# APPENDIX D-4 Beneficiary Eligible Mitigation Action Certification

# BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Lead Agency Authorized to Act on Behalf of the Beneficiary Indiana Department of Environmental Management (Any authorized person with delegation of such authority to direct the Trustee delivered to the

Beneficiary State of Indiana

Action Title:	Round 1 - Onroad and Nonroad Awards
Beneficiary's Project ID:	Round 1 - Wa-Nee Schools Propane Bus Replacements
Funding Request No.	(sequential) 1
Request Type: (select one or more)	■ Reimbursement □ Advance   □ Other (specify):
Payment to be made to: (select one or more)	☐ Beneficiary  ☐ Other (specify): Grantee: Wa-Nee Schools as detailed in Attachment A
Funding Request & Direction (Attachment A)	Attached to this Certification  To be Provided Separately
	SUMMARY
Eligible Mitigation Action	Appendix D-2 item (specify); Category 2: School Bus
Action Type	l Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
Explanation of how funding r See Appendix D-4 Summa	equest fits into Beneficiary's Mitigation Plan (5.2.1): ry Details' attachment.
Detailed Description of Mitiga	ation Action Item Including Community and Air Quality Benefits (5.2.2):
See Appendix D-4.Summa	ary Details:attachment
• •	
Estimate of Anticipated NOx	Reductions (5.2.3):
See Appendix D-4 Sur	mmary Details attachment.
Mitigation Action Funds to E	al Entity Responsible for Reviewing and Auditing Expenditures of Eligible nsure Compliance with Applicable Law (5.2.7.1):
	mary Details attachment.
·	will make documentation publicly available (5.2.7.2).
See Appendix D	0-4 Summary Details attachment.
Describe any cost share requir	rement to be placed on each NOx source proposed to be mitigated (5.2.8).
See Appendix D-4 Summa	ary Details attachment.
Describe how the Beneficiary Agencies (5.2.9).	complied with subparagraph 4.2.8, related to notice to U.S. Government
See Appendix C	)-4 Summary Details attachment.

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

See Appendix D-4 Summary Details attachment.

# ATTACHMENTS (CHECK BOX IF ATTACHED)

7	Attachment A	Funding Request and Direction.
团	Attachment B	Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).
<b>V</b>	Attachment C	Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).
回	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 Indiana 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:

[NAME]

[TITLE]

Indiana Department of Environmental Management

[LEAD AGENCY]

for

State of Indiana

[BENEFICIARY]

#### **Appendix D-4 Summary Details**

#### Eligible Mitigation Action Type:

Category 2 - School Bus

### Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):

Indiana will generally fund all eligible mitigation action (EMA) types included in Appendix D-2 of the national consent decree. The Mission Statement and Overall Goals are described below:

In promoting the reduction of emissions of NOx, the Indiana Volkswagen Environmental Mitigation Trust Fund Program will prioritize sustainable projects that are transformative, positively impacting the environment, enhancing the health and well-being of residents, and promoting Indiana's growing economy.

The Program will focus on technological change and advancement with resiliency and favoring use of domestic fuel, where possible.

The goals of the Indiana Volkswagen Mitigation Trust Program include:

- Improving air quality across Indiana through cost-effective NOx emission reduction strategies
- Maximizing diesel emission reductions across Indiana, while considering various categories of sensitive populations as areas of specific focus
- Providing appropriate considerations to projects that have diesel emission reductions that go beyond just NOx, including PM<sub>2.5</sub>, hydrocarbons (HC), carbon monoxide (CO), and carbon dioxide (CO<sub>2</sub>)
- Encouraging leveraging of project partner funds with VW Trust funds to further the reach of the Indiana program

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

This project is for the purchase, installation, operation and maintenance of four (4) 2019 model-year, or newer, U.S. EPA emission compliant propane-powered school buses that will REPLACE eight (8) of the Grantee's model year pre-2009 existing diesel-powered school buses that will be used for the same purpose. The replacement vehicle(s) will be located and primarily operated in-and-around Elkhart County, Indiana.

Propane-powered school buses dramatically improve quality of life conditions for riders, drivers, technicians, and citizens in the areas of operation due to lower tallpipe emissions in addition to less noisy engine operations.

