

**APPENDIX D-4**  
**Beneficiary Eligible Mitigation Action Certification**

## BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

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Beneficiary State of Michigan

Lead Agency Authorized to Act on Behalf of the Beneficiary Michigan Department of Environment, Great Lakes, and Energy  
*(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)*

<b>Action Title:</b>	Michigan Association for Pupil Transportation Electric School Bus Pilot Project
<b>Beneficiary's Project ID:</b>	19-5V21-001
<b>Funding Request No.</b>	<i>(sequential)</i> 1
<b>Request Type:</b> (select one or more)	<input checked="" type="checkbox"/> Reimbursement <span style="margin-left: 150px;"><input type="checkbox"/> Advance</span> <input type="checkbox"/> Other (specify): _____
<b>Payment to be made to:</b> (select one or more)	<input type="checkbox"/> Beneficiary <input checked="" type="checkbox"/> Other (specify): <u>Zeeland Public Schools</u>
<b>Funding Request &amp; Direction (Attachment A)</b>	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

### SUMMARY

<b>Eligible Mitigation Action</b>	<input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>EMA #2 - Class 4-8 School Bus</u> <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal): _____
<b>Action Type</b>	
<b>Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):</b> See Appendix D-4 Details.	
<b>Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):</b> See Appendix D-4 Details.	
<b>Estimate of Anticipated NOx Reductions (5.2.3):</b> See Appendix D-4 Details.	
<b>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):</b> See Appendix D-4 Details.	
<b>Describe how the Beneficiary will make documentation publicly available (5.2.7.2).</b> See Appendix D-4 Details.	
<b>Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).</b> See Appendix D-4 Details.	
<b>Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).</b> See Appendix D-4 Details.	

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 Details.

**ATTACHMENTS**  
**(CHECK BOX IF ATTACHED)**

- |                                     |                     |                                                                                                                                                                                                       |
|-------------------------------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <b>Attachment A</b> | <b>Funding Request and Direction.</b>                                                                                                                                                                 |
| <input checked="" type="checkbox"/> | <b>Attachment B</b> | <b>Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).</b>                                                                     |
| <input checked="" type="checkbox"/> | <b>Attachment C</b> | <b>Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).</b>                                                                                                             |
| <input checked="" type="checkbox"/> | <b>Attachment D</b> | <b>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.]</b> |
| <input type="checkbox"/>            | <b>Attachment E</b> | <b>DERA Option (5.2.12). [Attach only if using DERA option.]</b>                                                                                                                                      |
| <input type="checkbox"/>            | <b>Attachment F</b> | <b>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.]</b> |

**CERTIFICATIONS**

By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary State of Michigan, 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:

1/14/2020



Jack Schinderle

Director, Materials Management Division

Michigan Department of Environment, Great Lakes, and Energy

[LEAD AGENCY]

for

State of Michigan

[BENEFICIARY]

## **Appendix D-4 Details**

**Beneficiary's Project ID:** 19-5V21-001

**In support of Funding Request Number** 1

**Beneficiary:** State of Michigan

**Lead Agency:** Michigan Department of Environment, Great Lakes, and Energy (EGLE); referred to as the Michigan Department of Environmental Quality prior to February 2019.

### **SUMMARY**

#### **Explanation of How Funding Request Fits into Beneficiary Mitigation Plan (5.2.1):**

The Michigan Volkswagen Settlement Beneficiary Mitigation Plan (BMP) allocates a total of \$13,961,402.93 to the replacement of eligible diesel school buses with new eligible school buses. The Michigan Association for Pupil Transportation Electric School Bus Pilot Project will use an estimated \$4,218,668.30 of those dollars and will permanently remove 17, 2009 or older, diesel school buses from service and replace them with new, 2019 or newer, Zero Emission Vehicle (ZEV) all electric school buses. The Michigan Association for Pupil Transportation Electric School Bus Pilot Project will be implemented in two phases. The first phase is complete and replaced 11, model year 2009 or older, diesel school buses with new, model year 2019 or newer, ZEV electric school buses with level two chargers and energy monitoring modules. The first phase used \$2,675,870.04. The second phase will involve the replacement of six, model year 2009 or older, diesel school buses with new, model year 2020 or newer, ZEV electric school buses with direct current (DC) fast chargers. The second phase will use an estimated \$1,542,798.26. This project fits into the BMP as it is an Eligible Mitigation identified in the BMP, (school buses and charging stations) and addresses all three goals specified in the plan which are:

- To reduce nitrogen oxide (NOx) emissions and maximize air quality benefits statewide with an emphasis on priority areas (areas designated as non-attainment and maintenance areas for the National Ambient Air Quality Standards).
- To reduce diesel emissions from school buses statewide.
- To increase adoption of ZEV and alternate fuel vehicles and equipment.

