

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

State of Nebraska
Funding Request #7

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of Nebraska

Lead Agency Authorized to Act on Behalf of the Beneficiary Nebraska Department of Environment and Energy
(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:	Nebraska 2019 DERA Program Projects
Beneficiary's Project ID:	VWT2020-07
Funding Request No.	<i>(sequential)</i> 7
Request Type: (select one or more)	<input type="checkbox"/> Reimbursement <input checked="" type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input checked="" type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
Funding Request & Direction (Attachment A)	<input checked="" 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): _____ <input checked="" type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal): Attach. E
Action Type	
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):	See attached SUMMARY Supplement (page 5).
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):	See attached SUMMARY Supplement (page 5).
Estimate of Anticipated NOx Reductions (5.2.3):	See attached SUMMARY Supplement (page 6).
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):	Nebraska Auditor of Public Accounts
Describe how the Beneficiary will make documentation publicly available (5.2.7.2).	See attached SUMMARY Supplement (page 6).
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).	See attached SUMMARY Supplement (page 6).
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).	On 26 February 2018 NDEQ sent e-mail notices of availability of funds to representatives of the U.S. Department of Interior and the U.S. Department of Agriculture listed in subparagraph 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).

See attached SUMMARY Supplement (page 6).

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 State of Nebraska, 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: May 19, 2020

Kara L. Valentine
Deputy Director, Air & Land

[NAME]

[TITLE]

Nebraska Department of Environment and Energy

[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 supplement federal funding of the Nebraska Clean Diesel Program under the U.S. Environmental Protection Agency (EPA) DERA State Grant Program, consistent with Eligible Mitigation Action 10 (DERA Option) of the State Trust Agreement. This request will provide funding for the state’s 2019 Clean Diesel Rebate Program under DERA.

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

The Nebraska Dept. of Environment and Energy (NDEE) elected to fund DERA rebates to individual Clean Diesel Rebate recipients using either federal funds or voluntary state matching funds obtained through the Volkswagen Diesel Emission Environmental Mitigation Trust for States (VW State Trust). The subprojects in this funding request are those DERA rebates being funded entirely by the voluntary state matching funds from the VW State Trust.

Two types of DERA rebate projects will be funded through this request:

1) Replacement of Medium and Heavy Duty Diesel Trucks (refuse trucks and local freight/delivery/construction/maintenance trucks)

Under DERA Eligible Diesel Emission Reduction Solution 7 (Vehicle and Equipment Replacements), NDEE is providing rebates for replacement of eligible diesel refuse trucks and local medium and heavy duty diesel freight, delivery, construction, and maintenance trucks by a:

- a) New diesel-fueled truck certified to meet EPA emissions standards (25% reimbursement up to a maximum set by NDEE of \$70,000).
- b) New Compressed Natural Gas (CNG)-fueled truck certified to meet California Air Resources Board Optional Low-NOx Standards (35% reimbursement up to a maximum set by NDEE of \$120,000).

Two diesel refuse trucks will be replaced with CNG-fueled refuse trucks under this funding request. Recipients are listed in Attachment B.

2) Non-Road Agricultural Diesel Engine Replacement with All-Electric Equipment

Under DERA Eligible Diesel Emission Reduction Solution 6a (Certified Engine Replacement; Locomotive, Marine, and Nonroad Diesel Vehicles and Equipment), NDEE is providing rebates for:

- a) Replacement of a diesel engine powering a surface agricultural irrigation pump by an electric motor
- b) Replacement of a diesel engine and generator supplying power to a submersible agricultural irrigation pump by direct connection of the subsurface pump to the electric grid.

Following the DERA Program Guide, NDEE is providing reimbursement of 60% of the cost of equipment and labor for these replacement projects, including the cost of extending electrical service to the well site. After examining previous project costs, NDEE set a maximum rebate amount of \$20,000.

NDEE chose to fund a larger number of irrigation engine projects than anticipated in the 2019 DERA Workplan by providing a larger Voluntary State Match using VW State Trust funds. A total of 15 diesel irrigation engine replacement projects are expected to be funded under this request. Recipients are listed in Attachment B.

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During residential trash pickup and other local operations, diesel trucks operate at low speed with frequent stops with the engine idling. Diesel engine emission controls are not very effective under these conditions, so the trucks expose nearby residents to the harmful effects of these emissions. Replacement of two diesel refuse trucks with new, cleaner vehicles will reduce emissions and reduce adverse health effects on local residents due to exposure to these pollutants. Replacement of 15 diesel irrigation engines with all-electric equipment will completely remove the diesel pollutants currently being emitted by these engines.

Estimate of Anticipated NO_x Reductions (5.2.3):

Nebraska DEE estimated diesel emission reductions using the EPA on-line Diesel Emissions Quantifier. We calculated reductions for 1) each diesel truck applicant using the provided engine model year, annual mileage, fuel use, replacement fuel, and estimated remaining lifetime of the current truck; and 2) each diesel irrigation engine applicant using the provided annual operating hours, fuel use, and estimated remaining lifetime of the diesel engine.

We estimate that the 15 diesel irrigation engine and 2 diesel refuse truck replacement projects funded by this request will result in lifetime reductions in NO_x emissions of 43.85 tons and reduction in particulate emissions of 4.2 tons.

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

NDEE maintains a series of webpages describing the Nebraska Clean Diesel Program, with the main page at <http://deq.ne.gov/NDEQProg.nsf/OnWeb/NCDGP>. Separate pages are provided for applicants and rebate recipients for each type of project under the program.

All application materials, reimbursement requests, and required documentation submitted by applicants and rebate recipients for the Clean Diesel 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 NDEE website. Also see Attachment C.

