

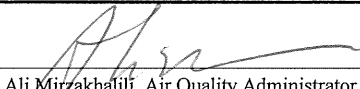
VW Environmental Mitigation Trust to Reduce Diesel Emissions
Semi-Annual Report

Grant Recipient	OR Dept of Environmental Quality
Reporting Period	July 1, 2019 - December 31, 2019

	Total
Total VW Funds Received	\$8,590,104.00
Total VW Funds Expended	\$1,486,373.00
Total VW Funds Obligated	\$1,919,759.00
Interest Earned	\$126,451.00
Available VW Cash Balance	\$5,310,423.00

Summary of All Costs							
Project	Total Project Costs		VW Mitigation Funds		Match Funds		Notes
	Obligated	Expended	Obligated	Expended	Obligated	Expended	
School Bus Projects	\$ 5,829,001.00	\$4,216,148.00	\$1,748,070.00	\$1,278,713.00	\$4,080,931.00	\$2,937,435.00	
DERA Option	\$ 499,524.00	\$72,979.00	\$171,689.00	\$26,732.00	\$374,643.00	\$46,247.00	
Administrative Costs				\$180,928.00			
TOTALS	\$6,328,525.00	\$4,289,127.00	\$1,919,759.00	\$1,486,373.00	\$4,455,574.00	\$2,983,682.00	

Project Description		
Project Title: Phase	EMA	Project Status
School Bus Projects	2	To date 50 bus retrofits and replacements are complete. An additional 43 bus projects are under grant agreement. A total of 21 school districts throughout Oregon are engaged in the program. There are no modifications to the existing project plan.
School Bus Projects: DERA Option	10	See attached quarterly DERA report.

This information is true and correct and the submission is made under penalty of perjury.	 Ali Mirzakhaili, Air Quality Administrator	12/17/19 Date
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**U. S. Environmental Protection Agency
State Clean Diesel Grant Program - Quarterly Report**

Grant Recipient	OR Dept of Environmental Quality
Grant #	DS 01J35901-3
Reporting Period	Jul - Sept 2019

Instructions: Complete all relevant fields in this worksheet and use the other

WORKPLAN BUDGET	FY17	FY18	Totals
Total EPA Funds Awarded	\$355,373.00	\$413,199.00	\$768,572.00
Total Mandatory Cost-Share	\$1,005,189.00	\$1,832,316.00	\$2,837,505.00
Total Voluntary Matching Funds	\$947,660.00	\$275,466.00	\$1,223,126.00
Total Project Costs	\$2,308,222.00	\$2,520,981.00	\$4,829,203.00

	Federal Funds Expended this	Mandatory Cost-Share Expended this	Voluntary Match Expended this Reporting		Cumulative Federal Funds	Cumulative Mandatory Cost-	Cumulative Voluntary Match	
			Mitigation Funds	Other Funds			Mitigation Funds	Other Funds
Personnel	\$3,812.30				\$14,120.57			
Fringe Benefits	\$1,546.10				\$5,895.69			
Travel								
Equipment								
Supplies								
Contractual								
Subawards								
Participant Support Costs (e.g., Rebates)		\$46,246.50	\$26,732.01		\$82,721.00			
Other	\$482.00				\$1,267.45			
Indirect Charges	\$1,162.77				\$4,178.43			
TOTALS	\$7,003.17	\$46,246.50	\$26,732.01	\$0.00	\$108,183.14	\$294,409.50	\$26,732.01	\$0.00

