

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary Village of Venetie

Lead Agency Authorized to Act on Behalf of the Beneficiary Tanana Chiefs Conference
(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:	Replacement of Two Stationary Power Generators
Beneficiary's Project ID:	19-VEN-VW1
Funding Request No.	<i>(sequential)</i> 1
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 type="checkbox"/> Beneficiary <input checked="" type="checkbox"/> Other (specify): <u>Tanana Chiefs Conference</u>
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): _____
Action Type	<input checked="" type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal): Attached
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): Village of Venetie will be replacing 2 - Tier 1 diesel generators in their village powerhouse with Tier 2 generators. This will substantially reduce emissions in a central area of their community	
Estimate of Anticipated NOx Reductions (5.2.3): The Engine changeouts in the community of Venetie will reduce NOx emissions by 31.1% annually	
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): Venetie Village Council Tribal Administrator PJ Hanson will be responsible for reviewing expenditures for Venetie	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2). The beneficiary, with assistance from the Lead Agency will publish publicly available reports on the TCC Webpage	
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8). Venetie Village Council will supply cost share in the amount of at least 20% of the total project cost in accordance with DERA Guidelines. This is outlined in the EPA DERA Grant application	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9). The Venetie Village (Beneficiary) will submit within 30 days a copy of the tribe's (SEE ADDENDUM	

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).

Venetie, AK has a minimal impact on the Alaskan Air-shed but numerous reports have shown the negative effects of NOx (SEE ADDENDUM)

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 Village of Venetie, 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: Aug 19th 2019

Dave Messier, TCC Energy Manager

[NAME]

[TITLE]



Tanana Chiefs Conference

[LEAD AGENCY]

for

Village of Venetie

[BENEFICIARY]

[SAMPLE ATTACHMENT B - USE OF THIS FORMAT IS NOT MANDATORY]

PROJECT MANAGEMENT PLAN
PROJECT SCHEDULE AND MILESTONES

Milestone	Date
Lead Agency Provides Notice of Availability of Mitigation Action Funds	6/1/19
Project Sponsor Submits Proposal to Lead Agency	8/30/19
Lead Agency Provides Written Approval of Project Sponsor's Proposal	9/15/19
Lead Agency Incorporates Project Sponsor's Proposal into Mitigation Plan	9/15/19
Trustee Acknowledges Receipt of Project Certification and Funding Direction	10/29/19
Trustee Allocates Share of Funds for Approved Project	11/13/19
Lead Agency Directs Funding (Advance Funded Projects)	11/15/19
Project Sponsor Obtains Cost Share, Notifies or Certifies to Lead Agency	11/15/19
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Start	3/31/20
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Complete	3/31/20
Project Installation(s) – Start	6/1/20
Project Installation(s) – Complete	10/30/20
Project Sponsor provides detailed invoices for all claimed project costs, documentation for emission reduction estimates, required certification documents to Lead Agency to support direction to Trustee for Payment (Reimbursement, Direct-to-Vendor) or final accounting (Forward Funded Projects)	n/a -
Lead Agency completes review and certifies payment direction to Trustee (Reimbursement)	n/a
Trustee Acknowledges Receipt of Direction for Payment(s) (Advance Funded, Reimbursement)	n/a
Project Sponsor Certifies Project Completion	12/31/20
Lead Agency Reports Project Completion	12/31/20

PROJECT BUDGET

Period of Performance: <u>Oct 1st 2019 - Dec 31st 2020</u>				
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	\$ 166850	\$ 98000	\$ 44600	\$ 24250
2. Contractor Support <i>(Provide List of Approved Contractors as Attachment with approved funding ceilings)</i>	\$ 98630	\$ 41123	\$ 37507	\$ 20000
3. Subrecipient Support <i>(Provide List of Approved Subrecipients or Grant Awardees as Attachment with approved funding ceilings)</i>	\$	\$	\$	\$
4. Administrative ¹	\$ 24017	\$ 12309.15	\$ 11707.43	\$ 0
Project Totals	\$ 289496	\$ 151432	\$ 93814	\$ 44250
Percentage	100 %	52.36 %	32.33 %	15.3 %

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

PROJECTED TRUST ALLOCATIONS:

	2017	2018	2019	2020	2021
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$	\$	\$ 151,432	\$	\$
2. Anticipated Annual Cost Share	\$	\$	\$ 138,064	\$	\$
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$	\$	\$ 289,496	\$	\$
4. Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$	\$	\$	\$	\$
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$	\$	\$	\$	\$
6. Total Funding Allocated to for Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$	\$	\$	\$	\$
7. Beneficiary Share of Estimated Funds Remaining in Trust	\$	\$	\$	\$	\$
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 6)	\$	\$	\$	\$	\$

