

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of Indiana

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

Action Title:	Round 1 - Onroad and Nonroad Awards
Beneficiary's Project ID:	Round 1 - Lake Station Schools Propane Bus Replacement
Funding Request No.	<i>(sequential)</i> 25
Request Type: (select one or more)	<input checked="" type="checkbox"/> Reimbursement <input 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>Grantee: Lake Station Community Schools as detailed in Attachment A</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 checked="" type="checkbox"/> Appendix D-2 item (specify): <u>Category 2: School Bus</u>
Action Type	<input 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): See Appendix D-4 Summary Details attachment.	
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): See Appendix D-4 Summary Details attachment.	
Estimate of Anticipated NOx Reductions (5.2.3): See Appendix D-4 Summary Details attachment.	
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): See Appendix D-4 Summary Details attachment.	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2). See Appendix D-4 Summary Details attachment.	
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8). See Appendix D-4 Summary Details attachment.	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9). See Appendix D-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)

- 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 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:

3/1/21



[NAME] Bruno Stigall
[TITLE] Commissioner

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 NO_x, 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 NO_x 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 NO_x, including PM_{2.5}, hydrocarbons (HC), carbon monoxide (CO), and carbon dioxide (CO₂)
- 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 three (3) 2019 model-year, or newer, U.S. EPA emission compliant propane-powered school buses to REPLACE three (3) 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 operated in and around Lake Station, Indiana.

Propane-powered school buses dramatically improve air quality and the quality of life conditions for drivers, technicians, and citizens in the areas of operation due to notably lower tailpipe 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 0.933 tons of nitrogen oxides (NO_x) and 0.030 tons of fine particulate matter (PM_{2.5}).

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 0.933 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 publicly 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 Volkswagen 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 up to 20% of the total project cost while the Grantee and/or other programs covers the remaining 80%.

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 – VW Onroad and Nonroad funding opportunity via online Request for Proposals (RFP)	April 22, 2019
Deadline for Round 1 – VW 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 30, 2019
Grantee project implementation	August 30, 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	February 26, 2021
Indiana coordinates with Trustee on any questions or issues that arise related to the submitted Appendix D-4	February 26, 2021 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 three (3) 2019 model-year, or newer, U.S. EPA emission compliant propane-powered school buses that will REPLACE three (3) 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 Lake Station, Indiana.	\$72,043	\$282,596	\$354,639

Percentage	20%	80%	100%
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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	\$5,147,079.41
3) State of Indiana's Net Remaining Allocation Prior to this D-4 Submittal	\$35,788,801.18
4) Current D-4 Funding Request Total	\$72,043.00
5) State of Indiana's Remaining Allocation After this D-4 Submittal	\$35,716,758.18

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
1) 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	\$3,895,454.40	\$1,150,426.01		
5) Current Beneficiary Project Funding to be paid through the Trust (Line 1)	\$101,199.00	\$72,043.00		
6) Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (Line 4 + Line 5)	\$3,996,653.40	\$1,222,469.01		
7) Beneficiary Share of Estimated Funds Remaining in Trust at Beginning of Year	\$40,935,880.59	\$36,939,227.19		
8) Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (Line 7 – Line 6)	\$36,939,227.19	\$35,716,758.18		

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 six-month 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 six-month 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:

Lake Station Community Schools

2500 Pike Street

Lake Station, IN 46405-2258

Phone 219-962-1159 Fax: 219-962-4011



INVOICE

DATE: 12/07/2020
INV# 468020120701

TO:
INDIANA DEPARTMENT OF ENVIRONMENT
MANAGEMENT (IDEM)
OFFICE OF AIR QUALITY – MAIL CODE 61-50
100 N SENATE AVE
INDIANAPOLIS IN 46204-2251