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

Diesel Truck rebate recipients are subject to a minimum 75% cost-share for the purchase of a new diesel truck or 65% cost-share for purchase of a new CNG-fueled truck meeting stricter emissions standards. Recipients of Diesel Irrigation Engine Rebates are subject to a minimum 40% cost-share for the purchase and installation of new all-electric equipment. Cost-share percentages for individual projects may exceed these minimum percentages if the dollar amount corresponding to the maximum reimbursement percentage exceeds the rebate limit imposed by NDEE based on typical project costs. See Attachment B for listings of recipients, expected rebates, and expected cost-share amounts.

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

Residents of urban areas in eastern Nebraska have historically borne a disproportionate share of the adverse effects of NO_x emissions. The replacement of diesel refuse trucks that operate in the metropolitan areas of Omaha and Lincoln will directly reduce NO_x emissions and their impact on the health of residents in these communities.

Diesel irrigation engines operate during warmer months of the year when NO_x emissions act as a chemical feedstock for the formation of low-level ozone. This transformation occurs over a period of hours as pollutants are transported in the atmosphere. The replacement of 15 rural diesel irrigation engines that are upwind of the urban areas of eastern Nebraska will eliminate their NO_x emissions and should reduce the production of ozone that would otherwise impact the downwind urban areas.

ATTACHMENT B

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

**PROJECT SCHEDULE AND TIMELINE,
2019 NEBRASKA CLEAN DIESEL REBATE PROGRAM**

Project Milestone	Date
NDEE posts program information and application materials on agency website; e-mail notification to Natural Resource Districts, electric utilities, waste management associations, and landfills.	1 October 2019
Round 1 deadline for submission of applications	17 January 2020
Selection and notification of Round 1 rebate recipients	21 January 2020
Finalization of agreements with Round 1 rebate recipients	February-March 2020
Round 2 deadline for submission of applications	21 February 2020
Selection and notification of Round 2 rebate recipients	25 February 2020
Finalization of agreements with Round 2 rebate recipients	March 2020
Submission of Project Certification and Funding Direction	May 2020
Trustee Allocates Advanced Funding to NDEE	August 2020
NDEE reviews reimbursement requests from recipients and provides payment for projects as completed	2020 Quarter 3-4 2021 Quarter 1-2
NDEE reports on project progress	July 2020, Jan. 2021
NDEE reports project completion	July 2021

EXPECTED COSTS OF INDIVIDUAL PROJECTS FUNDED THROUGH THIS REQUEST

Two types of DERA rebate projects will be funded through this request:

1) Replacement of Medium and Heavy Duty Diesel Trucks (refuse and local freight/delivery/construction/maintenance)

Applicants were required to submit price quotes for specific new replacement trucks with their applications. The recipient of the refuse truck replacement rebates that will be funded by this request is:

Rebate Recipient	Location	Rebates	Recipient Cost-Share	Project Cost
<u>Gretna Sanitation</u>				
1 CNG-fueled replacement truck	Gretna	\$ 120,000	\$ 259,015	\$ 379,015
1 CNG-fueled replacement truck		\$ 120,000	\$ 224,388	\$ 344,388
TOTAL		\$ 240,000	\$ 483,403	\$ 723,403

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2) Non-Road Agricultural Diesel Engine Replacements with All-Electric Equipment

Applications for this program were required to include price quotes for the new equipment, electrical contracting work, and utility service line extension. The expected rebate recipients are listed below.

Rebate Recipient	Nebraska County	Rebate Amount	Recipient Cost-Share	Total Project Cost
Boner, Jason	Frontier	\$ 20,000.00	\$ 19,556.00	\$ 39,556.00
Brookhauser, Mark	Antelope	\$ 20,000.00	\$ 15,491.29	\$ 35,491.29
Drueke, William	Holt	\$ 15,693.66	\$ 10,462.44	\$ 26,156.10
Dyczek, Albert	Pierce	\$ 13,515.57	\$ 9,010.38	\$ 22,525.95
Eaton, Daniel	Holt	\$ 19,200.00	\$ 12,800.00	\$ 32,000.00
Hansen Farm	Frontier	\$ 20,000.00	\$ 19,779.29	\$ 39,779.29
Kunneemann, Dennis	Hitchcock	\$ 20,000.00	\$ 28,855.00	\$ 48,855.00
Ox Hoof LLC	Holt	\$ 20,000.00	\$ 19,639.99	\$ 39,639.99
Rainbox Farms Inc.	Antelope	\$ 18,476.46	\$ 12,317.64	\$ 30,794.10
RATLI LLP	Holt	\$ 17,312.25	\$ 11,541.50	\$ 28,853.75
Rodney Heiss Family Farms	Holt	\$ 20,000.00	\$ 41,927.95	\$ 61,927.95
Ruth, Barton D.	Polk	\$ 13,134.00	\$ 8,756.00	\$ 21,890.00
Summers, George	Holt	\$ 6,479.46	\$ 4,319.64	\$ 10,799.10
Sweeney Farm	Phelps	\$ 19,098.74	\$ 12,732.49	\$ 31,831.23
Werkmeister, Joe	Frontier	\$ 17,836.85	\$ 11,891.23	\$ 29,728.08
TOTAL		\$ 260,746.99	\$ 239,080.84	\$ 499,827.83

PROJECT BUDGET

Period of Performance: October 2019 – July 2021			
Budget Category	Share of Total Budget to be Funded by the Trust	Cost-Share to be Paid by Project Recipients	Total Budget Amount
<u>Equipment:</u>			
Diesel Truck Rebates	\$ 240,000	\$ 483,403	\$ 723,403
Irrigation Engine Rebates	\$ <u>260,747</u>	\$ <u>239,081</u>	\$ <u>499,828</u>
EQUIPMENT TOTAL	\$ 500,747	\$ 722,484	\$ 1,223,231
Contractor Support	\$ 0	\$ 0	\$ 0
Subrecipient Support	\$ 0	\$ 0	\$ 0
<u>Administrative Costs (5%)</u>			
Program planning, development, outreach, and administration	\$ 25,037	\$ 0	\$ 25,037
Project Totals	\$ 525,784	\$ 722,484	\$ 1,248,268
Percentage	42.1%	57.9%	100%

