

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

## BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

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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)*

<b>Action Title:</b>	Round 1 - Onroad and Nonroad Awards
<b>Beneficiary's Project ID:</b>	Round 1 - Jack Gray Drayage Truck Replacement
<b>Funding Request No.</b>	<i>(sequential)</i> 28
<b>Request Type: (select one or more)</b>	<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: (select one or more)</b>	<input type="checkbox"/> Beneficiary <input checked="" type="checkbox"/> Other (specify): <u>Grantee: Jack Gray Transport as detailed in Attachment A</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>Category 1: Class 8 Trucks</u>
<b>Action Type</b>	<input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
<b>Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):</b> See Appendix D-4 Summary Details attachment.	
<b>Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):</b> See Appendix D-4 Summary Details attachment.	
<b>Estimate of Anticipated NOx Reductions (5.2.3):</b> See Appendix D-4 Summary Details attachment.	
<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 Summary Details attachment.	
<b>Describe how the Beneficiary will make documentation publicly available (5.2.7.2).</b> <b>See Appendix D-4 Summary Details attachment.</b>	
<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 Summary Details attachment.	
<b>Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).</b> <b>See Appendix D-4 Summary Details attachment.</b>	

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:

3/16/2021



[NAME] Bruno Dietz  
[TITLE] Commissioner

Indiana Department of Environmental Management

[LEAD AGENCY]

for

State of Indiana

[BENEFICIARY]

## Appendix D-4 Summary Details

### **Eligible Mitigation Action Type:**

Category 1: Port Drayage Trucks

### **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<sub>x</sub>, 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<sub>x</sub> 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<sub>x</sub>, 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 eleven (11) 2019 model-year, or newer, U.S. EPA emission compliant clean-diesel-powered drayage trucks to REPLACE eleven (11) of the Grantee's model year pre-2009 existing diesel-powered drayage trucks that will be used for the same purpose. The replacement vehicle(s) will be located and operated in and around Gary, Indiana.

Clean-diesel-powered drayage trucks 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 34.316 tons of nitrogen oxides (NO<sub>x</sub>) and 2.138 tons of fine particulate matter (PM<sub>2.5</sub>).

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

Over the lifetime of these trucks, U.S. EPA's DEQ model estimates this project will result in a NOx reduction of 34.316 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 42% of the total project cost while the Grantee and/or other programs covers the remaining 58%.

**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 28, 2019
Grantee project implementation	August 28, 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	March 16, 2021
Indiana coordinates with Trustee on any questions or issues that arise related to the submitted Appendix D-4	March 16, 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 eleven (11) 2019 model-year, or newer, U.S. EPA emission compliant diesel-powered drayage tractor trucks that will REPLACE eleven (11) of the Grantee's model year 1992-2009 existing diesel-powered drayage tractor trucks that will be used for the same purpose. The replacement vehicle(s) will be located and primarily operated in-and-around Gary, Indiana.	\$719,296.56	\$976,814.24	\$1,696,110.80
Percentage	42%	58%	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	\$5,456,066.41
3) State of Indiana's Net Remaining Allocation Prior to this D-4 Submittal	\$35,479,814.18
4) Current D-4 Funding Request Total	\$719,296.56
5) State of Indiana's Remaining Allocation After this D-4 Submittal	\$34,760,517.62

**Projected Allocation Totals per Project Type:**

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

**Projected Trust Allocations:**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
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	\$1,459,413.01		
5) Current Beneficiary Project Funding to be paid through the Trust (Line 1)	\$101,199.00	\$719,296.56		
6) Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (Line 4 + Line 5)	\$3,996,653.40	\$2,178,709.57		
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	\$34,760,517.62		

## 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:



INVOICE: 20210216.2  
**Date: February 16, 2021**

**TO:**

Mr. Shawn M. Seals  
Senior Environmental Manager  
Indiana Department of Environmental Management  
Office of Air Quality – Mail Code 61-50  
100 North Senate Avenue  
Indianapolis, IN 46204-225  
RE: 2019 Indiana VW Settlement for Jack Gray Transport, Inc.