FOR:
VW PROJECT FUNDING
AGREEMENT

DATE	DESCRIPTION	UNIT	AMOUNT
08/30/2019	VW Project Funding Agreement dated August 20, 2019 Grant amount: LSCS amount: Total project:	 \$72,043.00 <u>\$216,128.00</u> <u>\$288,171.00</u>	
10/28/2020	Received delivery of three (3) propane fueled school busses: #41 – 2022 IC CE 78 passenger VIN# 4DRBUP1N6NB858449 #42 – 2022 IC CE 78 passenger VIN# 4DRBUP1N2NB858450 #43 – 2022 IC CE 78 passenger VIN# 4DRBUP1N4NB858451 Total:	 \$118,213.00 \$118,213.00 \$118,213.00 <u>\$354,639.00</u>	 \$118,213.00 \$118,213.00 \$118,213.00 <u>\$354,639.00</u>
12/07/2020	Total project payments: Voucher# 116690 12/20/2020 Check# Voucher# 116691 12/21/2020 Check# 004559 Total paid out:	 \$262,956.00 \$ 92,043.00 <u>\$354,639.00</u>	 \$262,956.00 \$ 92,043.00 <u>\$354,639.00</u>
12/07/2020	Reimbursement amount due under VW Project Funding Agreement:	<u>\$72,043.00</u>	<u>\$72,043.00</u>

Checks payable to:
Lake Station Community Schools
2500 Pike Street – Lake Station, IN 46405-2258

Thank you for your business!



146 W ISSERT DRIVE, KANKAKEE, IL 60901
800-933-2412

INVOICE

DATE: October 28, 2020
INVOICE # VG101011455:01
PO# 704244

BILL TO:

LAKE STATION COMMUNITY SCHOOLS - 10653
2500 PIKE ST.
LAKE STATION, IN 46405

DESCRIPTION	AMOUNT
2022 IC CE- 78 - 4DRBUP1N6NB858449- UNIT # 202653	\$ 118,213.00
2022 IC CE- 78 - 4DRBUP1N2NB858450- UNIT # 202654	\$ 118,213.00
2022 IC CE- 78 - 4DRBUP1N4NB858451- UNIT # 202655	\$ 118,213.00
SUBTOTAL	\$ 354,639.00
TAX RATE	0.00%
SALES TAX	-
PAYMENT RECD 10/28 - CHECK 004559	\$ (92,043.00)
PAYMENT RECD 10/28 - CHECK 109497511	\$ (262,596.00)
THANK YOU FOR YOUR BUSINESS!	BALANCE DUE \$ -

PAID IN FULL



MIDWEST TRANSIT EQUIPMENT

146 W ISSERT DR. KANKAKEE, IL 60901
Tel: (800) 933-2412 ♦ Fax: (815) 933-3966 ♦ www.midwesttransit.com

BILL TO
LAKE STATION SCHOOL CORP. - 10653
2500 PIKE STREET
LAKE STATION IN 46405

SALES INVOICE: V101011455

INVOICE DATE	SALESPERSON	CUSTOMER REFERENCE
8/18/2020	ASHLEY STEVENSON	704244

SHIP TO
LAKE STATION SCHOOL CORP. - 10653
2500 PIKE STREET
LAKE STATION IN 46405

UNIT(S) FOR SALE

UNTID	YEAR - MAKE - MODEL - CAPACITY	SERIAL NUMBER / ITEM DESCRIPTION	PRICE
202653	2022 - IC - CE - 78	4DRBUP1N6NB858449	
		Vehicle - Price	118,213.00
			118,213.00
202654	2022 - IC - CE - 78	4DRBUP1N2NB858450	
		Vehicle - Price	118,213.00
			118,213.00
202655	2022 - IC - CE - 78	4DRBUP1N4NB858451	
		Vehicle - Price	118,213.00
			118,213.00

Vchr #116691
Vchr #116690 → \$ 92,043.00
\$ 262,956.00

Approved:

10/20/2020

Sales Price		354,639.00
TAX	+	0.00
	+	
Total Price	=	354,639.00
	-	
Less Deposit or Down Payment	-	0.00
Unpaid Balance/Amount to Finance	=	354,639.00

