gov/cdphe/VW">https://www.colorado.gov/cdphe/VW</a> . The website contains a description of the Trust Agreement, information about Colorado's implementation plan, and links to Trust documents. As of the date Colorado filed its Certification for Beneficiary Status, the website linked to the Trust Agreement,

Certification for Beneficiary Status and Colorado's proposed Beneficiary Mitigation Plan. As Colorado prepares and submits the semiannual reports required by paragraph 5.3 of the Trust Agreement, CDPHE will either post documents to its website or maintain a link to other public-facing website that provide the documentation. Colorado follows the Colorado Open Records Act, §§ 24-72-200 et seq., C.R.S., (CORA), which governs the public disclosure of records held by Colorado state agencies. CORA requires the custodian to deny inspection of several categories of public records, including for certain confidential business information and personally identifiable information. Specifically, § 24-72-204 (3)(a)(IV), C.R.S. provides:

The custodian shall deny the right of inspection of the following records, unless otherwise provided by law; ... Trade secrets, privileged information, and confidential commercial, financial, geological, or geophysical data, including a social security number unless disclosure of the number is required, permitted, or authorized by state or federal law, furnished by or obtained from any person....

Any additional information not posted on the CDPHE website will be released pursuant to CORA.

The CDPHE website will be maintained and updated until the Trust's Termination Date or the date required by the Colorado Open Records Act or other applicable law, whichever is later. Records or documents may also be requested by emailing the CDPHE comments line at [cdphe.commentsapcd@state.co.us](mailto:cdphe.commentsapcd@state.co.us)

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

The Alternative Fuel Vehicle Replacement Program will provide incentive levels for public and private Class 4-8 School Buses. For public Class 4-8 School Buses the total incentive will be limited to a maximum of 40% of the total cost of the new vehicle or the cap included in Table 1 of the BMP. For private Class 4-8 School Buses the total incentive will be limited to a maximum of 25% of the total cost of the new vehicle or the cap included in Table 1 of the BMP. For associated electric charging infrastructure, the program will provide up to \$9,000 for Level II charging stations, and up to \$30,000 for Level III charging station. Any vehicle or charging infrastructure cost beyond these funding levels will be shared by the entity receiving the funding.

**Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9). :**

On February 27, 2018 the Colorado Department of Public Health and Environment provided notice of availability of funds via email to Federal Agencies pursuant to Section 4.2.8 of the Trust Agreement.

**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). :**

This program will mitigate impacts of NOx emissions by replacing higher polluting diesel Class 4-8 School Buses with new, cleaner fueled buses in communities that have historically borne a disproportionate share of air pollution. Specifically, these buses will operate in school districts located in 6 of the 11 Colorado counties designated as an ozone non-attainment or carbon monoxide maintenance area.

**Attachment B**

**Project Management Plan**

**Project Schedule and Milestones – Alternative Fuel Vehicle Replacement Program**

Milestone	Date
Informational webinar for AFC Grant Application	CY 2018 – 2022 3-4 times per year
AFC request for application announcement	CY 2018-2022 3-4 times per year
Solicitation for applications project round closes	CY 2018-2022 3-4 times per year
Technical Advisory Committee application review	CY 2018-2022 3-4 times per year
Project contractor awards funding to eligible entities	CY 2018-2022 3-4 times per year
Awardees attend mandatory training webinar	CY 2018-2022 3-4 times per year
Project partners enters into Contract / Purchase Order with sub awardee (this includes scrappage information). Vehicles must be ordered within 6 months.	CY 2018-2022 3-4 times per year
Vehicles delivered and awardee shows proof of full payment. Awardee submits reimbursement paperwork. RAQC reimburses within 90 days	Monthly starting December 2018- December 2022
Project partner submit D4 and invoicing, emission reductions estimates to CDPHE for reimbursement.	Monthly starting December 2018- December 2022
Trust acknowledges receipt of Direction for Payment and reimbursement	Within 60 days of submittal of D4
CDPHE directs funding to project partners and project partners reimburse sub awardee	Monthly starting December 2018- December 2022
CDPHE reports to Trust on status of projects every six months after first disbursement of funds; semiannual reporting.	January 30 and July 30 after first disbursement of funds.

**PROJECT BUDGET**

Period of Performance: <u>2018</u>				
Budget Category	Total Approved Budget	Share of Total Budget to be Funded by the Trust for bus and associated chargers	Cost-Share, if applicable (Entity #1) for bus	Cost-Share, if applicable (Entity #2)
1. Equipment Expenditure	\$9,253,493	\$2,848,000	\$6,405,493	\$
4. Administrative <sup>1</sup>	\$290,068	\$290,068	\$0	\$
<b>Project Totals</b>	\$9,543,561	\$3,138,068	\$6,405,493	\$
<b>Percentage</b>	100%	30%	70%	\$

1 Subject to Appendix D-2 15% administrative cap.

Incentive levels provided for public and non-profit of 40% of total vehicle cost up to the cap of \$200,000 for electric vehicles, \$50,000 for CNG, and \$30,000 for propane. Associated costs for level two charging stations were up to \$9,000.