This funding request is for phase 1 of the project, in the amount of \$2,675,870.04.

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

The Michigan Association for Pupil Transportation Electric School Bus Pilot Project will permanently remove 17 diesel school buses, with engine model year of 2009 or older, and replace them with 17 new, ZEV electric school buses. The first phase of the project replaced 11, model year 2009 or older, diesel school buses with new, model year 2019 or newer, ZEV electric school buses with level two chargers and energy monitoring modules. The second phase of the project involves the replacement of six, model year 2009 or older, diesel school buses with new, model year 2020 or newer, ZEV electric school buses with

DC fast chargers. The old diesel buses from both phases will be permanently decommissioned and, based on the Argonne National Laboratory Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Tool, will result in the estimated emission reductions listed in Table 1 below: Total New Vehicle Lifetime Benefits.

**Table 1. Total New Vehicle Lifetime Benefits**

<b>Pollutant</b>	<b>Emission Reductions</b>
<b>NOx</b>	<b>5,426 lbs.</b>
<b>Particulate Matter (PM2.5)</b>	<b>163.4 lbs.</b>
<b>GHGs</b>	<b>1,626.7 short tons</b>

These emission reductions will occur at the following five schools in phase 1: Kalamazoo Public Schools, Oxford Community Schools, Gaylord Community Schools, Three Rivers Community Schools, and Zeeland Public Schools, and along the routes where the buses travel which impact six counties and a total of 738 square miles. One of the counties, Allegan County, is a nonattainment area for the 2015 National Ambient Air Quality Standards for Ozone. An estimated 22,994 bus riders and residents that live alongside school bus routes will benefit from the reduced emissions and improved air quality from phase 1.

In phase 2, emission reductions will occur at Ann Arbor Public Schools and Roseville Community Schools. Both schools are in nonattainment areas, Washtenaw and Macomb Counties respectively, for the 2015 National Ambient Air Quality Standards for Ozone. An estimated 5,719 bus riders and residents that live alongside bus routes will benefit from the reduced emissions and improved air quality that will impact a total of 113 square miles.

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

It is estimated that this project will reduce 5,426 pounds of NOx emissions over the life of the vehicles. The estimate was calculated using the AFLEET Tool.

**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):**

The Michigan Department of Environment, Great Lakes, and Energy (EGLE), referred to as the Michigan Department of Environmental Quality prior to February 2019.

**Describe How the Beneficiary Will Make Documentation Publicly Available (5.2.7.2).**

EGLE has created a public website for information related to the Volkswagen Settlement, which can be accessed at [Michigan.gov/EGLEFTP](http://Michigan.gov/EGLEFTP). The website consists of a description

of the BMP, the Volkswagen Settlement background, upcoming request for proposals, funded projects, and links to the following resources:

- An informational webinar on the BMP
- Michigan Volkswagen Settlement Beneficiary Mitigation Plan
- Environmental Trust Agreement for State Beneficiaries (Trust)
- Michigan's Certification for Beneficiary Status (Appendix D-3)
- Volkswagen Clean Air Act Civil Settlement
- Frequently Asked Questions

As Michigan prepares to submit semiannual reports required by paragraph 5.3 of the Trust, EGLE will either post documents to the website or maintain a link to another public-facing website that provides the documentation.

Records and documentation submitted by the State of Michigan (SOM) supporting each funding request and all expenditures of Trust funds may be accessed pursuant to Michigan's Freedom of Information Act (FOIA), Michigan Compiled Laws (MCL) 15.231 *et seq.*. The procedures for accessing such records and documentation are designed to support access and limit the burden on the general public. Upon submitting a request for public records to the FOIA Coordinator for EGLE, a person has a right to inspect, copy, or receive copies of the requested public records. SOM organizes the records and documentation, supporting each funding request and expenditures of Trust funds, thereby facilitating access to records and reducing any fees for a record search and/or copy. FOIA also authorizes SOM to waive or reduce any such fees. In addition, information about SOM's actions pursuant to the Trust is available on the EGLE website.

The certification in paragraph 7 of Michigan's Certification for Beneficiary Status under the Trust is subject to the FOIA provisions governing the publication of confidential business information and personally identifiable information. Those provisions authorize a public body to exempt from disclosure, information of a personal nature, if public disclosure of the information would constitute a clearly unwarranted invasion of an individual's privacy. Those provisions also authorize a public body to exempt from disclosure, trade secrets or commercial or financial information voluntarily provided to an agency for use in developing governmental policy, if certain conditions are met, MCL 15.243.

The EGLE website for information related to the Volkswagen Settlement will be updated until the Trust's termination date or the date required by EGLE's records retention policy, whichever is the later.