Administrative Cost Breakdown Venetie VW Settlement Funds			
Funding Requested by VW Settlement			
Cost Category	Description		
Equipment Expenditure		98000	
Contractor Support		41123	
Administrative		12309	
Admin Breakdown	TCC Indirect Rate .05%		6956.15
Admin Breakdown	TCC Staff time 46.5 hrs @ 115/hr		5352.85
	Totals	151432	

Addendum to Venetie Village D-4 for VW trust Settlement

Summary Questions from D-4:

Q: Detailed Description of Mitigation Action Item Including Community and Air quality Benefit's:

A: Village of Venetie will be replacing 2 - Tier 1 diesel generators in their village powerhouse with Tier 2 generators. This will substantially reduce emissions in a central area of their community. Final estimates for reduction have been described more in depth in the Venetie proposal for DERA funds which is attached.

Q: Estimate of Anticipated NOx Reductions:

A: The Engine change outs in the community of Venetie will reduce NOx emissions by 31.1% annually. Further reductions were found using the EPA DEQ analysis tool and have been included with the Venetie Village DERA application.

Q: ID of Governmental Entity Responsible for Reviewing and Auditing Expenditures of eligible Mitigation Actions Funds to Ensure Compliance with Applicable Law (5.2.7.1)

A: Venetie Village Council Tribal Administrator PJ Hanson will be responsible for reviewing expenditures for Venetie. Debbie Meade, Controller for TCC will be responsible for reviewing expenditures for the Lead Agency, Tanana Chiefs Conference.

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

A: The beneficiary, with assistance from the Lead Agency will publish publicly available reports detailing the work completed on the power plant on public facing website of the Lead Agency, Tanana Chiefs Conference. This website is www.tananachiefs.org. In addition the tribe will be responsible for hanging printed information on the project in the post office in Venetie, Alaska.

Q: Describe Any Cost share requirement to be placed on each NOx source proposed to be mitigated:

A: Venetie Village Council will supply cost share in the amount of at least 20% of the total cost of the diesel engines and installation. The final breakdown of costs and cost share is outlined in the EPA DERA Grant application which is attached.

Q: Describe how the beneficiary complied with subparagraph 4.2.8 related to notice to US government Agencies 5.2.9

A: The Venetie Village (Beneficiary) will submit within 30 days a copy of the tribe's mitigation plan with Attachments to the United States Department of the Interior, and any other Federal Agency that has custody, control, or management of land within or contiguous to the territorial boundaries of the Venetie Village (Beneficiary) and has by then notified the Venetie Village (Beneficiary) its interest hereunder, explaining that the Venetie Village (Beneficiary) may request Eligible Mitigation Action funds for use on lands within that Federal Agency's custody, control, or management (including, but not limited to, Clean Air Act Class I and II areas), and setting forth the procedures by which the Venetie Village (Beneficiary) will review, consider, and make a written determination upon each such request. For the U.S. Department of the Interior and the U.S. Department of Agriculture, the Venetie Village (Beneficiary) will provide notice as required to the following. It should be noted that Venetie Village (Beneficiary) does not have trust land managed by the United States Government.

Department of the Interior

National Park Service, Air Resources Division
VW Settlement
P.O. Box 25287
Denver, CO 80225-0287
Or via email to: vwsettlement@nps.gov

Tim Allen or other designated representative
U.S Fish and Wildlife Service
National Wildlife Refuge System
Branch of Air Quality
Re: VW Settlement
7333 W. Jefferson Ave., Suite 375
Lakewood, CO 80235-2017
Or via email to: VW_Settlement@fws.gov

Q: 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:

A: Venetie, AK has a minimal impact on the Alaskan Air-shed but numerous reports have shown the negative effects of NOx and other greenhouse gases on global warming and climate change. As a subsistence community on the banks of the Chandalar River that is mostly dependent on subsistence



Tanana Chiefs Conference

*122 1st Avenue
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foods, residents in the community have witnessed decreased salmon runs and one of the lead causes is thought to be global climate change. This project will allow Venetie, a community disproportionately affected by climate changes and NO_x to reduce its output of NO_x and other greenhouse gases significantly.

VW Settlement Environmental Mitigation Trust
DERA Option for the Tribal Clean Diesel Funding Assistance Program (FY 2018/2019)
Notice of Intent to Participate
Information Page

The U.S. government and Volkswagen (VW) resolved allegations that VW violated the Clean Air Act by selling approximately 590,000 vehicles equipped with defeat devices. As part of this settlement, VW will fund an Environmental Mitigation Trust to fully remediate the amount of excess NOx emissions from these illegal vehicles. Provisions of the trust may be found in the Environmental Mitigation Trust Agreement for Indian Tribe Beneficiaries¹.