**PROJECTED TRUST ALLOCATIONS:**

	<b>2018</b>
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$3,138,068
2. Anticipated Annual Cost Share	\$6,405,493
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$9,543,561
4. Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$0
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$3,138,068
6. Total Funding Allocated to for Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$3,138,068
7. Beneficiary Share of Estimated Funds Remaining in Trust	\$68,739,918.3
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 6)	\$65,601,850.3

**Attachment C**

**Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11):**

The Colorado Department of Public Health and Environment (CDPHE) will work with the RAQC (Regional Air Quality Council) to report on the implementation and progress of the Alternative Fuel Vehicle Replacement Program in the state of Colorado. CDPHE has developed a specific webpage that will provide information on the application process and status of eligible mitigation actions under the VW Environmental Mitigation Trust Fund. Awarded projects will be posted as well as information on emission reductions based upon awarded projects. Vehicle usage data will be collected two times a year for five years and made available. CDPHE will submit reports every six months to meet the semiannual reporting requirements under 5.3 of the Trust agreement.

**Attachment D**



**Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6).**

Awards for the replacement of 83 diesel buses with 81 propane and 2 electric:

District	Fuel	Buses	Funding	Charging	Funding
Adams 12 SD	Propane	8	\$ 240,000.00		
Aurora SD	Propane	16	\$ 480,000.00		
Boulder SD	Propane	6	\$ 180,000.00		
<i>Boulder SD</i>	<i>Electric</i>	<i>1</i>	<i>\$ 200,000.00</i>	<i>1</i>	<i>\$ 9,000.00</i>
Chavez Huerta Academy	Propane	3	\$ 90,000.00		
First Student	Propane	18	\$ 540,000.00		
Fowler SD	Propane	3	\$ 90,000.00		
Jeffco SD	Propane	18	\$ 540,000.00		
Poudre SD	Propane	6	\$ 180,000.00		
Swink SD	Propane	3	\$ 90,000.00		
Vail Valley Foundation	<i>Electric</i>	<i>1</i>	<i>\$ 200,000.00</i>	<i>1</i>	<i>\$ 9,000.00</i>
		83	\$ 2,830,000.00	2	\$ 18,000.00
Vehicle and Charging Funding Combined					\$ 2,848,000.00

Quotes for propane, and electric vehicles were obtained from applicants for Class 4-8 school and shuttle buses. Costs varied based upon fuel type and capacity. Full dealer quotes were received for each vehicle requested and are available upon request. Due to the length of all of the quotes, they were not submitted with this D4. A summary of each quote is included below.

**Manufacture:**

**Blue Bird**

**Vehicle Profile**

<b>Fuel Type</b>	Propane
<b>Make, Model &amp; Year</b>	Bluebird, Vision, 2019
<b>Engine</b>	Ford 6.8L V10
<b>Horse Power</b>	320 HP
<b>Transmission</b>	Ford 6R140 6-speed
<b>Axle Ratings</b>	10,000 lb front, 21,000 lb rear
<b>Wheel Base</b>	280
<b>GVWR</b>	31,000 lb
<b>Total Vehicle Cost</b>	111,780

Vehicle Profile

Fuel Type	Electric
Make, Model & Year	2019 Bluebird
Engine	TM4 Drive Motor Electric
Horse Power	315
Transmission	NA
Axle Ratings	NA
Wheel Base	273
GVWR	32000
Total Vehicle Cost	\$352,403.00

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	2019 Blue Bird Vision BBCV3310
Engine	Ford 6.8L
Horse Power	320 HP
Transmission	Ford 6R140
Axle Ratings	Front 12,000 Rear 23,000
Wheel Base	273"
GVWR	
Total Vehicle Cost	\$105,038.00

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	2019 Blue Bird Vision BBCV 3310
Engine	Ford 6.8L, HD OBD, w/ Roush Clean Tech LPA Fuel system
Horse Power	320HP @ 460LB-FT Torque
Transmission	Ford 6R140, 6-Speed Auto
Axle Ratings	Front - 12,000 LB. Hendrickson w 10,000 LB. Softek Spring Suspension Rear - 23,000 LB. Meritor w Air Suspension Rear Axle, 6.17
Wheel Base	273"
GVWR	35,000 Lb.
Total Vehicle Cost	106,632.00

