



State of Oregon Department of Environmental Quality

APPENDIX D-4

Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of Oregon

Lead Agency Authorized to Act on Behalf of the Beneficiary Oregon Department of Environmental Quality
(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:	DERA Option
Beneficiary's Project ID:	Diesel Emissions Mitigation competitive grant cycle 2
Funding Request No.	10
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	Appendix D-2 item (specify): <u>DERA Option</u>
Action Type	<input checked="" 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):	
<p>The state of Oregon in Environmental Mitigation Plan posted in November 2021 identified environmental priorities for the state that mitigation actions prescribed in Appendix D-2 can address, including air quality, public health and climate change. The plan, and associated administrative rulemaking in Chapter 340, Division 255 of Oregon Administrative Rules, specifically outline the protocol for selection of diesel equipment replacement or emission upgrades to protect the health of vulnerable populations, improve air quality, and mitigate climate forcers. This funding request is part of an overall program outlined in the Mitigation Plan. This request will support an estimated 12 months of activity in what is expected to be a five year program to provide grant funding to address diesel equipment across the state, primarily by old equipment and replacing them with lower emission vehicles.</p>	
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):	
<p>Grant applicants will be offered the opportunity to receive funding to scrap and replace older diesel equipment or, use the DERA Option to install diesel particulate filters. The order in which applicants are selected is based on criteria established in OAR 340-255-0060. DEQ expects to provide about one fifth of remaining funding per year from 2021 through 2025 in order to manage administrative costs and to provide certainty for fleet managers applying for funding in the future. We anticipate the grant program will draw an estimated \$40 million from the Oregon allocation under Appendix D, or the remainder of the total available after administrative expenses and the completion of at least 450 school bus projects.</p> <p>The focus of the expanded Diesel Emissions Mitigation Grant Program is on supporting diesel equipment owners and operators in complying with new regulations on in-use diesel engines in the Portland Metro Area. Medium and heavy-duty diesel truck owners in this area are now subject to phase out deadline after which they can no longer register their equipment. Grant funds for replacement and retrofits are being prioritized for these businesses, individuals, and organizations. Also, the program is designed to reduce impacts among vulnerable populations of the health effects from diesel exhaust exposure.</p> <p>DEQ anticipates simultaneous reductions in NOx, particulate and air toxic emissions to be on the order of 80 to 90</p>	

percent depending upon the engine size, category and age. As noted earlier, DEQ anticipates public health and environmental benefits over the wide range of impacts associated with exposure to exhaust from legacy diesel engines. DEQ anticipates that most of the replacement vehicles and equipment will result in improved fuel economy from advances in engine technology. As a result, climate change benefits are realized from reductions in pollutants like carbon dioxide and black carbon.

Estimate of Anticipated NOx Reductions (5.2.3):

We anticipate the majority of actions will involve vehicle replacement, which will result in emission reductions in NOx, PM and other harmful pollutants. The new equipment can be powered by late model diesel, propane, natural gas or electricity with the choice dependent upon the grant applicant's needs and desires. The estimated emission reductions are based on proposed projects at the time of submission of this request. DEQ expects to make minor adjustments based on equipment availability, cost, and supply chain changes as needed. Any alternative fuel equipment that are purchased can be expected to result in additional reductions in one or more of the pollutants shown here.

NOx: 36 Short Tons
PM2.5: 2.75 Short Tons

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):

Oregon Department of Environmental Quality

Describe how the Beneficiary will make documentation publicly available (5.2.7.2).

The Oregon Department of Environmental Quality (DEQ), as the lead agency for the state of Oregon implementing the Environmental Mitigation Plan, has established a webpage on the VW Settlement and mitigation actions, <http://www.oregon.gov/deq/eq/programs/pages/vw-diesel-settlement.aspx>. DEQ is subject to Oregon Public Records and Public Meetings Laws, Oregon Revised Statutes (ORS) chapter 192. These laws and accompanying guidance prepared by the Oregon Attorney General outline best practice for public access to records and exemptions in the case of confidential business information and personally identifiable information meeting exemption criteria. To the limited extent information is submitted to DEQ that meets exemption criteria under the Public Records Law, DEQ will maintain that information as confidential.

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

Environmental Mitigation Funds will provide the maximum reimbursement allowed under this Eligible Mitigation Action based on the individual applicants and project types. Recipients provide the balance. If a recipient chooses to install diesel particulate filters, to be managed under Option 10 – DERA (5.2.12), costs to purchase and install are reimbursed up to 100 percent.

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

On February 5, 2018, DEQ provided notice, via email, of availability of Mitigation Action Funds to the parties named in 4.2.8 as well as the Bonneville Power Administration, the Federal Bureau of Prisons - Sheridan, the United States Coast Guard Pacific Area and the Army Corps of Engineers. DEQ also mailed the same notice to the Bend Field Office of the U.S. Bureau of Reclamation and the Oregon office of the U.S. Bureau of Land Management. The notice included a summary description of the Volkswagen legal issue including links to Appendix D-2, a listing of Eligible Mitigation Actions and instructions on how to sign up for notification about implementation steps, fund availability and application protocols for the program in Oregon. Additionally, DEQ accepted public comment on the proposed grant program rulemaking from Sept. 30, 2020, until

4 p.m. on Oct. 22, 2020. DEQ provided notice of the proposed rulemaking and rulemaking hearing by Filing notice with the Oregon Secretary of State for publication in the October 2020 Oregon Bulletin; Notifying the EPA by mail; Posting the Notice, Invitation to Comment and Draft Rules on the web page for this rulemaking, located at: <https://www.oregon.gov/deq/Regulations/rulemaking/Pages/Rvwgrants2020.aspx>
DEQ mailed approximately 17,473 interested parties on the following DEQ lists through GovDelivery and posted on the DEQ event calendar: <https://www.oregon.gov/deq/Get-Involved/Pages/Calendar.aspx>

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).

DEQ has completed analyses of exposure to toxic air contaminants including diesel emissions showing a disproportionate impact to communities of color and low income. This disproportionate impact comes from the operation of thousands of vehicles. This program recognizes the air contaminants and effects on climate produced by diesel engines. Used as grants to upgrade diesel equipment, the program will address health and environmental impacts from diesel emissions. Targeted use of the funds will help Oregon meet the following goals and address some of the challenges to improving air quality for vulnerable populations.