The lifetime estimated emission reductions of pollutants according to U.S. EPA's Diesel Emission Quantifier (DEQ) include 3.363 tons of nitrogen oxides (NOx) and 0.220 tons of fine particulate matter (PM2.5).

#### Estimate of Anticipated NOx Reductions (5.2.3):

Over the lifetime of these buses, U.S. EPA's DEQ model estimates this project will result in a NOx reduction of 3.363 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):

Indiana Department of Environmental Management

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

In October of 2017, IDEM published a website with specific information on the national mitigation trust as well as the Indiana program. The website included an opportunity to sign up for automated updates to make sure interested parties were always kept apprised of any changes made to the program website. This web portal will be the location for all information related to the Indiana Volkswagen Mitigation Trust Program.

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

Indiana will use Volkswägen Mitigation Trust funds to reimburse non-government owned fleet and equipment owners at the levels specified in Appendix D-2 of the national mitigation trust. IDEM will also use Volkswagen Mitigation Trust funds to reimburse government-owned fleets and equipment at the same level as non-government owned fleet and equipment owners, as opposed to the full cost reimbursement permitted by Appendix D-2.

Specifically for this project, the Indiana Volkswagen Mitigation Trust Program will cover 25% of the total project cost while the Grantee covers the remaining 75%.

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

The Indiana Department of Environmental Management notified representatives as identified in Appendix D-2 of the national consent decree via email in March of 2018.

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):

Not applicable to this specific project.

# Attachment B Details

# **Project Schedule and Milestones:**

Indiana announces Round 1 – Onroad and Nonroad funding opportunity via online Request for Proposals (RFP)	April 22, 2019
Deadline for Round 1 – Onroad and Nonroad program applications	June 17, 2019
Indiana notifies applicants of award decisions	August 12, 2019
Funding Agreement between Indiana and Grantee is fully executed	August 22, 2019
Grantee project implementation	August 22, 2019 to December 31, 2020
Indiana reviews programmatic, financial, and vehicle scrappage materials for compliance with Appendix D-2 of the national consent decree	Ongoing
Indiana submits Appendix D-4 to Trustee to initiate payment to Grantee in accordance with Payee Contact and Wire Information form along with other supporting documentation	January 23, 2020
Indiana coordinates with Trustee on any questions or issues that arise related to the submitted Appendix D-4	January 23, 2020 to D-4 approval
Trustee responds to Indiana Appendix D-4	Within 60 days of submittal
Trustee disburses payment to Grantee	Within 15 days of Appendix D-4 approval

# Project Budget:

Project Description	Indiana VW Mitigation Trust Grant Not to Exceed Total	Grantee Cost Share Not Less than Total	Project Total
The purchase, installation, operation and maintenance of four (4) 2019 model-year, or newer, U.S. EPA emission compliant propane-powered school buses that will REPLACE four (4) of the Grantee's model year pre-2009 existing diesel-powered school buses that will be used for the same purpose. The replacement vehicle(s) will be located and primarily operated in-and-around Elkhart County, Indiana.	\$101,199	\$303,597	\$404,796
Percentage	25%	75%	100%

# State of Indiana Total Trust Allocation:

1) State of Indiana's Total Trust Allocation	\$40,935,880.59
2) Obligated Awards from Previous D-4 Submittals	\$0.00
3) State of Indiana's Net Remaining Allocation Prior to this D-4 Submittal	\$40,935,880.59
4) Current D-4 Funding Request Total	\$101,199.00
5) State of Indiana's Remaining Allocation After this D-4 Submittal	\$40,834,681.59

# Projected Allocation Totals per Project Type:

	Total per Category	Annually Based on Expected Project Reimbursements
Total Trust	\$40,935,880.59	NA
To EV (15%) over 3 years (2021 to 2023)	\$6,140,382.09	\$2,046,794.03
To Admin (3%) over 4 years (2020 to 2023)	\$1,228,076.42	\$307,019.11
To EMAs (82%) over 3 years (2020 to 2022)	\$33,567,422.08	\$11,189,140.69