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FUNDING REQUESTS: PREVIOUS, CURRENT, AND PLANNED

Funding Request	Requests to be paid through the Trust	Recipient Cost-Share	Total Project Funding
1. 2017 DERA Program Projects (previous)	\$ 287,243	\$ 713,968	\$ 1,001,211
2. 2018 School Bus Rebates (previous)	\$ 1,891,527	\$ 2,016,402	\$ 3,907,929
3. 2018 Transit Bus Rebates (previous)	\$ 1,255,206	\$ 2,235,165	\$ 3,490,371
4. 2018 DERA Program (previous)	\$ 775,212	\$ 932,659	\$ 1,707,871
5. 2019 School Bus Rebates (previous)	\$ 2,758,981	\$ 3,392,200	\$ 6,151,181
6. Electric Vehicle Charging Rebates (previous)	\$ 1,909,134	\$ 742,010	\$ 2,651,144
7. 2019 DERA Program Projects (current)	\$ 525,784	\$ 722,484	\$ 1,248,268
8. 2020 School Bus Rebates (planned)	\$ 1,962,135	\$ 1,868,700	\$ 3,830,835
TOTALS	\$ 11,365,222	\$ 13,107,142	\$ 24,472,364

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PROJECTED ANNUAL TRUST ALLOCATIONS

	2020	2021	2022
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$ 4,397,053	\$ 377,524	\$ 377,524
2. Anticipated Annual Cost Share	\$ 3,333,311	\$ 490,782	\$ 490,782
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$ 7,730,364	\$ 868,306	\$ 868,306
4. Cumulative Trustee Payments Made in Previous Years Against Cumulative Approved Beneficiary Allocation	\$ 6,968,169	\$ 11,365, 222	\$ 11,742,746
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$ 4,397,053	\$ 377,524	\$ 377,524
6. Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$ 11,365,222	\$ 11,742,746	\$ 12,120,271
7. Beneficiary Share of Estimated Funds Remaining in Trust at Start of Year	\$ 5,280,179	\$ 883,126	\$ 505,602
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 5)	\$ 883,126	\$ 505,602	\$ 128,077

ATTACHMENT C

DETAILED PLAN FOR REPORTING ON ELIGIBLE MITIGATION ACTION IMPLEMENTATION

The Nebraska Department of Environment and Energy (NDEE) will provide detailed reporting on this funding request under Eligible Mitigation Action 10 (DERA option) in three ways: 1) timely updates to NDEE's Volkswagen Environmental Mitigation Trust – Nebraska Diesel Emission Mitigation Program web pages and Clean Diesel Program (DERA) web pages; 2) quarterly reports submitted to the Environmental Protection Agency (EPA) on the 2018 Clean Diesel State Grant; and 3) semi-annual reports to the Trustee as required by subparagraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries.

NDEE WEBSITE

NDEE 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 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 from this web page through links to Nebraska's page on the Volkswagen Diesel Emissions Environmental Mitigation Trust website. Separate web pages for individual project categories are being developed and posted as funding programs open; these pages track the status, progress, and results for projects under these funding categories. A separate web page on the Nebraska Clean Diesel Rebate Program (<http://deq.ne.gov/NDEQProg.nsf/OnWeb/NCDGP>) is maintained and includes lists of rebate recipients and rebate amounts for current and past projects, as required by the Clean Diesel State Grant (DERA program).

All application materials, reimbursement requests, and required documentation submitted by applicants and rebate recipients for Nebraska's DERA 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 NDEE website.

DERA QUARTERLY REPORTS

NDEE has submitted and will continue to submit quarterly reports to the Environmental Protection Agency (EPA) on the progress of projects under the 2018 Clean Diesel State Grant Program (DERA). These reports include technical details of the individual diesel emission reduction projects (vehicles and equipment being replaced as well as the replacement vehicles and equipment), estimates of emissions reductions, project progress and timelines, and financial reporting.

SEMI-ANNUAL REPORTS TO THE TRUSTEE

As required by subparagraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries, NDEE will submit a report to the Trustee no later than January 30 and July 30 each year 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. Reports covering the DERA program actions described in this funding request will include the quarterly reports to EPA described above. The Nebraska Diesel Emission Mitigation Program webpage includes a link to Nebraska's page on the Volkswagen Diesel Emissions Environmental Mitigation Trust website, where these semi-annual reports can be accessed by the public.

ATTACHMENT D

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

REFUSE TRUCK REPLACEMENTS

Each applicant for the 2019 Nebraska Clean Diesel Refuse Truck Rebate Program was required to seek at least one price quote for a replacement truck and submit it with their application. The table below lists the quotes for the two refuse truck projects covered by this funding request. These quotes include the cost of the truck cab and chassis along with the cost of a trash packer-loader to be mounted on the chassis. Copies of the price quotes provide for these projects are attached.

Recipient	Fuel	Vendors	Cost	Rebate	Cost-Share
Gretna Sanitation	CNG	RDO Truck Center: Mack L 64 G (cab/chassis) McNeilus (loader)	\$379,015	\$120,000	\$259,015
	CNG	RDO Truck Center: Mack Terra Pro 64R (cab/chassis) McNeilus (loader)	\$344,388	\$120,000	\$224,388

DIESEL IRRIGATION ENGINE REPLACEMENTS WITH ALL-ELECTRIC EQUIPMENT

Each applicant for the 2019 Nebraska Clean Diesel Irrigation Engine Rebate Program was required to provide price quotes for a new electric motor (if needed), other required electrical equipment (conduit, panels, etc.) and labor, and for the cost of extending electric service to the irrigation well site. Quoted cost ranges from 42 applicants are shown below. Costs are quite variable depending on the equipment to be installed and the length of utility service line needed to connect the well site to the electric grid.