For the purposes of this program, vulnerable population means

- people under the age of 14 and over the age of 64;
- Black, Indigenous, and people of color;
- people with a household income that is less than or equal to twice the federal poverty level;
- people who are linguistically isolated; and
- people age 25 or older who have not earned a high school diploma or passed a General Educational Equivalent test.

As a part of the grant application process DEQ requests that applicants identify the primary address where their diesel equipment is based. Using this address, and other location information as needed, DEQ applies a vulnerable population score of 1-5 for the emissions reduction benefits of a proposed project among vulnerable populations based on the project's ability to reduce diesel emissions in areas with the highest diesel emissions, vulnerable populations, and population density. Proposals with higher scores are more likely to receive funding and alleviate disproportionate burdens accordingly.

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 Oregon, 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: 09/30/2022

Brian Boling
Brian Boling (Sep 30, 2022 07:06 PT)

Brian Boling
DEQ Central Services Division Administrator

Oregon Department of Environmental Quality

for

State of Oregon

ATTACHMENT B

Eligible Mitigation Action Management Plan Including Details Budget and Implementation and Expenditures Timeline

PROJECT MANAGEMENT PLAN

PROJECT SCHEDULE AND MILESTONES

Milestone	Date
Grant Program Opens for Applications:	4/5/22
Grant Program Closes for Applications:	6/7/22
Grant Awards Announced:	8/8/22
Funding for Projects Becomes Available:	1/15/23
Grant Agreements Signed:	2/1/23 – 3/1/23
Recipients Complete Procurement and Submit Purchase Orders:	Start + 12 to 24 Months
Recipients Submit Evidence of Scrapping, Invoices, and Other Documents Required for Reimbursement:	Start + 12 to 24 Months
DEQ Reviews, Requests Corrections if Necessary. Certifies Project Completion, Provides Reimbursement:	Start + 12 to 24 Months
DEQ Reports to Trustee on Status of and Expenditures within Mitigation Actions Completed and Underway	January 30 and July 30, ongoing

PROJECT BUDGET

Period of Performance: _____				
Budget Category	Total Approved Budget	Share of Total Budget to be Funded by the Trust	Cost-Share, if applicable (Entity #1)	Cost-Share, if applicable (Entity #2)
1. Equipment Expenditure	\$914,050	\$794,826	See attached	\$
2. Contractor Support <i>(Provide List of Approved Contractors as Attachment with approved funding ceilings)</i>	\$	\$	\$	\$

3. Subrecipient Support <i>(Provide List of Approved Subrecipients or Grant Awardees as Attachment with approved funding ceilings)</i>	\$	\$	\$	\$
4. Administrative ¹	\$119,224	\$119,224	\$	\$
Project Totals		\$914,050	\$	\$
Percentage	%	%	%	%

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

PROJECTED TRUST ALLOCATIONS

	2022	2023	2024	2025	2026	2027
1. Anticipated Annual Project Funding Request to be paid through the Trust ¹	\$10,162,355	\$9.55	\$9.55	\$9.55	\$9.55	\$3.1
2. Anticipated Annual Cost Share ₂	\$2,976,067	\$6.92	\$6.92	\$6.92	\$6.92	\$2.24
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$13,138,422	\$16.47	\$16.47	\$16.47	\$16.47	\$5.34
4. Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$31,669,280	\$31.67	\$41.22	\$50.77	\$60.32	\$69.87
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$10,162,355	\$9.55	\$9.55	\$9.55	\$9.55	\$3.1
6. Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$41,831,635	\$41.22	\$50.77	\$60.32	\$69.87	\$72.97
7. Beneficiary Share of Estimated Funds Remaining in Trust	\$51,285,664	\$41.30	\$31.75	\$22.2	\$12.65	\$3.1
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Actions (line 7 minus line 5)	\$41,230,720	\$31.75	\$22.2	\$12.65	\$3.1	\$0

¹ includes three separate mitigation actions (funding requests 8,9, and 10).

² based on average cost share of all projects for the current round (42%). Individual mitigation cost shares range from 0% to 75%, and can change significantly from round to round, depending on individual projects submitted within each round.

2021 Diesel Emissions Reduction Act (DERA) State Grants

Work Plan and Budget Narrative Template

INSTRUCTIONS: States and territories applying for 2021 DERA State Grants should use this template to prepare their Work Plan and Budget Narrative.

Please refer to the 2021 DERA State Grants Program Guide full program details, eligibility criteria and funding restrictions, and application instructions.

SUMMARY PAGE

Project Title: Oregon Diesel Engine Replacement and Retrofit Program – FY 2021

Project Manager and Contact Information

Organization Name: Oregon Department of Environmental Quality

Project Manager: Eric Feeley

Mailing Address: 700 NE Multnomah Street, Portland, OR 97232

Phone: 503.229.6549(o)/503.915.2798(c)

Fax: 503.229.6954

Email: feeley.eric@deq.state.or.us

Project Budget Overview:

	2021
EPA Base Allocation	\$344,638
EPA Match Bonus (if applicable)	\$172,319
Voluntary Matching Funds (if applicable)	\$344,638
Mandatory Cost-Share	\$1,288,860
TOTAL Project Cost	\$2,150,455

Project Period

October 1, 2021 – September 30, 2023

Summary Statement

The state of Oregon proposes to repower several main and auxiliary commercial marine tugboat engines operating on the Columbia and Willamette rivers, replacing or retrofitting construction equipment and replace one school bus. Project partners will be solicited from businesses that own vehicles and equipment affected by Oregon House Bill 2007, passed by the Oregon state legislature in 2019, and/or local clean diesel public contracting standards. DEQ will also continue soliciting interest among school districts that were unsuccessful in the EPA school bus rebate program. Additional school districts will be identified from a list of schools that did not receive funding under the State of Oregon’s initial Volkswagen Environmental Mitigation Plan.

The final count is dependent on the control method selected by the applicant and the actual pricing of controls.

The distribution of funding among the technology choices possible will be determined by the choices made by subrecipients based on their evaluation of optimal eligible technologies. For purposes of this budget, we estimated two main and three auxiliary commercial marine tugboat engines, one school bus replacement, one heavy-duty truck replacement, one non-road construction equipment replacement, and five retrofits. An estimated distribution of costs from this projected outcome is shown below.