# **Projected Trust Allocations:**

	2020	2021	2022	2023
Anticipated Annual Project     Funding Request to be paid     through the Trust	\$11,189,140.69	\$13,235,934.72	\$13,235,934.72	\$2,046,794.03
2) Anticipated Annual Cost Share (Administrative Costs)	\$307,019.11	\$307,019.11	\$307,019.11	\$307,019.11
3) Anticipated Total Project Funding by Year (Line 1 + Line 2)	\$11,496,159.80	\$13,542,953.83	\$13,542,953.83	\$2,353,813.14
4) Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$0.00			· ,
5) Current Beneficiary Project Funding to be paid through the Trust (Line 1)	\$101,199.00			
6) Total Funding Allocated to for Beneficiary, inclusive of Current Action by Year (Line 4 + Line 5)	\$101,199.00			
7) Beneficiary Share of Estimated Funds Remaining in Trust at Beginning of Year	\$40,935,880.59			
8) Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (Line 7 – Line 6)	\$40,834,681.59	·		

#### **Attachment C Details**

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

The Indiana Department of Environmental Management (IDEM) is committed to meet the reporting requirements as detailed in Subparagraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries. Specifically, this subparagraph states:

"For each Eligible Mitigation Action, no later than six months after receiving its first disbursement of Trust Assets, and thereafter no later than January 30 (for the preceding sixmonth period of July 1 to December 31) and July 30 (for the preceding six-month period of January 1 to June 30) of each year, each Beneficiary shall submit to the Trustee a semiannual report describing the progress implementing each Eligible Mitigation Action during the sixmonth period leading up to the reporting date (including a summary of all costs expended on the Eligible Mitigation Action through the reporting date). Such reports shall include a complete description of the status (including actual or projected termination date), development, implementation, and any modification of each approved Eligible Mitigation Action. Beneficiaries may group multiple Eligible Mitigation Actions and multiple sub-beneficiaries into a single report. These reports shall be signed by an official with the authority to submit the report for the Beneficiary and must contain an attestation that the information is true and correct and that the submission is made under penalty of perjury. To the extent a Beneficiary avails itself of the DERA Option described in Appendix D-2, that Beneficiary may submit its DERA Quarterly Programmatic Reports in satisfaction of its obligations under this Paragraph as to those Eligible Mitigation Actions funded through the DERA Option. The Trustee shall post each semiannual report on the State Trust's public-facing website upon receipt."

IDEM will meet these obligations in coordination with our project partners. Project partners are obligated to provide IDEM the necessary information for reports to the Trustee through the Funding Agreements between IDEM and each project partner. This language states:

#### "4. Implementation and Reporting Requirements

A. The Grantee shall implement and complete the Project in accordance with Attachment A and the plans and specifications contained in its Funding Application. Modification of the Project shall require prior written approval from IDEM. If IDEM determines that the Grantee is not making adequate progress in implementation of the approved Project in accordance with Attachment A, IDEM may rescind the award.

B. The Grantee shall submit to IDEM written progress reports until the completion of the Project. These reports shall be submitted in accordance with the reporting schedule contained in **Attachment C** and shall contain such detail of progress or performance on the Project as is required under the terms of the Volkswagen Diesel Emissions Environmental Mitigation Trust. If additional documentation is required for IDEM to meet reporting obligations under the Volkswagen Diesel Emissions Environmental Mitigation Trust, IDEM may request such documentation as necessary at any time during the term of this Agreement."

# Attachment D Details

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

Detailed in the following pages:

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#### STATEMENT

11/21/2019

Wa-Nee Community Schools 1300 North Main Street Nappanee, Indiana 46550 Telephone: (574) 773-3131 Fax Number: (574) 773-5593

To: Indiana Department of Environmental Management

Attn: Shawn M. Seals

Office of Air Quality -Mail Code 61-50

100 N Senate Ave

Indianapolis, IN 46204-2251

11/21/19 Request for VW Fund	er betremente dem er verste en
time the state of	
for four (4) buses	101,199.00

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REFERENCE	DATE	DEGORITION	
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		Total	credits: \$0.00

\$101,199.00

Please pay this amount due immédiately

Please remit payment to: Wa-Nee Community Schools, 1300 N. Main Street, Nappanee, IN 46550