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

The Michigan Association for Pupil Transportation Electric School Bus Pilot Project requires a 30 percent match of the project total by the recipient of Trust funds. EGLE is providing the remaining 70 percent of total project funds. These funds are for new all electric school buses, charging stations and energy monitoring modules.

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

On February 23, 2018, EGLE emailed a letter and a copy of the Trust to the following agencies: National Park Service, United States Fish and Wildlife Service, and the United States Department of Agriculture. The letter notified these agencies of Eligible Mitigation Action funds made available via the Trust, and that as Lead Agency, EGLE will solicit applications involving these Eligible Mitigation Actions on lands, in Michigan, within their agency's custody, control or management. The letter provided the state website where funding opportunities are posted and provided a representative's name, address, phone number and email address to answer any questions.

**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).**

The Michigan Association for Pupil Transportation Electric School Bus Pilot Project will permanently remove 17 diesel school buses with engine model year 2009 or older and replace them with 17 new ZEV electric school buses. Twelve of these electric buses will operate in areas designated as a nonattainment area for the 2015 National Ambient Air Quality Standard for Ozone. These areas of nonattainment include Allegan County, Macomb County, Oakland County, Washtenaw County, and Wayne County, and are primarily in southeast Michigan which are those areas that have historically borne a disproportionate share of adverse impacts from emissions.

**Attachment B**  
**Project Management Plan**

Project Schedule and Milestones –Michigan Association of Pupil Transportation Electric School Bus Pilot Project

<b>Milestone</b>	<b>Date</b>
Request for Proposal opened, posted to website and announced via press release.	December 19, 2018
Request for Proposal webinar on how to complete an application.	January 10, 2019
Request for Proposal for electric school buses closed.	February 15, 2019
Project selected and grant agreement executed.	September 12, 2019
Grantee ordered 11 new electric school buses, level 2 charging stations and energy monitoring modules; and 6 new electric school buses with DC fast charging stations.	September 12 to December 31, 2019
Grantee received level two charging stations and energy monitoring modules and worked with utilities to install level two charging stations.	September 12 to December 31, 2019
Grantee received 11 new electric school buses.	September 12 to December 31, 2019
Grantee scrapped 11 engine model year 2009 or older diesel school buses.	September 12 to December 31, 2019
Grantee reports to EGLE and provides proof of 11 scrapped diesel school buses, proof of payment, and other documents required for phase 1 reimbursement, in the amount of \$2,675,870.04.	December 1, 2019 to January 31, 2020
EGLE completes review of documentation and certifies project completion for phase 1 and submits D-4 and Attachments A, B, C and D to Trustee.	January 2020
Trustee approves D-4	March 2020
Trustee pays the grantee for phase 1 for 11 new electric school buses, level two charging stations and energy monitoring modules.	March 2020
EGLE reports to the Trustee on status of expenditures with Mitigation Actions completed and underway.	Within six months of first disbursement and January 30 and July 30 thereafter.
Grantee submits estimated project cost estimates for phase 2 to EGLE for six new electric school buses and DC fast charging stations.	July 1 to December 31, 2020
Grantee receives six new electric school buses with DC fast charging stations.	July 1 to December 31, 2020
Grantee scraps six engine model year 2009 or older diesel school buses.	July 1 to December 31, 2020
Grantee provides proof of six scrapped diesel school buses, proof of payment, and other documents required for phase 2 reimbursement. Phase 2 expenses are estimated at 1,542,798.26	December 2020
EGLE completes review of documentation and certifies project completion.	December 2020
EGLE submits Attachment A to Trustee for phase 2 (second of two submittals for this D-4) in the estimated amount of \$1,542,798.26.	December 2020
Trustee pays the grantee for phase 2 for six new electric school buses with DC fast charging stations.	January 2021

**PROJECT BUDGET**

**Period of Performance: December 2018 - January 2021**

<b>Budget Category</b>	<b>Total Approved Budget</b>	<b>Share of Total Budget to be Funded by the Trust</b>	<b>Cost-Share, Zeeland Public Schools</b>
1. Equipment Expenditure	\$6,026,669.00	\$ 4,218,668.30	\$1,808,000.70
2. Contractor Support (Provide list of approved contractors as attachment with approved funding ceilings)	\$ -	\$ -	\$ -
3. Subrecipient Support (Provide list of approved subrecipients or grant awardees as attachment with approved funding ceilings)	\$ -	\$ -	\$ -
4. Administrative	\$ 30,000.00	\$ 30,000.00	\$ -
<b>Project Totals</b>	<b>\$6,056,669.00</b>	<b>\$ 4,248,668.30</b>	<b>\$1,808,000.70</b>
<b>Percentage</b>		<b>70%</b>	<b>30%</b>