Notice of this project will also be posted on DEQ's webpage, <http://www.oregon.gov/deq/aq/programs/Pages/Diesel-Success-Stories.aspx>, Facebook page <https://www.facebook.com/oregondeq> and on its Twitter account, <https://twitter.com/OregonDEQ>

SCOPE OF WORK

STATE/TERRITORY GOALS AND PRIORITIES:

Localized concentrations of diesel particulate matter continue to represent ongoing public health challenges for healthy air quality. According to the 2014 NATA results, the average concentration for diesel particulate is 0.31 ug/m³. The Oregon benchmark for increased cancer risk from exposure to diesel particulate matter is 0.1 ug/m³.

This year's state allocation will focus funds on tugboat primary and auxiliary engine repowers. The project was initially part of a competitive but ultimately unsuccessful FY DERA national award application submitted by the Columbia Willamette Clean Cities Coalition. This project will reduce a significant amount of diesel particulate pollution along a busy river corridor, support Regional Haze goals for the Columbia River Gorge National Scenic Area and reduce pollution associated with goods movement.

In addition, DEQ will focus remaining grant funds on vehicles and equipment affected by Oregon House Bill 2007, passed by the Oregon state legislature in 2019, or local clean diesel contracting standards. HB 2007 regulated in-use medium- and heavy-duty on road vehicles and directed state contracting agencies to require clean contracting standards for certain public improvement contracts greater than \$20 million in value focused in three counties of concern for PM levels: Multnomah, Washington and Clackamas. In addition, the City of Portland and other local governments are also implementing clean contracting standards beginning in 2022 which will require the use of cleaner diesel engines for certain publicly funded construction projects.

Oregon DEQ will also continue working with school districts across the state to replace one older diesel bus. School buses are not a major contributor within the on-road category, however they constitute a priority focus based on exposure to children. Recent research looking at the effects of installing exhaust controls on school buses documented reduced absenteeism for children travelling to and from school in lower emission buses. This project will assist school

districts in meeting the goals outlined in ORS 468A.796 and will serve to make school buses not only the safest way to get to school but also one of the healthiest transport options to school.

Over the last eight years EPA has conducted a national solicitation of interest to participate in a rebate-based program for school bus replacement. The state of Oregon proposes to continue soliciting interest among districts that were unsuccessful in the EPA rebate program. The FY 2021 project will continue to use funds to treat diesel buses in qualified Oregon school districts under the terms of the current EPA grant guidelines.

VEHICLES AND TECHNOLOGIES:

The project will contribute to pollution reduction strategies including aftermarket installation of exhaust controls, repowering of tugboat diesel engines or replacement of older, polluting diesel trucks, construction equipment and school buses with new, low emitting equivalent vehicles. The tugboats that will be repowered are owned and operated by Shaver Transportation which is located in Portland, Oregon and are primarily used for bulk commodity transportation, assisting ships with channel navigation and other harbor services.

In addition, grant funds will be used to treat heavy duty diesel vehicles and equipment such as backhoes, forklifts, loaders, cement mixers, dozers, and dump trucks that meet the EPA guidelines. Vehicle and equipment type and quantity will depend on funds available and contracting company interest.

The school buses are owned by targeted school districts or are privately owned but operating under contract with districts. At least one bus is projected to be replaced.

The vehicles and engines selected for replacement will meet all relevant conditions for replacement, equivalency and model years as outlined in current applicable EPA diesel award guidance. The tugboat diesel engines will be repowered by 2019 or newer Tier 3 engines. The highway diesel vehicles and buses purchased in this project will be powered by 2019 or newer model year engines. The Nonroad diesel vehicles and equipment purchased in this project will be powered by 2019 or newer model year engines. Exhaust controls, if installed, will be verified by either EPA or CARB protocols.

ROLES AND RESPONSIBILITIES:

The OR DEQ will be responsible for determining eligible subrecipients, and providing technical assistance for fleet information and grant agreement criteria. OR DEQ will also ensure that all subrecipients will follow the EPA DERA guidelines regarding MBE/WBE, receiving numerous quotes for equipment, and submitting all reports on time. OR DEQ staff verify that proper destruction of each vehicle is verified and properly completed. All grant funds for subrecipients will be provided through reimbursements. Subrecipients are responsible for adhering to the grant agreement and submitting completed documentation as well as an invoicing requests for eligible reimbursements as directed by the EPA DERA 2021 guidelines to receive grant funds.

Subrecipients for this state allocation may include businesses directly impacted by the change in public procurement construction standards.

School districts that have already communicated interest in DERA grant funding and were qualified to participate but were not funded in the prior EPA school bus rebate offerings or not selected for Oregon's initial Volkswagen Environmental Mitigation Plan will be eligible for funding through this year's program. They will be contacted to confirm their current interest in participating in a school bus replacement project according to the FY 2021 State Clean Diesel Grant Program Information Guide. The new buses will be owned and operated for ongoing service in the transport of school children to and from school by the district or contractor with whom the sub-agreements have been made.

The new marine engines, trucks, buses and construction equipment will be the same type and similar horsepower to the older equipment being replaced and be engine model year 2019 and newer. The older marine engines, trucks, buses and construction equipment will be scrapped or rendered permanently disabled using EPA approved methodologies. Evidence of appropriate disposal will be provided. Equipment and components that are salvaged from the equipment being replaced can be sold and used as program income to offset subrecipient program participation costs.

Funds from the FY 2021 DERA allocation will be paid out to the subrecipients to reimburse up to 25% of the new vehicle replacement costs, 40% of eligible engine replacement costs and 100% of eligible exhaust after treatments. The subrecipients will contribute matching funds to complete the purchase from non-federal funds. The commitment to provide matching funds will be enforced through grant agreements with the participating subrecipients.

The new tugboat engines will be used in the movement of bulk commodities up and down the Columbia River and a short section of the Willamette River near the confluence with the Columbia. DEQ will also focus grant funds toward vehicles and equipment affected by Oregon House Bill 2007, passed by the Oregon state legislature in 2019, and/or local clean diesel contracting standards. Projects will be chosen based on the impact of regulatory action or procurement standards as well as the applicant's ability to match and adhere to all EPA guidelines and deadlines. The current goals are to replace several dump trucks and pieces of non-road equipment such as backhoes; and to retrofit several construction vehicles with verified emissions control devices. OR DEQ will adhere to reimbursement rates from the DERA guidelines.