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	2019 Bluebird Vision
Engine	6.8L Ford Propane
Horse Power	320
Transmission	Ford 6R140 6 speed Automatic
Axle Ratings	6.14
Wheel Base	273
GVWR	32700
Total Vehicle Cost	\$102,478.00

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	Blue Bird Vision 2019
Engine	Ford 6.8
Horse Power	320
Transmission	Ford 6R140, 6 Speed
Axle Ratings	Front 12,000 Rear 23,000
Wheel Base	273
GVWR	33,000
Total Vehicle Cost	105,038

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	Blue Bird Type C Conventional BBCV3303 2020
Engine	Ford 6.8L Propane HD OBD
Horse Power	320 hp
Transmission	Ford 6R140 6 Speed
Axle Ratings	Axle, Front: 10,000 lb Axle, Rear: 21,000 lb
Wheel Base	273
GVWR	28,000
Total Vehicle Cost	\$82,786.00

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	Blue Bird Vision BBCV 3310 2017
Engine	Propane 6.8L Ford
Horse Power	362 HP 4750 RPM
Transmission	Ford 6R140 Transmission 6 speed Automatic
Axle Ratings	12,000 LB Front, 23,000 LB Rear
Wheel Base	273.00
GVWR	35,000 LB
Total Vehicle Cost	\$114,170.00

Manufacture:

Power Solutions International

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	International (IC), Integrated CE S Bus (PB105), 2020
Engine	Power Solutions International
Horse Power	270
Transmission	Allison 2500 PTS Automatic
Axle Ratings	Dana Spicer 21060S 21,000-lb
Wheel Base	276
GVWR	31000
Total Vehicle Cost	\$98,478.90

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	International, CE, 2019
Engine	PSI 8.8L LPG
Horse Power	270 HP
Transmission	Allison 2500 PTS
Axle Ratings	10,000 lb front, 21,000 lb rear
Wheel Base	276
GVWR	33,000 lb
Total Vehicle Cost	108,725.32

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	International (IC), Integrated CE S Bus (PB105), 2020
Engine	Power Solutions International
Horse Power	270
Transmission	Allison 2500 PTS Automatic
Axle Ratings	Dana Spicer 21060S 19,000-lb
Wheel Base	217
GVWR	29800
Total Vehicle Cost	\$107,426.64

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	2019 Integrated CE S Bus (PB105)
Engine	Power Solutions International 8.8 Liter LPG
Horse Power	270 HP @ 2600 RPM, 565 lb-ft torque
Transmission	Allison 2500 RPM
Axle Ratings	Front – Dana Spicer E-1002I, I-Beam type, 10,000-lb capacity Rear – Dana Spicer 21060S, Single Reduction, 21,000-lb. capacity
Wheel Base	276"
GVWR	31,000 lb.
Total Vehicle Cost	103,656.60

Vehicle Profile

Fuel Type	PROPANE
Make, Model & Year	INTERNATIONAL 2020 INTEGRATED CE S BUS (PB105)
Engine	POWER SOLUTIONS IC 8.8L LPG (PROPANE)
Horse Power	270 HP @ 2600 RPM 565 LB-FT TORQUE @ 1600 RPM
Transmission	ALLISON 2500 PTS 6 SPD AUTOMATIC
Axle Ratings	FRONT 10,000 LB CAP, REAR 21,000 LB CAP
Wheel Base	276.00
GVWR	33,000 LB
Total Vehicle Cost	\$ 119,125.42

**Manufacture:**

**Thomas Built Buses**

Vehicle Profile

Fuel Type	Propane C2
Make, Model & Year	2019 Thomas Saf-T-Liner C2 341TS
Engine	Agility 8.0L V8 Diesel
Horse Power	339 HP
Transmission	Allison Gen 4
Axle Ratings	Front 10,000 Rear 21,000
Wheel Base	279"
GVWR	
Total Vehicle Cost	\$105,266.00

Comments

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	Thomas Saf-T-Liner C2 341TS 2020
Engine	Agility 8.0L Propane 8 cyl
Horse Power	339 HP 4450 RPM
Transmission	Allison 2300 PTS Automatic
Axle Ratings	Front 10,000 LB CAP, Rear 23,000 LB CAP
Wheel Base	279.00
GVWR	33,000 LB
Total Vehicle Cost	\$117,795.00

Vehicle Profile

Fuel Type	Propane
Make, Model & Year	Thomas Built Saf-T-Liner C2 310TS
Engine	AGILITY 8.0L V8 PROPANE, 8 Cyl
Horse Power	339 HP
Transmission	ALLISON 2500 PTS AUTOMATIC TRANSMISSION
Axle Ratings	Axle, Front: 10000-lb Capacity Axle, Rear: 21000-lb Capacity
Wheel Base	259
GVWR	28,000 lbs
Total Vehicle Cost	\$92,317.00