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	Price Comparison Report - Spec #29197 Oct 17, 2018 3:50 PM			
Buying Organization	Blue Bird 8800 Brookville Road Indianapolis IN 46239	•		
Notes	Propane			
Product Category	Bus: Conventional (Fall 2018)			
Prodúci	78 Passenger			
Quantity				
	Option	Option SKU	Buyer Comments	Blue Bird
Product Base Price			. <del>(/)</del>	\$86,882.00
Body Options				
AIR FOIL, REAR				
Add rear air foil		B139	ĕ÷	\$550.00
AISLE STRIPS				
Stainless steel		B141	<del>Ø</del>	\$50.00
BACK UP ALARM AND STICKER	CER .			
increase warning level to 107dBA	BA	B148	S	S/E
BATTERY SLIDE OUT TRAY			,	
Upgrade to stainless steel		B150	€9	\$175.00
BUS LOCK UP SYSTEM				
All doors with air front door		B157	<b>⇔</b>	\$185.00
BODYLOCKS				
Body locks keyed alike (state quantity) (Qty. 2)	quantify) (Qty. 2)	B165	Ø	S/E
COLORADO RACK AND LOAD TESTING	LD TESTING			
Bus certified to meet Colorado Rack and Load Testing	<ul> <li>Rack and Load Testing Certification with decal in interior of bus to show certification.</li> </ul>	B175	(V)	S/E
CROSSING GATE ARM				
air crossing gate arm		B180	₩	\$260.00
CROSSING GATE ARM INTERUPT SWITCH	RUPT SWITCH			
Add crossing gate arm inferrupt switch	ot switch	B184	<del>69</del>	\$15.00
DEFOGGER FANS				
Increase from 2 to 3, May inter	Increase from 2 to 3. May interfere with overhead storage if chosen	B191	€₽	\$48.00

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	B200		B218	B227	B225		. B253		B255		B268		B272		B278		. B303		B306		R310		. B330		B346		Add light over emergency door. One light at the rear over the emergency door shall come on when the marker lights are on. This light shall be red B348 overhead light and witing shall comply with eight light system. (state quantity)		B352		. B357		B374
DOOR ENTRANCE SWITCH	3 position switch mounted left of driver.	homoso from 2 nor side to 3 nor side	EXIT, ROOF HATCH	Spheros Low profile SMART roof hatch (state quantity) (Qty. 2) FENDERETTES	Rubber fendereffes	FLOOR: SUBFLOOR PLYWOOD	5/8 inch marine grade plywood subfloor	FLOOR: SUBFLOOR JOINTS SEALED	All subfloor joints water proof sealed	FUEL FILLER DOOR	Latch on door	FUEL PROPANE FILL NOZZI E	Euro style propane fuel fill nozzle; quick connector Staubil design	HEAT, BASEBOARD	Baseboard heat priced by body style w/automatic regulator valve	HEATER, HOSES	Blue Stripe heater hoses	HEATER HOSE CLAMPS	Change to constant torque clamps	LETTERING & TRIM	3M tape	LIGHT MONITOR, EXTERIOR LIGHTS	Light monitor system not LED	LIGHTS, CLEARANCE	Add armored marker and add LED style	LIGHT, EMERGENCY DOOR	Add light over emergency door. One light at the rear over the emery overhead light and wining shall comply with eight light system. (state	LIGHTS, INTERIOR	Add maximum dome lights	LIGHTS TAIL TURN FLUSH MOUNT	Stop fail 4" flush mount LED	MIRRORS, CROSSOVER	Rosco Eye-Max LP heated