TIMELINE AND MILESTONES:

Milestones	Due Date
EPA Award finalized	Oct 2021
Sub-grant agreements signed	Dec 2021 – June 2022
Procurement process completed	Feb 2022 – August 2022
Order placed for replacement vehicles or treatment	Feb 2022 – August 2022
Replacement vehicles delivered, older vehicles scrapped	June 2022 – July 2023
Quarterly reports filed to EPA	January, 2022 & 2023 April, 2022 & 2023 July, 2022 & 2023 October, 2022 & 2023
Final report to EPA	90 days after final closeout, Estimated Dec 2023

DERA PROGRAMMATIC PRIORITIES:

This project will meet several of the programmatic priorities outlined in the Diesel Emissions Reduction Act. The tugboat engine replacements will meet the EPA priority of addressing ports and cargo movement. In addition, the heavy-duty diesel truck and non-road equipment projects will be focused on the most densely populated areas in Oregon that also impact the most vulnerable populations. The eligible projects will maximize public health benefits, are the most cost-effective, serve areas that receive a disproportionate quantity of air pollution from diesel fleets, include a certified engine configuration and maximize the useful life of the certified engine configuration.

Finally, school bus replacement grants will ensure that children continue to experience reduced exposures to diesel particulate emissions consistent with the EPA 2018-2022 Strategic Plan. While the selected school districts are located throughout the state, and have varying levels of ambient exposure to diesel particulate, several studies have shown that diesel school buses may self-pollute, leading to elevated exposures while riding or being in proximity to the bus. Low emission school buses have also been shown to reduce absenteeism. The grants provided under this program will reduce those exposures to sensitive populations, including school age children.

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

Replacing or retrofitting older, diesel powered tugboat engines, heavy-duty trucks, non-road equipment & school buses will reduce emissions that have a deleterious effect on human health and the environment. Specifically, these actions support EPA’s 2018-2022 Strategic Plan Goal 1

“Core Mission: Deliver real results to Americans with clean air, land, and water, and ensure chemical safety” and Objective 1.1 “Improve Air Quality”. The funded activities will reduce diesel emissions from existing marine diesel engines, heavy-duty vehicles and equipment and school buses through a variety of upgrades, e.g., exhaust after treatment, and engine repowering or vehicle replacement. The fleet owners and school districts will choose the optimal strategy for their needs.

Projected Air Quality Improvements Achieved

Reductions	PM	NOx	CO	HC	CO₂
Annual (Tons/year)	1.397	59.258	7.534	1.956	0.0
Lifetime (Tons)	16.847	810.011	94.729	24.561	0.0

Emission reductions were calculated using the Diesel Emission Quantifier.

DEQ will track progress of the project and, upon project completion, calculate emission reductions using tools like the Diesel Emission Quantifier.

Outcomes

Short-term:

DEQ will promote the project among interested parties as well as consider additional opportunities within the local media.

Medium-term:

Marine diesel emissions will be reduced by upgrading to newer engines. Diesel emissions within selected school districts will be reduced. There will be opportunities to reduce diesel emissions originating from construction trucks and equipment. The emissions reduction benefits that are realized as a result of projects completed under this grant would carry over to other non-government construction work across the region where those vehicles and equipment would be used in the future.

Long-term:

- Number of children and adults with asthma or asthma-associated incidents/hospitalizations and other health problems related to diesel emissions will be reduced.
- Ambient air quality will improve in the targeted communities.
- Excess cancer risk from exposure to diesel particulate matter will be reduced. Notable climate warming impacts will be reduced that are associated with the operation of diesel equipment. These impacts will be primarily due to the reduction in criteria gases like carbon monoxide that lead to corresponding decreases in more potent greenhouse gases like methane and the reduction in black carbon which is a short term climate forcer.

SUSTAINABILITY OF THE PROGRAM:

The fleet owners will continue to provide ongoing maintenance of the all vehicles to ensure a long, useful life. They will report miles travelled annually to DEQ for three years following purchase or treatment. The Department will promote opportunities to publicize the project within the communities where these vehicles operate and will continue to use these efforts to lead others to take similar actions.

Oregon DEQ will provide a public notification that lists project information on the State website within 60 days of the grant notification. Website postings will describe the project, the types of vehicles funded and dollar amount of grants.