	Equipment & Installation	Service Line Extension	Total Project Cost	Rebate	Cost-Share
Minimum	\$ 7,999	\$ 807	\$ 10,799	\$ 6,479	\$ 4,320
Maximum	\$ 46,753	\$ 30,050	\$ 70,512	\$20,000	\$ 50,512

Total project costs and rebate amounts for the 15 individual projects covered by this funding request are listed in Attachment B.

MACK



 Gretna Sanitation

 **RDO**
TRUCK CENTERS

Pricing Summary

LR 64R G

VEHICLE PRICE

\$162,108.00

TOTAL FRET EXEMPT ITEMS *INCL TOTAL SOFT OFFERS AND WARRANTY **\$0.00**

TAX SUMMARY

AMT. SUBJECT TO TAX

FRET (12%)

\$162,108.00

\$19,452.96

Tire Tax Credit

N/A

\$(614.30)

TOTAL TAX **\$18,838.66**

TOTAL SELLING PRICE (PER UNIT) **\$180,946.66**

GRETNA SANITATION DATE

RDO TRUCK CENTER CO. DATE

The above proposal includes chassis only delivered to body builder of your choice. Pricing is good for chassis built before June of 2020. See below for total cost of body and warranty. These are third party pricing and are not guaranteed through RDO or Mack.

Extended Warranty:

5yr/200,000 mile cummins engine extended warranty-

\$4,100.00

5yr/Allison transmission extended warranty-

\$1,081.00

McNeilus quote #0TY201910171302 received 11-11-19 with FET-


\$192,887.00

Total with truck, body, and warranty-

\$379,014.66

MACK



 Gretna Sanitation



Pricing Summary

TERRAPRO 64R G

VEHICLE PRICE

\$156,745.00

TOTAL FRET EXEMPT ITEMS *INCL TOTAL SOFT OFFERS AND WARRANTY

\$0.00

TAX SUMMARY

AMT. SUBJECT TO TAX

FRET (12%)

\$156,745.00

\$18,809.40

Tire Tax Credit

N/A

\$(614.30)

TOTAL TAX

\$18,195.10

TOTAL SELLING PRICE (PER UNIT)

\$174,940.10

GREटना SANITATION

DATE

RDO TRUCK CENTER CO.

DATE

The above proposal includes chassis only delivered to body builder of your choice. Pricing is good for chassis built before June of 2020. See below for total cost of body and warranty. These are third party pricing and are not guaranteed through RDO or Mack.

Extended Warranty:

5yr/200,000 mile cummins engine extended warranty-

\$4,100.00

5yr/Allison transmission extended warranty-

\$1,081.00

McNeilus quote #CPQ-1076 received 11-11-19 with FET-

\$164,267.00

Total with truck, body, and warranty-

\$344,388.10

**PRICELIST
DATE**

20190812

QUOTATION

RDO2019000776D892

DATE

11/20/2019

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CUSTOMER NAME

GREटना SANITATION

DEALER NAME

RDO TRUCK CENTER CO.

ATTACHMENT E

FISCAL YEAR 2019

STATE CLEAN DIESEL GRANT PROGRAM

WORK PLAN AND BUDGET NARRATIVE

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

REVISED SEPTEMBER 2019

SUMMARY PAGE

Project Title: 2019 Nebraska Clean Diesel Rebate Program

Project Manager and Contact Information

Organization Name: Nebraska Department of Environmental Quality

Project Manager: Randy Smith

**Mailing Address: Nebraska Department of Environmental Quality,
1200 N Street, Suite 400,
Lincoln, NE 68509**

Phone: 402-471-4272

Fax: 402-471-2909

Email: randy.smith@nebraska.gov

Project Budget Overview:

	FY 2019
EPA Base Allocation	\$ 317,200
State or Territory Voluntary Matching Funds (if applicable)	\$ 543,761
EPA Match Incentive (Bonus) (if applicable)	\$ 158,600
Mandatory Cost-Share	\$ 2,109,000
TOTAL Project Cost	\$ 3,128,561
Other Leveraged Funds	\$ 0

Project Period

October 1, 2019 – September 30, 2021

Summary Statement

The Nebraska Department of Environmental Quality (NDEQ) proposes to award rebates in two subprograms: 1) replacement of local diesel trucks, and 2) electric replacements of diesel engines powering agricultural irrigation pumps. Utilizing both EPA and State Voluntary Matching Funds, NDEQ anticipates awarding twelve rebates for replacement of local medium and heavy-duty diesel trucks and 17 rebates for electric replacements of diesel irrigation engines.

SCOPE OF WORK

STATE/TERRITORY GOALS AND PRIORITIES:

According to the 2014 National Emissions Inventory, diesel vehicles and equipment in Nebraska were responsible for 124,481 tons of annual NO_x emissions, 5,510 tons of PM₁₀, and 5,177 tons of PM_{2.5}, primarily from heavy-duty diesel highway vehicles, locomotives, and non-road diesel equipment. Diesel sources are responsible for two-thirds of the NO_x emissions in the state, which can contribute to the production of ground-level ozone.

Although all areas of Nebraska are currently in attainment with the National Ambient Air Quality Standards (NAAQS) for all criteria pollutants, ozone levels approaching the ozone NAAQS (0.70 ppm) have been experienced at times in the Omaha metropolitan area and at Santee in northeastern Nebraska. Ozone levels in both urban and rural areas in Nebraska and surrounding states have been rising over the past several years.