MIRRORS, SIDE		· Marie and American
Rosco Operview remote heated	B391	S/E
MIRRORS, STAINLESS STEEL BRACKETS		
Stainless steel brackets for crossover & side rearview mirrors	B394	\$65.00
MIRROR, TIMER		
Times for heated mirror	B399	S/E
OUTSIDE LUGGAGE; ACCESSORIES		
Add lights & looks for storage units	B415	\$45,00
PANELING; EXTERIOR		
Optional 16 ga. exterior metal	B425	S/E
PANEL, SHOULDER PAD		
Full bus length	B431	\$90.00
POWER SOURCE		
12-volt in driver area cellphone cuffet	B435	S/E
RADIO SYS. WITH EXT. PA & SPEAKER		
Add exterior PA & speaker	B456	× \$35.00
SAFETY EQUIPMENT		
Move to overhead storage (off floor)	B475	\$50.00
SEAT, DRIVER		
National air seat with 2 shocks and air brakes	B479	S/E
SEAT; DRIVER, NATIONAL HEATED		
Heated National driver seat ,	B490	NC NC
SEAT, DRIVER; ARM REST		
Add Right arm rest	B493	\$25,00
SEATS, FIRE BLOCK		
Upgrade to Prevail fire block	B506	\$250.00
Upgrade to Kevlar fire block	B507	NA
STORAGE POUCH KICK PANEL BARRIER		
Five pouch barrier	B575	\$86.00
STEPWELL		
Upgrade to stainless steel	B578	\$250.00
STOP ARM SIGNAL		
Airled	B588	NC
REAR STOP ARM SIGNAL OPTIONS		
Airled	B595	\$220.00
STUDENT REMINDER SYSTEM		

Add snooze for reminder system STUDENT REMINDER ACTIVATION	B609	N/C
To be triggered by other methods WINDOW, SIDE SASHES	B612 8-ways	NC
Painted window side sashes black AIR CONDITIONING, Dash Air Conditioning	B638	\$150.00
Dash Air Conditioning, 1 compressor, skirt mounted ac condenser	B906	\$2,038.00
Chassis Options		
AIR DRYER		
Bendix AD-IP diyer w/spin-on filter	C102	S/E
AL TERNATOR		
240 amp alternator	C111	S/E
AXLE, FRONT: MINIMUM LOAD		
12,000 bs.	C118	S/E ·
AXLE, REAR: MINIMUM LOAD		
23,000 lbs.	C135	S/E
BATTERIES		
Three group 31, 12 volt minimum 2100 CCA total	C137	S/E
BRAKE LININGS AND DRUMS		
16.5x 5 front brakes	C148	S/E
BRAKES, PARKING		
Warning signal for when parking brake is not set when ignition is turned off	C153	S/E
BRAKES, SLACK ADJUSTERS		
Meritor Slack Adjusters	C154	S/E
BUMPER, FRONT & REAR; RUST INHIBITOR		
Add durable high performance bed liner type coating to inhibit rust to both front and rear bumper. Guards against corrosion, abrasion, impact and C160.6 weather. Applied to exterior and interior surfaces of front and rear bumper.	1 C160.6	\$350.00
CUP HOLDER, DRIVER		
Add cup holder in drivers area	C165	S/E
ENGINE		
Propane engine; Ford with Ford Transmission	C176	\$6,500.00
ENGINE SOUND DEADENING PACKAGE		
Additional insulation for engine compartment area underhood foil blanket for noise insulation.	C233	N/C
EXHAUST SYSTEM		
Stainless steel side exhaust Eriter TANK: DDODANE	C234.5	\$50.00
TOTAL CANA, TROPAGE		

increase propane tank to 93 usable gallon मम्का ात्मार	C246	\$1,345.00
Add Wig Wag flashing headlights HEADLIGHT ALARM	C249	S/E
Alarm to warn that headlights are on at ignition HOSES (ENGINE)	C250	S/E
Gate blue stripe hose	C259	S/E
Constant bridge clamps PEDALS AD II STARL F	C263	S/E
Adjustable brake & accelerator pedals	C277	\$350.00
Add Telescoping steering wheel	CZ79	S/E
Keyed alike	. C301	\$10.00
TRANSMISSION SWITCH FOR PERFORMANCE MODE	C307.5	(\$290.00)
Add switch for economy/performance mode	C370	S/E
Warranty Options  EX. BODY NO-RUST BLUE BIRD WARRANTY  Extended Blue Bird Body No-rust through, 10 year, unlimited miles.	W521	\$80.00
	Configured Price \$101,004.00	e \$101,004.00
Dealer Options Reverse Lighting Dual Light Visor		\$195.00 \$0.00
Four Additional ignition Keys per Bus		\$0.00
	Unit Price	<u>Blue Bird</u> e \$101,199.00
	Total Pric	Total Price \$101,199.00
	Grand Tota	Grand Total \$101,199.00

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