BUDGET NARRATIVE

OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY									
FY2021 Clean Diesel Grant Program									
Oregon Diesel Engine Replacement Program									
		Qty	Unit	Unit Rate		Mandatory Cost Share	Voluntary Cost Share	Federal	Total
1	PERSONAL SERVICES (PS)								
	Program Analyst 2, AP, MENC, Step 8, Loc - H&R	1.67	mo. @	\$7,010 / mo.		-	-	11,716	11,716
	Program Analyst 2, AP, MENC, Step 8, Loc - H&R	2.08	mo. @	\$7,010 / mo.		-	14,561	-	14,561
	Subtotal Salaries					\$0	\$14,561	\$11,716	\$26,277
2	FRINGE BENEFITS (Fringe)								
	Program Analyst 2, AP, MENC, Step 8, Loc - H&R	11,716	@	45.02% * Sal.		-	-	5,274	5,274
	Program Analyst 2, AP, MENC, Step 8, Loc - H&R	14,561	@	45.62% * Sal.		-	6,643	-	6,643
	Subtotal Benefits					\$0	\$6,643	\$5,274	\$11,917
	<i>Fringe Rates: Are shown as a percentage of Personal Service Salary Amounts, and comprised of a combination of several factors such as FICA/Medicare, Worker's Comp., Pension Costs, Medical/Dental, etc.</i>								
3	TRAVEL								
	In-State Travel					-	-	-	-
	Out-State Travel					-	-	-	-
	Training Related Travel	3.75	mo. @	\$36 H&R / \$26 VIP / \$3 Lab Per Pos/Month		-	75	60	135
	Motor Pool	3.75	mo. @	\$69 H&R / \$121 VIP / \$34 Lab Per Pos/Month		-	143	115	258
	Subtotal Travel					-	218	175	393
4	EQUIPMENT					\$0	\$0	\$0	\$0
5	SUPPLIES								
	Supplies and Expendable Property	3.75	mo. @	\$156 H&R / \$1374 VIP / \$262 Lab Per Pos/Month		\$0	\$324	\$261	\$585
	Agency Program Related Supplies					-	-	-	-
	Subtotal Supplies					\$0	\$324	\$261	\$585
6	CONTRACTUAL:					\$0	\$0	\$0	\$0
7	CONSTRUCTION					\$0	\$0	\$0	\$0
8	OTHER SERVICES								
	Other Expenses	3.75	mo. @	\$1205 H&R / \$595 VIP / \$2461 Lab Per Pos/Month		-	2,503	2,014	4,517
	<u>Sub Awards</u>								
	Repower - Commercial Marine - tugboat		@	\$625,000		375,000	-	250,000	625,000
	Repower - Commercial Marine - tugboat		@	\$625,000		375,000	6,000	244,000	625,000
	Repower - Commercial Marine - tugboat		@	\$57,700		34,620	23,080	-	57,700
	Repower - Commercial Marine - tugboat		@	\$57,700		34,620	23,080	-	57,700
	Repower - Commercial Marine - tugboat		@	\$57,700		34,620	23,080	-	57,700
	Replacement - School Bus		@	\$140,000		105,000	35,000	-	140,000
	Replacement - Heavy-Duty Truck		@	\$230,000		172,500	57,500	-	230,000
	Replacement - Non-Road Construction Equipment		@	\$210,000		157,500	52,500	-	210,000
	Retrofit - Heavy-Duty Truck		@	\$17,880		-	17,880	-	17,880
	Retrofit - Heavy-Duty Truck		@	\$17,880		-	17,880	-	17,880
	Retrofit - Non-Road Construction Equipment		@	\$20,000		-	20,000	-	20,000
	Retrofit - Non-Road Construction Equipment		@	\$20,000		-	20,000	-	20,000
	Retrofit - Non-Road Construction Equipment		@	\$20,000		-	20,000	-	20,000
	Subtotal Other Services					1,288,860	318,503	496,014	2,103,377
9	OVERHEAD / INDIRECT	20.70%	of Total (PS+Fringe)			\$0	\$4,389	\$3,517	\$7,906
10	TOTAL PROJECT COST					\$1,288,860	\$344,638	\$516,957	\$2,150,455

1. Personal Services (\$26,277)

The Personal Services calculation is based on 3.70 months of work (.157 FTE) of a Program Analyst 2. Months of work and FTE are rounded for display purposes.

2. Fringe Benefits (\$11,917)

Fringe benefits are shown as a percentage of personal service salary amounts, and comprised of a combination of several factors such as FICA/Medicare @ 7.65%, Pension Costs @ 25.09%, Medical/Dental, Workman's Comp., and Unemployment @ \$1,394/month.

3. Travel (\$393)

Training Related Travel

This cost represents an average training related travel cost per position per month based on annualized actual historical costs for grant budget planning. The estimate is derived from a wide range of different DEQ program activities. Some specific activities have higher costs while some have lower costs. However, this estimate represents a reasonable estimate of the costs of training related travel DEQ would incur for a typical agency activity. DEQ incurs travel costs to send staff to trainings related to the performance of their assigned duties, which could include trainings such as: first aid, and other workplace safety trainings; and trainings on policy, legal, technical or procedural updates.

Motor Pool

This cost represents an average motor pool cost per position per month based on annualized actual historical costs for grant budget planning. The estimate is derived from a wide range of different DEQ program activities. Some specific activities have higher costs while some have lower costs. However, this estimate represents a reasonable estimate of the costs of motor pool DEQ would incur for a typical agency activity. These motor pool costs are not included in the in-state travel, out-of-state travel, or training related travel estimates above.

4. Equipment (\$0)

This request does not include Equipment.

5. Supplies (\$585)

The costs in "Supplies" have been updated and are based on annualized actual historical costs for the rolled-up categories required by EPA for planning and reporting. These estimates are derived from a wide range of different DEQ program activities. Some specific activities have higher costs in some categories, whereas others have lower costs. On the average, however, our estimates for Total Supplies costs are close to the costs actually incurred in the course of completing our work. None of the costs within this category are included in the indirect rate.

Office Supplies

Supplies, postage, forms, stationery, office reproduction supplies, data processing supplies and other miscellaneous office supplies.

Laboratory and Field Supplies

Glassware, standards, first aid supplies, personal protective equipment, gases, solvents and other miscellaneous laboratory and field supplies.

Agency Program Related Services and Supplies

This grant requests no additional field supplies above our standard rate.

Expendable Property & IT Expendable Property

Reusable items purchased for under \$5,000 (and that have a useful life beyond a year) are categorized as expendable property. Items typically found in this category are personal computers and related software, and office furniture.

6. Contractual (\$0)

This request does not include Contractual costs.

7. Construction (\$0)

This request does not include Construction costs.

8. Other Services (\$4,517)

The service costs in “Other” have been updated and are based on annualized actual historical costs for the rolled-up categories required by EPA for planning and reporting. These estimates are derived from a wide range of different DEQ program activities. Some specific activities have higher costs in some categories, whereas others have lower costs. On the average, however, our estimates for Total Other costs are close to the costs actually incurred in the course of completing our work. None of the costs within this category are included in the indirect rate.

Employee Training, including tuition, books, periodicals, other training materials, and professional associations.

Telecommunications support and services, including voice, network and teleconferencing.

Computer technology support and data processing services, including computer mainframe support, server support, peripheral support, and computer processing support.

Utilities

Facilities rental and maintenance, including janitorial services. Facilities rental for DEQ’s laboratory is fully funded by state general fund and lottery fund; therefore, DEQ’s cost estimates do not include facilities rental for the laboratory on federal funds.

Other Services

- Postal & delivery services
- Other miscellaneous office services (such as publishing and print services, subscriptions, laundry services, equipment relocation)
- Rental and repair of office and technical equipment
- Other Miscellaneous Services

Awards to Subrecipients (\$2,098,860)

Payments will be passed through to subrecipients for the purpose of purchasing diesel particulate filters, engine repowers or vehicle and equipment replacements. A combination of federal funds and Volkswagen Settlement Appendix D funds allocated to the state of Oregon will be passed through to the subrecipients for no more than the DERA funding limits.

Matching funds for the project that covers the Mandatory Cost Share from project activities, i.e., 75% of bus replacement costs or 60% of engine repowering, are provided by subrecipients.