Nebraska cities have taken action over the last decade to reduce diesel emissions. StarTran, the transit bus agency in Lincoln, has introduced 24 compressed natural gas (CNG) buses and 13 CNG Handi-Vans to its fleet, replacing older diesel and gasoline vehicles. CNG vehicles now make up over one-third of the StarTran fleet. StarTran is also in the process of purchasing two battery-electric transit buses; this purchase will be partially supported by NDEQ using funds from the *Volkswagen Diesel Emissions Environmental Mitigation Trust for States* (VW State Trust). Omaha Metro Transit is also moving to replace diesel transit buses with CNG vehicles. The agency's Omaha Rapid Bus Transit (ORBT) project, to be launched in fall of 2019, will utilize CNG-fueled articulated buses replacing older diesel buses. (Purchase of two ORBT buses will also be partially supported by NDEQ utilizing Volkswagen State Trust funds.) Beginning in the fall of 2014, the Omaha and Millard (suburban Omaha) public school districts began using 435 new propane-powered buses to transport students, providing significant emissions reductions and reducing health impacts on the students.

However, many older diesel buses and trucks are still in operation in Nebraska. Older diesel refuse trucks operate in residential and commercial areas, at low speeds, with frequent starts and stops, and with a high proportion of time spent idling; all of these factors lead to poor control of diesel emissions. Many medium- and heavy-duty diesel trucks are also used in delivery, construction, and maintenance activities in urban areas. Diesel trucks therefore make a significant contribution to diesel emissions in urban areas and have the potential to impact large populations.

New trucks with engines that meet EPA emissions standards drastically reduce these harmful emissions. Replacement of diesel trucks with new cleaner diesel or alternative-fueled vehicles is thus a priority of the Nebraska Clean Diesel Program. NDEQ plans to continue the 2018 program of diesel refuse truck replacements under the 2019 Nebraska Clean Diesel Program (DERA) and expand it to include all types of medium- and heavy-duty local diesel trucks.

Beneficiary Eligible Mitigation Action Certification - Nebraska Funding Request #7 - Attachment E

Separately, NDEQ also will be replacing school buses in 2019 in a continuation of the Nebraska Diesel Emission Mitigation Program funded by the Volkswagen State Trust.

As of October 2016, Nebraska had over 99,000 active agricultural irrigation wells, many of which have pumps powered by diesel engines. Although these engines are in rural areas, they operate during the warmer months of the year when formation of ozone from diesel exhaust is at a maximum. Exhaust from this large number of diesel engines is a significant contributor to air pollution in rural areas. In addition, several counties on the DERA 2018 Priority County List have a large number of irrigation wells; these include Buffalo, Keith, Lincoln, and Scotts Bluff counties.

VEHICLES AND TECHNOLOGIES:

NDEQ will award rebates in two subprograms: 1) replacement of urban diesel trucks, eligible under Section VIII.B.2 of the Program Guide; and 2) electric replacements of diesel engines powering agricultural irrigation pumps, eligible under Section VIII.B.5 of the Program Guide.

Replacement of Medium- and Heavy Duty Diesel Trucks:

NDEQ will offer rebates to assist eligible applicants with partial reimbursement for the replacement of older diesel trucks with trucks powered by:

- a 2016 model year or newer, diesel or alternative-fueled engine certified to meet EPA emission standards (25% rebate up to a \$70,000 limit set by NDEQ);
- a 2016 model year or newer engine certified to meet CARB's Optional Low-NOx Standards (35% rebate up to a \$120,000 limit set by NDEQ);
- a new, zero-tailpipe emissions replacement (45% rebate).

Eligible applicants will be public entities and private owners operating diesel refuse trucks and local medium- and heavy-duty diesel trucks (GVWR Class 5-8) used in delivery, construction, and maintenance operations in Nebraska communities. Eligible trucks will have engine model years from 1996 to 2009 (or newer for low-NOx replacement). Priority will be given to projects in urban areas and to replacement vehicles with Low-NOx Compressed Natural Gas (CNG) engines (35% rebate). For the private owners this is a higher reimbursement rate than will be available under Options 1 or 6 of the Volkswagen State Trust. Thus NDEQ feels that this Clean Diesel Program will be an attractive option for those interested in switching from diesel to CNG in comparison to future programs funded solely by the Volkswagen State Trust.

The number of vehicle replacements to be funded under this program will depend upon the size and type of trucks that applicants propose to replace. In developing the program budget NDEQ anticipates funding two CNG refuse trucks, three diesel refuse trucks, three medium-duty tractor trucks, and four medium-duty straight trucks. However, the number of CNG replacements may be lower due to the limited availability of CNG fueling facilities (Lincoln, North Platte, Columbus, and the Omaha metropolitan area). If the number of eligible applicants is higher than anticipated, a larger number of replacement projects may be undertaken by increasing the use of Voluntary State Matching funds from the Volkswagen State Trust.

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All entities that receive a rebate will be required to follow the scrappage requirements outlined in the FY2019 State Clean Diesel Grant Program Information Guide.

Non-Road Agricultural Diesel Engine Replacement:

NDEQ will offer rebates to assist eligible applicants with 1) purchase of an electric motor and associated electrical infrastructure needed to replace a non-road diesel engine powering a surface agricultural irrigation pump; or 2) costs of supplying the infrastructure needed to connect a submersible irrigation pump to the electric grid as a replacement of a diesel engine powering a generator. These projects will be eligible for a 60% rebate of equipment, labor, and electric power infrastructure costs, including electric line extension, up to a limit of \$20,000 set by NDEQ.

NDEQ will give preference to irrigation engine replacements in counties on the DERA 2019 Priority County List.

Eligible applicants for replacement of an off-road diesel engine will be active farming operations in the state of Nebraska. Eligible engines must operate at least 250 hours annually and fall within the following horsepower (HP) and engine model year guidelines:

- 0 to 50 HP: 2006 and newer, Unregulated – Tier 2;
- 51 to 300 HP: 1996 and Newer, Tier 0 – Tier 3;
- 301-750 HP: 1986 and Newer, Tier 0 – Tier 3;
- 751+ HP: 1986 and Newer, Tier 0 – Tier 2.