Under Eligible Mitigation Action (EMA) #10 (the DERA Option) of the trust agreement, federally recognized tribes and Alaska Native Villages² may use trust funds as their non-federal voluntary matching funds on EPA-awarded Tribal Clean Diesel Funding Assistance Program grants. These grants are funded through the Diesel Emissions Reduction Act (DERA) program.

Tribal entities that select the DERA Option must certify as beneficiaries to the trust. The Beneficiary Eligible Mitigation Action Certification (Appendix D-4 of the trust agreement) allows a tribal entity to select “EMA Item 10 - The DERA Option” as an EMA for funding, and requires a DERA proposal to be submitted as Attachment E.

The tribal entity may use one of the following two options as the required Attachment E to the Beneficiary Eligible Mitigation Action Certification submitted to the trustee:

- 1) The tribal entity may submit a copy of the “Project Narrative” portion of its application package submitted to EPA under the most recent Tribal Clean Diesel Funding Assistance Program Request for Applications. The “Project Narrative” should be prepared as described in Section IV.C and Appendix B of the Request for Applications.
- 2) Alternately, the tribal entity may submit a *Notice of Intent to Participate* (Notice) using the template that follows this page.

Section 5.2.12 of the trust agreement also states that the DERA selection letter must be attached to the Beneficiary Eligible Mitigation Action Certification.

Allowable activities under EMA Item 10 – The DERA Option may be found in the Tribal Clean Diesel Funding Assistance Program Request for Applications (FY2018/2019) under Section I. All projects funded with DERA funds, mandatory cost-share funds, and non-federal voluntary matching funds (such as trust funds) must meet all funding eligibility requirements described in the Request for Applications and the terms and conditions for awarded projects.

The template form for the Notice follows this page.

¹ Referred to as “trust agreement” throughout this document.

² Federally recognized Tribes and Alaska Native Villages will be referred to as “tribal entities” throughout this document.

**VW Settlement Environmental Mitigation Trust
DERA Option for the Tribal Clean Diesel Funding Assistance Program (FY 2018/2019)
Notice of Intent to Participate**

Beneficiary Venetie Village

Lead Agency Authorized to Act on Behalf of the Beneficiary Tanana Chiefs Conference

A tribal entity's Tribal Clean Diesel Funding Assistance Program application must be selected by EPA in order to receive trust funds for the DERA Option. Please note that beneficiaries must submit their DERA selection letter with their Beneficiary Eligible Mitigation Action Certification.

DERA FUNDS REQUESTED

Please indicate the total amount of DERA funds that were requested for the proposed project.

Total Amount of DERA \$149,528 this is split with roughly \$93,814 in funds for Venetie and \$55,714 for Koyukuk

SOURCE OF NON-FEDERAL MANDATORY COST-SHARE

Please describe how the tribal entity will provide the non-federal mandatory cost-share amount for the proposed project.

Venetie Village will be providing the non-federal match for their portion of the DERA Award. They have signed a letter of commitment to supply \$24,250 in equipment and \$20,000 in contractual

TRUST FUNDS REQUESTED

Please indicate the total amount of trust funds requested that will be used as the non-federal voluntary match for the proposed project.

Total Funds between Venetie and Koyukuk is \$300,864. This is split up with \$151,432 for Venetie and \$149,432 for Koyukuk.

TOTAL COST OF PROJECT


The total cost of the DERA project with EPA, VW Settlement and mandatory match is \$528,893. The breakdown is \$289,496 for Venetie and \$239,396 for Koyukuk.

SUMMARY OF PROJECT

Please write a summary of the proposed project, including the number and types of vehicles, engines, and technologies to be funded, and estimated emission reductions.

Venetie village council will be replacing 2 of their prime power diesel generators JD6081 180kw units that are currently Tier 1 with Tier 2 diesel generators that are JD6081 units. The estimated NOx reduction for Venetie will be 31.3%

The official from the lead agency who signs the Beneficiary Eligible Mitigation Action Certification form should fill out the information below.

Signature	
Name (Print)	Dave Messier
Title	Rural Energy Coordinator
Department/Office	Tanana Chiefs Conference Energy Program
Phone	907-452-8251 ext 3479
Email Address	Dave.pm@tananachiefs.org
Mailing Address	122 1 st ave Suite 600 Fairbanks, AK 99701

Please attach this form as Attachment E to the Beneficiary Eligible Mitigation Action Certification Form and return to Wilmington Trust.