The distribution of funding among the technology choices possible will be determined by the choices made by subrecipients based on their evaluation of optimal eligible technologies. For purposes of this budget, we estimated two main and three auxiliary commercial marine tugboat engines, one school bus replacement, one heavy-duty truck replacement, one non-road construction equipment replacement, and five retrofits.

9. Overhead/Indirect (\$7,906)

The indirect rate of 20.70% is documented in an indirect cost rate negotiation agreement with EPA dated, July 8, 2021.

2022 Diesel Emissions Reduction Act (DERA) State Grants

Work Plan and Budget Narrative Template

INSTRUCTIONS: States and territories applying for 2022 DERA State Grant funds should use this template to prepare their Work Plan and Budget Narrative.

Please refer to the 2021-2022 DERA State Grants Program Guide full program details, eligibility criteria and funding restrictions, and application instructions.

SUMMARY PAGE

Project Title: Oregon School Bus Replacement Program – FY 2022

Project Manager and Contact Information

Organization Name: Oregon Department of Environmental Quality

Project Manager: Eric Feeley

Mailing Address: 700 NE Multnomah Street, Portland, OR 97232

Phone: 503.229.6549(o)/503.915.2798(c)

Fax: 503.229.6954

Email: feeley.eric@deq.state.or.us

Project Budget Overview:

	2021*	2022
EPA Base Allocation	\$344,638	\$357,263
EPA Match Bonus (if applicable)	\$172,319	\$178,631.50
Voluntary Matching Funds (if applicable)	\$344,638	\$357,263
Mandatory Cost-Share	\$1,288,860	\$1,955,000
TOTAL Project Cost	\$2,150,455	\$2,867,426

*If state participated in 2021

Project Period for 2021-2022 DERA State Grants

October 1, 2021 – September 30, 2023

Summary Statement

The state of Oregon proposes to continue soliciting interest among school districts that were unsuccessful in getting funding under the EPA school bus rebate programs. Additional school districts will be identified from a list of schools that did not receive funding under the State of Oregon’s initial Volkswagen Environmental Mitigation Plan.

The final count is dependent on the control method selected by the applicant and the actual pricing of controls.

The distribution of funding among the technology choices possible will be determined by the choices made by subrecipients based on their evaluation of optimal eligible technologies. For

purposes of this budget, we estimated 14 school bus replacements – with two new electric school bus replacements and 12 new conventional or alternative fuel bus replacements. An estimated distribution of costs from this projected outcome is shown below.

Notice of this project will also be posted on DEQ's webpage, <http://www.oregon.gov/deq/aq/programs/Pages/Diesel-Success-Stories.aspx>, Facebook page <https://www.facebook.com/oregondeq> and on its Twitter account, <https://twitter.com/OregonDEQ>

SCOPE OF WORK

STATE/TERRITORY GOALS AND PRIORITIES: Localized concentrations of diesel particulate matter continue to represent ongoing public health challenges for healthy air quality. According to the 2017 AirToxScreen Assessment results, the statewide average concentration for diesel particulate is 0.18 ug/m³ with much higher localized concentrations in some cities and counties. The Oregon benchmark for increased cancer risk from exposure to diesel particulate matter is 0.1 ug/m³.

This year's state allocation will continue funding school bus replacements with plans to replace 14 older model diesel buses with two battery electric buses and 12 conventional or alternative fuel buses. School buses are not a major contributor within the on-road category; however, they constitute a priority focus based on exposure to children. Recent research looking at the effects of installing exhaust controls on school buses documented reduced absenteeism for children travelling to and from school in lower emission buses. This project will assist school districts in meeting the goals outlined in ORS 468A.796 and will serve to make school buses not only the safest way to get to school but also one of the healthiest transport options to school.

Over the last nine years EPA has conducted a national solicitation of interest to participate in a rebate-based program for school bus replacement. The state of Oregon proposes to continue soliciting interest among districts that were unsuccessful in the EPA rebate program. We also propose to solicit interest among districts that are unsuccessful in securing funding under the FY 2022 EPA Clean School Bus Program funded under the Bipartisan Infrastructure Law. The FY 2022 project will continue to use funds to treat diesel buses in qualified Oregon school districts under the terms of the current EPA grant guidelines.

In addition, DEQ will consider focusing any remaining grant funds on Oregon Diesel Emission Mitigation Grant (VW Trust funded state grant program) eligible projects that were not selected under that competitive grant program. Any projects selected from this pool will be focused on counties that are on the EPA Priority Counties List: Clackamas, Klamath, Lane, Marion, Multnomah, and Washington.

VEHICLES AND TECHNOLOGIES: The project will contribute to pollution reduction strategies including replacement of older, polluting diesel school buses with new, low emitting equivalent vehicles.

The school buses are owned by targeted school districts or are privately owned but operating under contract with districts. Approximately 14 school buses are projected to be replaced. The older model diesel buses are expected to be replaced with 12 new lower emitting diesel or alternative fuel buses and two battery electric buses.

The vehicles and engines selected for replacement will meet all relevant conditions for replacement, equivalency and model years as outlined in current applicable EPA diesel award guidance. The highway diesel or alternative fuel buses purchased in this project will be powered by 2019 or newer model year engines. Up to two new buses will be zero emission battery electric.

ROLES AND RESPONSIBILITIES: The OR DEQ will be responsible for determining eligible subrecipients and providing technical assistance for fleet information and grant agreement criteria. OR DEQ will also ensure that all subrecipients will follow the EPA DERA guidelines regarding MBE/WBE, receiving numerous quotes for equipment, and submitting all reports on time. OR DEQ staff verify that proper destruction of each vehicle is verified and properly completed. All grant funds for subrecipients will be provided through reimbursements. Subrecipients are responsible for adhering to the grant agreement and submitting completed documentation as well as invoicing requests for eligible reimbursements as directed by the EPA DERA 2022 guidelines to receive grant funds.

School districts that have already communicated interest in DERA grant funding and were qualified to participate but were not funded in the prior EPA school bus rebate offerings or not selected for Oregon's initial Volkswagen Environmental Mitigation Plan will be eligible for funding through this year's program. They will be contacted to confirm their current interest in participating in a school bus replacement project according to the FY 2022 State Clean Diesel Grant Program Information Guide. The new buses will be owned and operated for ongoing service in the transport of school children to and from school by the district or contractor with whom the sub-agreements have been made.