NDEQ anticipates funding 17 diesel irrigation engine replacement projects in this program with an average rebate of \$15,000. This program could be expanded using additional Voluntary State Match funds if a high number of eligible applications are received. All entities that receive a rebate will be required to follow the scrappage requirements outlined in the FY2019 State Clean Diesel Grant Program Information Guide.

ROLES AND RESPONSIBILITIES:

NDEQ will use 2019 State Clean Diesel Grant funds to support two rebate programs to replace diesel vehicles and engines in Nebraska. NDEQ has successfully administered rebate programs with funding from EPA's Clean Diesel Program to reduce diesel emissions since 2008, including funding from the American Recovery and Reinvestment Act from 2009 to 2012. Projects funded prior to 2013 included diesel emission control retrofits, auxiliary power units and aerodynamic equipment for long-haul trucks, diesel engine replacements, and vehicle replacements. Rebate recipients in these projects included both government and private-sector entities. From 2013 to 2016 NDEQ administered an annual Clean Diesel School Bus Rebate Program. In 2017 and 2018 rebate programs for refuse truck replacements and diesel irrigation engine replacements were added to the Nebraska Clean Diesel Program, with eight refuse truck replacement projects and 48 irrigation engine replacement projects completed or underway. This experience demonstrates NDEQ's ability to successfully carry out varied diesel emissions reduction rebate programs.

Replacement of Medium- and Heavy Duty Diesel Trucks:

NDEQ will provide notice of the Local Medium- and Heavy-Duty Diesel Truck Rebate Program to the public in Nebraska via the agency website, press release, and notices to trade and municipal associations. We will develop application materials, instructions, and selection criteria specific to this program and will make them available on the agency website, and we will work with public agencies and private companies as they develop their applications. NDEQ will select the successful applicants and provide rebates directly to the recipients. The recipients will be expected to provide mandatory matching funds to complete the financial commitments required for their projects.

Non-Road Agricultural Diesel Engine Replacement:

NDEQ will provide notice of the 2019 Irrigation Engine Rebate program via the agency website and a press release. A number of public power districts in Nebraska provide financial incentives to farmers for converting irrigation equipment from diesel to electric power. Applicants for agricultural diesel engine replacement rebates will need to work with their electric service provider to determine the costs of electric line extension and other required infrastructure as well as the availability of incentives. NDEQ therefore will directly notify all public power districts in Nebraska of the availability of Clean Diesel rebates for irrigation engine replacements. NDEQ will also notify the Natural Resource Districts (NRDs) in Nebraska, which manage surface and groundwater and work with irrigators in their districts.

NDEQ has developed application materials, instructions, and selection criteria specific to this program and will make them available on the agency website. NDEQ will assist applicants during the application process, select the successful applicants for rebates, and provide rebates directly to the recipients. Recipients will be expected to provide mandatory matching funds to complete the financial commitments required for their projects.

General Administration and Disbursement Procedures

The replacement vehicle or engine will be required to perform the same or similar function and operation as the unit being replaced. Replacement vehicles must be of similar type and gross vehicle weight rating or horsepower as the vehicle being replaced.

The replaced engine or vehicle plus engine will be required to be scrapped or rendered permanently disabled within 90 days of being replaced unless additional time is approved by EPA. Diesel engines will be scrapped by cutting a 3-in by 3-in hole in the engine block, or an equivalent scrappage method approved by EPA. A vehicle will be disabled by cutting the frame rails between the front and rear axles.

NDEQ will maintain frequent contact with the successful applicants and provide assistance as needed to ensure that they stay on track to complete their projects within the specified time frame. After the new vehicle or engine has been delivered or installed, and prior to receiving

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reimbursement, applicants will be required to submit extensive documentation of the purchase along with documentation of scrappage of the old vehicle or engine:

1. Completed “Request for Reimbursement” form
2. Completed “Final Report” form
3. Photocopy of the purchase order for the new vehicle/engine and/or photocopy of the invoice for the new vehicle/engine and photo of the new engine label with the following information:
 - a. VIN number (for vehicle) or engine serial number (for replacement engine)
 - b. Engine model year
 - c. Engine manufacturer
 - d. EPA engine family
 - e. Vehicle/engine cost
4. Proof of Payment, such as a paid invoice or receipt, photocopy of the canceled check, bank statement showing the check has cleared, or credit card statement showing the payment has cleared
5. Proof of scrappage of the old engine via the EPA Certificate of Vehicle/Engine Destruction and:
 - a. Photo of the engine label that includes the engine serial number and EPA engine family
 - b. Photo of the engine block prior to scrappage
 - c. Photo of the engine block after scrappage, showing the hole cut in the block
6. Proof of scrappage of the old vehicle (if applicable) via the EPA Certificate of Vehicle/Engine Destruction and:
 - a. Side profile photo of the vehicle
 - b. Photo of vehicle label with Vehicle Identification Number (VIN)
 - c. Photos of chassis rails prior to scrappage
 - d. Photos of chassis rails after cutting

TIMELINE AND MILESTONES:

NDEQ’s 2019 Nebraska Clean Diesel Rebate Program will begin as soon as the grant award is made. Public notice and outreach of the program will begin in advance of the October 1 start of the 2019 grant year. During the first and second quarters of the grant year, NDEQ will complete the solicitation and processing of rebate applications, will select rebate recipients, and prepare project agreements. Recipients will be notified during the second quarter to commence work on their project. NDEQ will monitor project progress closely to encourage timely performance by the selected applicants. In particular, we will encourage participants in the irrigation engine replacement program to take early action to initiate their projects so that work can be completed prior to the start of the 2020 crop season. We anticipate that most recipients will complete their projects and receive reimbursements during the third and fourth quarters. NDEQ will follow the timeline below, assuming receipt of the EPA award in August:

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September 16, 2019: NDEQ posts program information and application materials on the agency website and begins outreach to the target sectors.

October 1, 2019: NDEQ begins accepting rebate applications.

January 17, 2020: Deadline for submission of rebate applications to NDEQ.