Please Remit Payment To
MIDWEST TRANSIT EQUIPMENT, INC.
146 W ISSERT DRIVE
KANKAKEE, IL 60901

x _____
Buyer Signature

x _____
Seller Signature

Date

Date

12/07/2020
12:42 PM

Document Inquiry: Vouchers & Checks
Voucher #116691 - Propane Busses

Printed by SSInc

Vendor - 582
MIDWEST TRANSIT EQUIPMNT

KANKAKEE, IL 609010582

Bank 003 - TEACHERS CREDIT UNION

Voucher Number: 116691
Voucher Date: 10/21/2020
Amount: \$92,043.00
Check Number: 4559
Check Date: 10/21/2020
Check Amount: \$92,043.00
Check Status: Cleared 10/31/2020
Operator: pporter

Invoices					
Invoice #	Invoice Date	Description	Invoice Amount	Inv. Paid	P.O. #
V101011455	08/18/2020	Propane Busses	\$92,043.00	Yes	0

P.O.'s	
P.O. #	Amount

Distributions		
Acct. Type	Acct. Number	Amount
APP		\$72,043.00
APP		\$20,000.00

Check #004559 | 10/21/2020 | \$92,043.00

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THIS CHECK VOID TWO (2) YEARS AFTER DEC 31 OF THE YEAR OF ISSUE

FORM APPROVED BY STATE BOARD OF ACCOUNTS FOR LAKE STATION COMMUNITY SCHOOLS - 2007

LAKE STATION COMMUNITY SCHOOLS
2500 PIKE STREET • LAKE STATION, INDIANA 46405

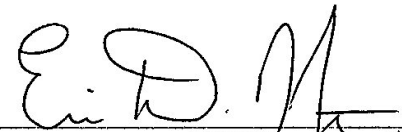
004559

TEACHERS CREDIT UNION
GARY, INDIANA
71-9182/2712

PAY TO THE ORDER OF	FUND	CHECK NO	DATE	AMOUNT
		4559	10/21/2020	\$92,043.00

Ninety Two Thousand Forty Three Dollars and Zero Cents

MIDWEST TRANSIT EQUIPMNT
146 WEST ISSERT DRIVE
KANKAKEE, IL 60901-0582


 _____ MP
 TREASURER

FEDERAL RESERVE BOARD OF GOVERNORS REG CC

ENDORSE HERE

CREDIT ACCOUNT WITHIN NAMED PAYEE
ABSENCE OF ENDORSEMENT GUARANTEED

FOR DEPOSIT ONLY

WINTRUST BANK
Wintrust Bank
Midwest Transit Equipment
3805926704

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Vendor - 582
MIDWEST TRANSIT EQUIPMNT

KANKAKEE, IL 609010582


Bank 721 - US Bank Trust 2020 Escrow Acct

Voucher Number: 116690
Voucher Date: 10/21/2020
Amount: \$262,596.00
Check Number: 1
Check Date: 10/21/2020
Check Amount: \$262,596.00
Check Status: Outstanding
Operator: pporter

Invoices					
Invoice #	Invoice Date	Description	Invoice Amount	Inv. Paid	P.O. #
P.O.'s					
P.O. #	Amount				
Distributions					
Acct. Type	Acct. Number	Amount			
APP		\$262,596.00			

Check #109497511 | 10/21/2020 | \$262,596.00

THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK AND THERMOCHROMATIC INK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICRO-PRINT BORDER. ABSENCE OF THESE FEATURES WILL INDICATE A COPY



10/21/2020

109497511

93-38
929

Wealth Management & Investment Services
Questions Call 1-866-252-4360


DM- MIDWEST TRANSIT INV# V101011455

PAY TWO HUNDRED SIXTY TWO THOUSAND FIVE HUNDRED NINETY SIX DOLLARS AND 00/100

Issued by: U.S. Bank National Association, Minneapolis, MN 55480 \$ 262,596.00

Drawer: U.S. Bank

TO THE ORDER OF MIDWEST TRANSIT EQUIPMENT, INC.



AUTHORIZED SIGNATURE

Please refer to the existing check serial # to ensure
 the document is the document. If not, do not
 deposit or cash.

Call or visit us at
 1-800-525-6262
 3805926704

Deposit to
 Midwest Transit Equipment, Inc.
 3805926704

For Deposit Only
 Wintrust Bank
 Midwest Transit Equipment, Inc.
 3805926704

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