The new school buses will be the same type and similar horsepower to the older vehicles being replaced and be engine model year 2019 and newer or zero emission. The older buses will be scrapped or rendered permanently disabled using EPA approved methodologies. Evidence of appropriate disposal will be provided. Equipment and components that are salvaged from the vehicles being replaced can be sold and used as program income to offset subrecipient program participation costs.

Funds from the FY 2022 DERA allocation will be paid out to the subrecipients as participant support costs to reimburse up to 25% of the new vehicle replacement costs and up to 45% of eligible replacement costs with a zero emission vehicle replacement. The subrecipients will contribute matching funds to complete the purchase from non-federal funds. The commitment to provide matching funds will be enforced through grant agreements with the participating subrecipients. OR DEQ will adhere to reimbursement rates from the DERA guidelines.

TIMELINE AND MILESTONES:

Milestones	Due Date
EPA Award finalized	Oct 2022
Sub-grant agreements signed	Nov 2022 – Jan 2023
Procurement process completed	Nov 2022 – Jan 2023
Order placed for replacement vehicles or treatment	Nov 2022 – Jan 2023
Replacement vehicles delivered; older vehicles scrapped	July 2023 – Sept 2023
Quarterly reports filed to EPA	January 2023 April 2023 July 2023 October 2023
Final report to EPA	90 days after final closeout, Estimated Jan 2024

DERA PROGRAMMATIC PRIORITIES: This project will meet several of the programmatic priorities outlined in the Diesel Emissions Reduction Act. The eligible projects will maximize public health benefits, are the most cost-effective, serve areas that receive a disproportionate quantity of air pollution from diesel fleets, include a certified engine configuration or be zero emitting and maximize the useful life of the certified engine configuration.

School bus replacement grants will ensure that children continue to experience reduced exposures to diesel particulate emissions consistent with the EPA 2018-2022 Strategic Plan. While the selected school districts are located throughout the state and have varying levels of ambient exposure to diesel particulate, several studies have shown that diesel school buses may self-pollute, leading to elevated exposures while riding or being in proximity to the bus. Low emission school buses have also been shown to reduce absenteeism. The grants provided under this program will reduce those exposures to sensitive populations, including school age children.

EPA’S STRATEGIC PLAN LINKAGE AND ANTICIPATED OUTCOMES/OUTPUTS: Replacing older, diesel-powered school buses will reduce emissions that have a deleterious effect on human health and the environment. Specifically, these actions support EPA’s 2022-2026 Strategic Plan Goal 1 “Tackle the Climate Crisis” – Objective 1.1 “Reduce Emissions that Cause Climate Change” and Strategic Plan Goal 4 “Ensure Clean and Healthy Air for All Communities” – Objective 4.1 “Improve Air Quality and Reduce Localized Pollution and Health Impacts”. The funded activities will reduce diesel emissions including black carbon, ozone precursors such as NOx and greenhouse gases associated with existing school bus fleets through vehicle replacement. Because children are at greater risk from exposures to diesel pollution due to specific developmental and physiological factors this project also aligns with Cross Agency

Strategy 2 “Consider the Health of Children at All Life Stages and Other Vulnerable Populations”. The school districts will choose the optimal strategy for their needs.

Projected Air Quality Improvements Achieved

Reductions	PM	NOx	CO	HC	CO₂
Annual (Tons/year)	0.084	1.060	0.507	0.163	38.2
Lifetime (Tons)	0.252	3.180	1.521	0.490	114.7

Emission reductions were calculated using the Diesel Emission Quantifier.

DEQ will track progress of the project and, upon project completion, calculate emission reductions using tools like the Diesel Emission Quantifier.

Outcomes

Short-term:

DEQ will promote the project among interested parties as well as consider additional opportunities within the local media.

Medium-term:

Diesel emissions within selected school districts will be reduced

Long-term:

- Number of children and adults with asthma or asthma-associated incidents/hospitalizations and other health problems related to diesel emissions will be reduced.
- Ambient air quality will improve in the targeted communities.
- Excess cancer risk from exposure to diesel particulate matter will be reduced. Notable climate warming impacts will be reduced that are associated with the operation of diesel equipment. These impacts will be primarily due to the reduction in criteria gases like carbon monoxide that lead to corresponding decreases in more potent greenhouse gases like methane and the reduction in black carbon which is a short-term climate forcer.

SUSTAINABILITY OF THE PROGRAM:

The fleet owners will continue to provide ongoing maintenance of the all vehicles to ensure a long, useful life. They will report miles travelled annually to DEQ for three years following purchase or treatment. The Department will promote opportunities to publicize the project within the communities where these vehicles operate and will continue to use these efforts to lead others to take similar actions.

Oregon DEQ will provide a public notification that lists project information on the State website within 60 days of the grant notification. Website postings will describe the project, the types of vehicles funded and dollar amount of grants.