## **Attachment C**

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

The Michigan Department of Environment, Great Lakes, and Energy (EGLE), Materials Management Division, requires reporting in January 2020 and every six months thereafter from the Grantee until the project is complete. Reports will have a complete description of the status (including actual or projected termination date), development, implementation, and any modification of the project and a summary of all costs expended on the project as specified in the grant agreement. Information from the project along with additional information from EGLE will be used to complete EGLE's report to the Trustee. EGLE will submit a report no later than six months after receiving its first disbursement of Trust Assets, and thereafter no later than January 30 (for the preceding six-month period of July 1 to December 31) and July 30 (for the preceding six-month period of January 1 to June 30) to meet the semiannual reporting requirements under 5.3 of the Trust Agreement.

## Attachment D

**Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000.**



MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY  
MATERIALS MANAGEMENT DIVISION  
FUEL TRANSFORMATION PROGRAM  
VOLKSWAGEN STATE MITIGATION TRUST  
BUDGET PROPOSAL FORM

Applicant Name:		Zeeland Public Schools				
Project Name:		MAPT Electric School Bus Project				
Eligible Mitigation Action:		2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)				
Type:		School Bus				
Government/Non-Government Owned:		Government Owned				
Project Number (assigned by EGLE):		19-5V21-001				
<b>CONTRACTUAL SERVICES</b>						
	HOURS or UNITS	RATE or TOTAL	% of FUNDING	GRANT AMOUNT	MATCH AMOUNT	TOTAL
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
<b>Contractual Services Subtotal:</b>				\$ -	\$ -	\$ -
<b>SUPPLIES &amp; MATERIALS (itemize)</b>						
	QUANTITY	COST	% of FUNDING	GRANT AMOUNT	MATCH AMOUNT	TOTAL
Proterra DC (Ann Arbor) Phase 2	4	\$ 17,700.00	70.0%	\$ 49,560.00	\$ 21,240.00	\$ 70,800.00
Proterra DC (Roseville) Phase 2	2	\$ 29,000.00	70.0%	\$ 40,600.00	\$ 17,400.00	\$ 58,000.00
Clipper Creek CS 100; 80 amp, detect module, 4' peds, with Evolution energy monitoring module. (Gaylord, Kalamazoo, Oxford, Three Rivers, Zeeland) Phase 1	11	\$ 4,307.00	70.0%	\$ 33,163.90	\$ 14,213.10	\$ 47,377.00
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
<b>Supplies &amp; Materials Subtotal:</b>				\$ 123,323.90	\$ 52,853.10	\$ 176,177.00
<b>VEHICLE(S) &amp; EQUIPMENT</b>						
	QUANTITY	COST	% of FUNDING	GRANT AMOUNT	MATCH AMOUNT	TOTAL
Thomas Built Electric School Bus (Ann Arbor) Phase 2	4	\$ 334,882.00	70.0%	\$ 937,669.60	\$ 401,858.40	\$ 1,339,528.00
Thomas Built Electric School Bus (Roseville) Phase 2	2	\$ 334,882.00	70.0%	\$ 468,834.80	\$ 200,929.20	\$ 669,764.00
Electric School Bus (Gaylord) Phase 1	2	\$ 349,200.00	70.0%	\$ 488,880.00	\$ 209,520.00	\$ 698,400.00
Electric School Bus (Kalamazoo) Phase 1	1	\$ 349,200.00	70.0%	\$ 244,440.00	\$ 104,760.00	\$ 349,200.00
Electric School Bus (Oxford) Phase 1	2	\$ 349,200.00	70.0%	\$ 488,880.00	\$ 209,520.00	\$ 698,400.00
Electric School Bus (Three Rivers) Phase 1	2	\$ 349,200.00	70.0%	\$ 488,880.00	\$ 209,520.00	\$ 698,400.00
Electric School Bus (Zeeland) Phase 1	4	\$ 349,200.00	70.0%	\$ 977,760.00	\$ 419,040.00	\$ 1,396,800.00
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
<b>Vehicle(s) &amp; Equipment Subtotal</b>				\$ 4,095,344.40	\$ 1,755,147.60	\$ 5,850,492.00
<b>TOTAL PROJECT</b>						
<b>Total All Costs</b>				\$ 4,218,668.30	\$ 1,808,000.70	\$ 6,026,669.00

The MAPT electric school bus project is broken down into two phases. Phase 1 includes supplies, materials, vehicles and equipment for the following school districts: Gaylord, Kalamazoo, Oxford, Three Rivers, and Zeeland, with total actual costs of \$2,675,870.04. Phase 2 includes supplies, materials, vehicles and equipment for two additional school districts, Ann Arbor and Roseville with Proterra charging stations, at a total estimated cost of \$1,542,798.26.