Venetie Village Council
PO Box 81119
Venetie, AK 99781
venetievillagecouncil@yahoo.com

Venetie Village VW Settlement D-4

ATTACHMENT C

Detailed Plan for Reporting on Eligible Mitigation Action Implementation 5.2.11

The Venetie Village has ordinances and procedures set in place to properly manage all funding received by the Venetie Village. The Tribe has a robust fiscal department and will be assisted by their Lead Agency, Tanana Chiefs Conference (TCC). TCC employs an Executive Finance Officer (EFO) and a Controller who manage and have oversight of all funding received by the Tanana Chiefs Conference and any tribes that request assistance in working with them, such as Venetie Village. Tanana Chiefs Conference Controller ensures that all grant funds are being spent in accordance with grant guidelines and will prepare a Federal Financial Report (SF-425) to be submitted to the funding agency before the required timeline at the closing of the fiscal year.

As a requirement of the Federal Government and Office of Management and Budget Super Circular, a Single Agency Audit is performed on an annual basis. The Tanana Chiefs Conference and Venetie Village utilize an electronic and hard copy accounting system; document retention guidelines are strictly adhered to. Monthly expenditure reports are prepared on every grant contract and program and distributed to department directors, who are responsible for expenditure approval and the day-to-day management.

In addition to the financial management system in place and adhered to by both entities because funding from this opportunity will be utilized as the Voluntary match through the EPA DERA program, the EPA grants manager who oversees the DERA program will also be overseeing any and all expenditures from this opportunity. Any and all work completed under this opportunity will be reported to the EPA under regular DERA reports and we will be sure to include this information on the publically available website www.tananachiefs.org.

Additionally, within 6 months after receiving our disbursement through the VW Environmental Mitigation Trust we will submit to the Trustee a semi-annual report describing the progress implementing the eligible mitigation action achieved during the 6-month period leading up to the reporting date. This report will include a description of the status of the project, the implementation of, and any modifications to an approved action. This report will be signed by a representative from either the tribe or the lead agency authorized to make such statements.



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Dave Messier
Tanana Chiefs Conference Rural Energy Coordinator
122 1st Ave Suite 600 Fairbanks, AK 99709
Re: Venetie Power plant Generator Replacements

UPDATED: AUGUST 16th 2019

Dear Dave,

With this letter we are responding to your request to provide 2 new John Deere 6081 AFM 75 engines with 180kw prime power generator heads into the Venetie Powerplant. Both units meet the Tier 2 marine classification. Below is an overview of the work that needs to be completed and cost estimate. Please let us know if you have any questions. This quote includes pulling out units 1 and 2 in the Venetie powerplant, putting a hole in the block and replacing them with the below units.

Material:

Bollard Platinum series Standard Equipment:

- * John Deere 1800 RPM, EPA/CARB Certified Tier 2 Marine Diesel (6081 AFM 75 plumbed for Keel Cooling)
- * Stamford Motor Start Generator rated 125C/40C for Maximum electrical efficiency (UCI274G1)
- * Dedicated PMG excitation with 300% Short Circuit protection and VFD compatibility
- * Digital parallel-able Automatic voltage Regulator, .25% voltage regulation no load to full load
- * Remote Start Digital 4510 control panel with Auto Start, J1939 diagnostics, and 3' extension harness
- * Automatic safety shutdowns for low oil pressure, high water temp, and over speed
- * Structural Steel Welded base frame with vertical and horizontal gusset supports:
- * Live Auxiliary PTO from timing case, 4.5/6.8L SAE B aft, 9.0 & 13.5L-SAE A forward, SAE B Aft.
- * Coast Guard approved JIC fuel supply and return line fittings installed
- * Engineered Poli-isolation anti-vibration mounts between engine/generator and base frame:
- * Closed crankcase engine ventilation filter system
- * Dry Element cleanable combination Air intake filter / intake silencer
- * Dry Exhaust Elbow with Mating Flange, High Temperature Gasket and Stainless Hardware
- * Coolant Recovery bottle
- * Starter and Alternator, 12V std on 40kw-150kw, 24V std 200kw-385kw
- * Imron, two part Epoxy Marine paint for maximum corrosion protection
- * Stainless Steel fasteners and powder coated accessory brackets
- * All generators are calibrated and load tested under full load before shipment
- * Single phase 4 wire generators are oversized to allow full load single phase output 125/40c @ .80PF
- * Three phase generators are 12 lead reconnect able voltage, 50Hz or 60HZ

FOB Seattle.

Freight and Material.	\$166,850
<u>Install and controls update labor and overhead:</u>	<u>\$98,630</u>
Total:	\$265,480

Jim Evridge
Jen Shears
Statewide Machinery Inc.