BUDGET NARRATIVE

OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY								
FY2022 Clean Diesel Grant Program								
School Bus Replacement								
	Qty	Unit	Unit Rate		Mandatory Cost Share	Voluntary Cost Share	Federal	Total
1 PERSONAL SERVICES (PS)								
PROGRAM ANALYST 2, AP, MENC, Step 9, Loc - H&R	1.06	mo. @	\$7,774 / mo.		-	-	8,261	8,261
PROGRAM ANALYST 2, AP, MENC, Step 9, Loc - H&R	2.10	mo. @	\$7,774 / mo.		-	16,325	-	16,325
	Subtotal Salaries				\$0	\$16,325	\$8,261	\$24,586
2 FRINGE BENEFITS (Fringe)								
PROGRAM ANALYST 2, AP, MENC, Step 9, Loc - H&R	8,261	@	42.95% * Sal.		-	-	3,548	3,548
PROGRAM ANALYST 2, AP, MENC, Step 9, Loc - H&R	16,325	@	43.57% * Sal.		-	7,112	-	7,112
	Subtotal Benefits				\$0	\$7,112	\$3,548	\$10,660
	<i>Fringe Rates: Are shown as a percentage of Personal Service Salary Amounts, and comprised of a combination of several factors such as FICA/Medicare, Worker's Comp., Pension Costs, Medical/Dental, etc.</i>							
3 TRAVEL (see attached travel detail)								
In-State Travel					-	-	-	-
Out-State Travel					-	-	-	-
Training Related Travel	3.16	mo. @	\$38 H&R / \$27 VIP / \$3 Lab Per Pos/Month		-	80	40	120
	Subtotal Travel				-	80	40	120
4 EQUIPMENT					\$0	\$0	\$0	\$0
5 SUPPLIES								
Supplies and Expendable Property	3.16	mo. @	\$164 H&R / \$1447 VIP / \$276 Lab Per Pos/Month		\$0	\$344	\$174	\$518
	Subtotal Supplies				\$0	\$344	\$174	\$518
6 CONTRACTUAL:					\$0	\$0	\$0	\$0
7 CONSTRUCTION					\$0	\$0	\$0	\$0
8 OTHER SERVICES								
Other Expenses	3.16	mo. @	\$1343 H&R / \$753 VIP / \$2629 Lab Per Pos/Month		-	2,820	1,427	4,247
<u>Sub Awards</u>								
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	-	42,500	170,000
Replacement - School Bus					127,500	42,500	-	170,000
Replacement - School Bus					127,500	42,500	-	170,000
Replacement - School Bus					120,000	40,000	-	160,000
Replacement - School Bus					120,000	40,000	-	160,000
Replacement - School Bus EV					220,000	-	180,000	400,000
Replacement - School Bus EV					220,000	180,000	-	400,000
	Subtotal Other Services				\$1,955,000	\$347,820	\$521,427	\$2,824,247
9 OVERHEAD / INDIRECT	20.70%	of Total (PS+Fringe)			\$0	\$4,851	\$2,444	\$7,295
10 TOTAL PROJECT COST					\$1,955,000	\$376,532	\$535,894	\$2,867,426

1. Personal Services (\$24,586)

The Personal Services calculation is based on 3.16 months of work (.132 FTE) of a Program Analyst 2. Months of work and FTE are rounded for display purposes.

2. Fringe Benefits (\$10,660)

Fringe benefits are shown as a percentage of personal service salary amounts, and comprised of a combination of several factors such as FICA/Medicare @ 7.65%, Pension Costs @ 25.09%, Accrued Leave, Medical/Dental, Workman's Comp., and Unemployment @ \$1,394/month.

3. Travel (\$120)

Training Related Travel

This cost represents an average training related travel cost per position per month based on annualized actual historical costs for grant budget planning. The estimate is derived from a wide range of different DEQ program activities. Some specific activities have higher costs while some have lower costs. However, this estimate represents a reasonable estimate of the costs of training related travel DEQ would incur for a typical agency activity. DEQ incurs travel costs to send staff to trainings related to the performance of their assigned duties, which could include trainings such as: first aid, and other workplace safety trainings; and trainings on policy, legal, technical or procedural updates.

4. Equipment (\$0)

This request does not include Equipment.

5. Supplies (\$518)

The costs in "Supplies" have been updated and are based on annualized actual historical costs for the rolled-up categories required by EPA for planning and reporting. These estimates are derived from a wide range of different DEQ program activities. Some specific activities have higher costs in some categories, whereas others have lower costs. On the average, however, our estimates for Total Supplies costs are close to the costs actually incurred in the course of completing our work. None of the costs within this category are included in the indirect rate.

Office Supplies

Supplies, postage, forms, stationery, office reproduction supplies, data processing supplies and other miscellaneous office supplies.

Laboratory and Field Supplies

Glassware, standards, first aid supplies, personal protective equipment, gases, solvents and other miscellaneous laboratory and field supplies.

Expendable Property & IT Expendable Property

Reusable items purchased for under \$5,000 (and that have a useful life beyond a year) are categorized as expendable property. Items typically found in this category are personal computers and related software, and office furniture.

6. Contractual (\$0)

This request does not include Contractual costs.

7. Construction (\$0)

This request does not include Construction costs.

8. Other Services (\$4,247)

The service costs in “Other” have been updated and are based on annualized actual historical costs for the rolled-up categories required by EPA for planning and reporting. These estimates are derived from a wide range of different DEQ program activities. Some specific activities have higher costs in some categories, whereas others have lower costs. On the average, however, our estimates for Total Other costs are close to the costs actually incurred in the course of completing our work. None of the costs within this category are included in the indirect rate.

Employee Training, including tuition, books, periodicals, other training materials, and professional associations.

Telecommunications support and services, including voice, network and teleconferencing.

Computer technology support and data processing services, including computer mainframe support, server support, peripheral support, and computer processing support.

Utilities

Facilities rental and maintenance, including janitorial services. Facilities rental for DEQ’s laboratory is fully funded by state general fund and lottery fund; therefore, DEQ’s cost estimates do not include facilities rental for the laboratory on federal funds.

Other Services

- Postal & delivery services
- Other miscellaneous office services (such as publishing and print services, subscriptions, laundry services, equipment relocation)
- Rental and repair of office and technical equipment
- Other Miscellaneous Services

Awards to Subrecipients (\$2,820,000)

Payments will be passed through to subrecipients as participant support costs for the purpose of purchasing diesel particulate filters, engine repowers or replacement of school buses or construction equipment. A combination of federal funds and Volkswagen Settlement Appendix D funds allocated to the state of Oregon will be passed through to the subrecipients for no more than the DERA funding limits.

Matching funds for the project that covers the Mandatory Cost Share from project activities, i.e., 75% of bus replacement costs or 60% of engine repowering, are provided by subrecipients.

The distribution of funding among the technology choices possible will be determined by the choices made by subrecipients based on their evaluation of optimal eligible technologies. For purposes of this budget, we estimated fourteen school bus replacements.

9. Overhead/Indirect (\$7,295)

The indirect rate of 20.70% is documented in an indirect cost rate negotiation agreement with EPA.

Signature: 
Michael Orman (Sep 28, 2022 15:28 PDT)

Email: michael.orman@deq.oregon.gov

Signature: 
M. Mahoney (Sep 28, 2022 15:31 PDT)

Email: melinda.mahoney@deq.state.or.us

Signature: 
Cheryl Balmer (Sep 29, 2022 08:29 PDT)

Email: cheryl.balmer@deq.state.or.us

Signature: 
Ali Mirzakhali (Sep 29, 2022 17:39 PDT)

Email: ali.mirzakhali@deq.oregon.gov

Signature: 
Gerik Kransky (Sep 30, 2022 10:58 PDT)

Email: gerik.kransky@deq.oregon.gov