Question	Answer
What actual accomplishments occurred during the reporting period?	Pilot Rock replaced 1 bus with a gasoline bus and was reimbursed. Culver retrofitted one bus and was reimbursed. Ashland has purchased and received 3 buses. Bethel purchased and received 4 buses. We are waiting on invoicing and documentation from both districts. Ukiah, Sisters and Ontario have all signed agreements to replace one bus each. South Lane has signed an agreement to replace 4 buses. Agreements are being drafted for the following districts: Echo - 3 bus replacements; Santiam Christian - 3 bus retrofits; Oregon Child Development Coalition - 3 bus replacements; Redmond - 1
Did you award any rebates or subawards during the reporting period? If so, list the recipients and how much funding they received.	Culver received \$11,316.51 in rebates to retrofit one school bus. Pilot Rock received \$15,415.50 in rebates to replace an older diesel bus with a gasoline bus. Awarded \$37,896 grant to Sisters on 7/16/2019. Awarded \$147,500 grant to South Lane on 9/11/2019.
Provide a comparison of actual accomplishments with the anticipated outputs/outcomes and timelines/milestones specified in the project Work Plan.	We expected to be a bit further along with the 2017-2018 project at this point. We are requesting a additional 3 month no cost extension to our agreement out to Septebmer 30, 2020 so that we can complete the work outlined in the 2017 & 2018 workplan. We expect to be on track for that as several projects are starting to come together but will not be able to meet the 6/30/2020 deadline for delivery of new buses. We are hearing from potential grantees that August of 2020 is a reasonable timeline so we believe that the 9/30/2020 deadline will provide us all the flexibility that we need to complete
If anticipated outputs/outcomes and/or timelines/milestones are not met, why not? Did you encounter any problems during the reporting period which may interfere with meeting the project objectives?	There was an initial delay in getting the 2017-2018 EPA agreement signed. DEQ did not recieve a signed agreement until 11/14/2018. Due to internal DEQ delays we were unable to sign new agreements with grantees until 3/26/2019. Project objectives will not be met by the deadline since manufacturer delivery of new buses is unlikely between now and the end of the project period - 6/30/2020. We had difficulty getting much interest during Q3 which may have been due to the season. However, now we have several possible project partners who are ready to go forward with agreements but for the short
How do you propose to remedy any problems? Identify how and the date you will get back on course to meet the anticipated outputs/outcomes and/or timelines/milestones specified in the project work plan.	There will be a need for a no cost extension to complete project work for the 2017-2018 DERA State Grant. DEQ will need assurance that it can draft agreements with School Districts with the ability to extend those agreements beyond 6/30/2020 so that reimbursement of the bus purchases can be completed. Without that assurance funding uncertainty may discourage grantee involvement with the 17-18 program.
If any cost-shares are reported for this Reporting Period in Table 1 above, identify the source of the funds.	Pilot Rock was the source of the cost-share dollars in Table 1.
Was any program income generated during the reporting period? Identify amount of program income, how it was generated, and how the program income was/will be used.	None.

<p>Did any public relations events regarding this grant take place during the reporting period?</p>	<p>No.</p>
<p>What is the URL for the state website listing the total number and dollar amount of subawards, rebates, or loans provided, as well as a breakdown of the technologies funded? Please also list any other state websites used for outreach related to the State DERA Grant Program.</p>	<p>http://www.oregon.gov/deq/air/programs/Pages/Diesel-Success-Stories.aspx</p>
<p>What project activities are planned for the next reporting period?</p>	<p>Continued recruitment by the Department and placing qualifying projects under a grant agreement. Ashland & Bethel School bus reimbursements. Getting signed agreements with Redmond, Echo, Santiam Christian, OCDC, Springfield, Warrenton, Reynolds, Reedsport (Lewis Transportation) and more so we can move forward with their projects. Additional outreach to more districts on the workplan list as well as with districts that were not selected to receive VW funding under our state bus replacement program. Agreement on a no cost extension for this project out to 9/30/2020.</p>

Table 3. Subaward Reporting Requirements

Requirement	Response
Summaries of results of reviews of financial and programmatic reports	DEQ completes review of fleet information from subrecipients to determine qualifying vehicles are proposed for emission upgrades. These have been completed for the districts under contract and are underway for the next round of prospective subrecipients.
Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance	None.
Environmental results the subrecipient achieved	Replaced a model year 2006, 250 hp diesel bus a new model year 2019 gasoline bus. Retrofitted a model year 2006, 250 hp diesel bus with a CDTi Purifilter EGR PCS23 particulate filter.
Summaries of audit findings and related pass-through entity management decisions	None for this period.
Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.331(e), 2 CFR 200.207 and the 2 CFR Part 200.338 Remedies for Noncompliance	None to date.