January 21-24, 2020: Review of rebate applications and selection of rebate recipients.

January 24, 2020: Notification of rebate recipients.

February 5, 2020: Agreements mailed to rebate recipients. Public notification of rebate projects posted on NDEQ website.

February 28, 2020: Deadline for rebate recipients to return signed agreements to NDEQ.

February 5-28, 2020: Commence Work letters mailed to recipients.

March 2020 –August 2021: Monitoring of rebate recipients for project progress, and issuance of rebates as projects are completed.

August 15, 2021: Deadline for recipients to complete their project and submit complete reimbursement requests with documentation of scrappage.

DERA PROGRAMMATIC PRIORITIES:

NDEQ's 2019 DERA Clean Diesel Rebate Programs will be targeted to achieve significant reductions in diesel emissions in areas designated as poor air-quality areas and/or emissions that lead to exposure of especially vulnerable populations.

Replacement of Medium- and Heavy Duty Diesel Trucks:

Diesel refuse trucks and local delivery/construction/maintenance trucks operate in all cities and towns in Nebraska. NDEQ will give preference to applicants operating in the urban areas of the 10 Nebraska counties on the DERA 2019 Priority County List, which were designated on the basis of population exposure to diesel particulate emissions in the 2011 National Scale Air Toxics Assessment. Providing rebates to replace older diesel trucks with newer and cleaner trucks will produce significant reductions in diesel emissions in these priority areas.

Non-Road Agricultural Diesel Engine Replacement:

NDEQ will give preference to agricultural diesel engine replacements in the 10 Nebraska counties on the DERA 2019 Priority County List and will require electric replacement equipment. A number of predominantly rural Nebraska counties are EPA Priority Counties for 2019. These include Buffalo, Dodge, Gage, Jefferson, Keith, Lincoln, Platte, and Scotts Bluff counties. NDEQ will give preference to these counties and to projects that are in close proximity to population centers that might be affected by these diesel emissions.

EPA’S STRATEGIC PLAN LINKAGE AND ANTICIPATED OUTCOMES/OUTPUTS:

Linkage: The actions outlined in this workplan support Goal 1, Objective 1.1, “Improve Air Quality”, of EPA’s 2018-2022 Strategic Plan. Reducing emissions from diesel engines is an important component of the reduction of local and regional air pollution, thereby supporting EPA’s goal of “continued progress in reducing public health risks and improving the quality of the environment.” Replacement of older, more polluting diesel engines and buses with new, less polluting units reduces diesel emissions, thus directly reducing the local and regional risk from criteria pollutants (particulate matter, NOx, and ozone), air toxics, and greenhouse gases.

Outputs: The primary output of this program will be the replacement of older, more polluting diesel vehicles and engines with new, cleaner units. This output will be measureable in terms of the number of replacements funded and completed, which will depend upon the mix of replacement applications received and the replacement technologies proposed.

NDEQ will disseminate information about the program or programs and the available technologies via the agency website, mail, e-mail, and possibly public meetings. These public outreach efforts will raise community awareness of the importance of reducing diesel emissions.

NDEQ will track and measure the progress made by the rebate recipients and provide quarterly reports to EPA summarizing this progress. NDEQ will also provide a final report on the program to EPA.

Outcomes: Nebraska’s proposed 2019 Clean Diesel Rebate Program will produce significant reductions in diesel emissions and thereby reduce the exposure of vulnerable populations to these emissions. In addition, NDEQ’s outreach efforts will lead to increased community awareness of the importance and health benefits of emissions reductions, and will promote institutional behavioral changes to reduce diesel vehicle idling where possible.

Replacement of Medium- and Heavy Duty Diesel Trucks

Reducing truck diesel emissions would have immediate impact in densely-populated urban areas that include a number of vulnerable populations, including the elderly, children, and people with respiratory conditions. Over the long term, these emissions reductions should lead to reduced respiratory disease and complications in these populations.

Table 1 below shows estimated annual reductions in emissions that would result from the budgeted replacement of five refuse trucks, three short-haul tractor trucks, and four short haul single-unit (straight) trucks. All original trucks are assumed to have a 2001 diesel engine and their replacements to have a 2018 diesel engine.

Table 1: Estimated annual aggregate emission reductions for replacement of five diesel refuse trucks, three Class 6-7 short-haul tractor trucks, and four Class 6-7 short-haul single-unit trucks, all with 2001 diesel engines, with new diesel trucks with 2018 engines. From EPA Diesel Emissions Quantifier using default input values for each truck type.

Annual Results (short tons)	NOx	PM2.5	HC	CO
Baseline	4.405	0.197	0.391	1.548
Amount Reduced	4.120	0.193	0.369	1.459
Percent Reduced	93.5%	97.7%	94.5%	94.2%

Assuming the replaced trucks would have operated for another five years, the lifetime reductions from these projects would be 22 tons of NOx, 0.985 ton of PM_{2.5}, 1.96 tons of hydrocarbons, and 7.74 tons of carbon monoxide. However, NDEQ is planning to give preference to replacement vehicles with low-NOx CNG engines, which would result in even greater lifetime reductions in NOx compared to those computed using the Diesel Emissions Quantifier (which does not currently model replacement of diesel engines with alternative-fuel engines).

Non-Road Agricultural Diesel Engine Replacements

Table 2 below shows estimated annual reductions in emissions that would result from replacement of 17 diesel irrigation pump engines (2001 model year) with all-electric replacements. Assuming that the replaced engines would have operated for another 10 years, lifetime emissions reductions would be approximately 37 tons of NOx, 2.2 tons of PM_{2.5}, 2.2 tons of hydrocarbons, and 6.2 tons of carbon monoxide.

Table 2: Estimated aggregate annual emission reductions from replacing 17 diesel irrigation engines (2001 model year) with all-electric replacements. Results from Diesel Emissions Quantifier using input values averaged from Nebraska 2017 irrigation engine rebate applicants: Tier 1 engine, fuel use = 4,635 gal/yr, 100 horsepower engine, usage rate = 790 hr/yr.

Annual Results (short tons)	NOx	PM2.5	HC	CO
Baseline	3.705	0.223	0.225	0.621
Amount Reduced	3.705	0.223	0.225	0.621
Percent Reduced	100%	100%	100%	100%

NDEQ will give preference to irrigation engine replacements in counties on the EPA 2018 Priority County List, so the reductions in diesel emissions produced by these replacement projects will reduce the pollutant load in areas already affected by elevated diesel emissions. We will also give preference to projects close to population centers to maximize the health benefit to people residing in these counties.

SUSTAINABILITY OF THE PROGRAM:

NDEQ will continue to promote (and assist stakeholders in finding) reasonable and practical solutions to reduce diesel emissions and consumption of diesel fuel. These efforts will include

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promoting behavioral changes to reduce idling of diesel engines at schools and educational efforts on the health benefits of replacing older diesel vehicles and engines. NDEQ will promote these ideas and practices on the agency website, via the AirNews listserv (through which we communicate air quality news to approximately 1,000 stakeholders), during NDEQ Air Update workshops/webcasts, and through distribution of informational brochures.

BUDGET NARRATIVE

Itemized Project Budget

Budget Category	EPA Allocation	Mandatory Cost-Share	Voluntary Match (if applicable)		Line Total
			VW Mitigation Trust Funds	Other Funds	
1. Personnel	\$ 13,354		\$ 12,984		\$ 26,338
2. Fringe Benefits	\$ 4,006		\$ 3,895		\$ 7,901
3. Travel			\$ 436		\$ 436
4. Equipment					
5. Supplies			\$ 250		\$ 250
6. Contractual					
7. Other (Includes Participant Support Costs)	\$ 452,000	\$ 2,109,000	\$ 519,250		\$ 3,080,250
8. Total Direct Charges (sum 1-7)	\$ 469,360	\$ 2,109,000	\$ 536,815		\$ 3,115,175
9. Indirect Charges	\$ 6,440		\$ 6,946		\$ 13,386
10. Total (Indirect + Direct)	\$ 475,800	\$ 2,109,000	\$ 543,761		\$ 3,128,561
11. Program Income	\$ 0	\$ 0	\$ 0		\$ 0
12. Other Leveraged Funds*	\$ 0	\$ 0	\$ 0		\$ 0

*Do not include Other Leveraged Funds on SF-424 or SF-424A

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Detailed Project Budget, 2019 DERA Grant Year

Budget Category	EPA Allocation \$ 475,800	Voluntary State Match \$543,761	Mandatory Cost-Share	Total 2019 Project Cost
1. Personnel	\$ 12,970	\$ 12,984		\$ 25,954
Project Manager: \$24/hr x 540.4 hours (26% time)	\$ 12,970			
Project Manager: \$24/hr x 291 hours (14% time)		\$ 6,984		
Supervisor: \$50/hr x 120 hours (6% time)		\$ 6,000		
2. Fringe Benefits (30% of personnel costs)	\$ 3,891	\$ 3,895		\$ 7,786
3. Travel: Equipment inspection mileage: 800 miles @ \$0.545 per mile		\$ 436		\$ 436
4. Supplies		\$ 250		\$ 250
5. Equipment				
6. Contractual				
7. Other		\$ 250		\$ 250
Other - Participant Support Costs	\$ 452,000	\$ 519,000	\$ 2,109,000	\$ 3,080,000
2 CNG Refuse Trucks @ \$350,000 (35% rebate, maximum \$120,000)	\$ 120,000	\$ 120,000	\$ 460,000	\$ 700,000
3 Diesel Refuse Trucks @ \$280,00 (25% rebate = \$70,000)	\$ 140,000	\$ 70,000	\$ 630,000	\$ 840,000
3 Med Duty Diesel Local Trucks (Tractors) @ \$168,000 (25% rebate = \$42,000; max \$70,000)	\$ 42,000	\$ 84,000	\$ 378,000	\$ 504,000
4 Med Duty Diesel Local Single-Unit Trucks @ \$140,000 (25% rebate = \$35,000; maximum \$70,000)		\$ 140,000	\$ 420,000	\$ 560,000
17 Diesel Irrigation Engine Electric Replacements @ \$28,000 (60% rebate = \$15,000; max \$20,000)	\$ 150,000	\$ 105,000	\$ 221,000	\$ 476,000
8. Total Direct Charges	\$ 468,861	\$ 536,815	\$ 2,109,000	\$ 3,114,676
9. Indirect Charges (53.5% of personnel)	\$ 6,939	\$ 6,946		\$ 13,885
GRAND TOTAL	\$ 475,800	\$ 543,761	\$ 2,109,000	\$ 3,128,561

Explanation of Budget Framework

- **Personnel**

Salaries for NDEQ Project Manager (40% time, 831,4 hours @ \$24/hour) and NDEQ Supervisor (6% time, 120 hours @ \$50/hour).

- **Fringe Benefits**

30% of Personnel Cost, covering health insurance, retirement, unemployment, leave

- **Travel**

One inspection trip by NDEQ personnel for a selected group of rebate recipients to verify project completion. Estimated mileage is 800 miles at 54.5 cents per mile.

- **Supplies**

Identification stickers for replacement vehicles and irrigation motors.

- **Equipment**

None.

- **Contractual**

None.

- **Other**

Postage; Participant Support Costs (Rebates paid to applicants for vehicle and engine replacements.

- **Indirect Charges**

48.23% of Personnel Costs.

Matching Funds and Cost-Share Funds

Voluntary state matching funds will be provided via a funding request to the Volkswagen Diesel Emissions Mitigation Trust for States. Rebate recipients will be expected to provide mandatory cost-share funds for their projects.