**Invoice Amount:** \$719,296.56  
Grant Reimbursement For 11 Replacement Clean Diesel Drayage Tractor Trucks

**REMIT TO:**

Account Number: 0600016042  
Routing Number: 271974017  
Account Name: Jack Gray Transport Inc.  
Bank: American Community Bank  
7880 Wicker Avenue  
St. John IN 46373  
Bank Phone: 219-365-6700



## NEW TRUCK ORDER

**LOWER GREAT LAKES KENWORTH, INC**  
 12650 ECKEL JUNCTION ROAD  
 PERRYSBURG, OHIO 43551  
[www.lowergreatlakeskenworth.com](http://www.lowergreatlakeskenworth.com)

**DATE:** 9.11.2020

Customer:  
**JACK GRAY TRANSPORT, INC.**  
 4600 East 15th Avenue  
 Gary, IN 46403  
 ATTN: Jon Jarriel-219-654-4862

Sales Rep: Kyle S. Williams

DESCRIPTION		AMOUNT
2021 Kenworth T880 Tractors		
***Pricing per attached specifications***		
FEDERAL EXCISE TAX (If Applicable)	FET	Included
**Sales Tax is Applicable unless PUCO, ICC, or MC # is provided.	Sales Tax	Customer Responsible
<i>Customer to provide state sales tax exemption documentation</i>		
	QTY	11
	Total Balance	\$1,696,110.80
	Deposit	-\$22,000.00
	<b>Total Balance Due</b>	<b>\$1,674,110.80</b>

\*\*Additional Terms on Reverse Side

**CUSTOMER SIGNATURE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

CUSTOMER NAME (PRINT): \_\_\_\_\_

DEALER SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

**THANK YOU FOR YOUR BUSINESS!**

Current Date: February 17, 2021  
 Account Number: 600003560  
 Capture Date: September 15, 2020  
 Item Number: 5250002116053  
 Posted Date: September 15, 2020  
 Posted Item Number: 100100558  
 Amount: 22,000.00  
 Record Type: Debit

16208

**JACK GRAY TRANSPORT, INC.**  
 Operating Account  
 4600 E. 15th Avenue  
 Gary, IN 46403



\*\*\* TWENTY TWO THOUSAND 00 /100 DOLLARS

PAY TO THE ORDER OF DATE AMOUNT  
 September 11, 2020 \$ 22,000.00

Whiteford Kenworth DBA Lower Great Lakes Kenworth, Inc  
 12650 Eckel Junction Road  
 Perrysburg ID 43551

*Danette Gump*  
 AUTHORIZED SIGNATURE

Security features. Details on back.



ENDORSE HERE

PAY TO THE ORDER OF  
 NORTHWEST BANK - WARREN, PA  
 243374218  
 CHECK FOR DEPOSIT ONLY  
 LOWER GREAT LAKES KENWORTH, INC.  
 DBA-DBA WHITEFORD KENWORTH  
 DO NOT WRITE BELOW THIS LINE  
 FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

20290000023369 243374218

The security features listed below as well as those not listed are used in the guidelines.  
 Results of document alteration.  
 Security System  
 FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

16860

**JACK GRAY TRANSPORT, INC.**  
Operating Account  
4600 E. 15th Avenue  
Gary, IN 46403

**COMMUNITY BANK**  
21666309  
71-7403/2719

\*\*\* ONE MILLION SIX HUNDRED AND SEVENTY FOUR THOUSAND ONE HUNDRED AND TEN 75/100 DOLLARS

PAY TO THE ORDER OF  
Lower Great Lakes Kenworth, INC  
12650 Eckel Junction Road  
Perrysburg OH 43551

DATE December 21, 2020 AMOUNT \$ 1,674,110.75

*Danette Gump* CEO  
AUTHORIZED SIGNATURE

Security Features. Details on back.

1/7/2021 16860 \$1,674,110.75

MICROFILM

PAY TO THE ORDER OF  
NORTHWEST BANK - WARREN, PA  
 CHECK FOR DEPOSIT ONLY OR REMOTE DEPOSIT  
LOW GREAT LAKES KENWORTH, INC  
12650 ECKEL JUNCTION ROAD  
PERRYSBURG, OH 43551

FEDERAL RESERVE NOTE OF CURRENCY VALUE

16860 89290000038509>243374218<

1/7/2021 16860 \$1,674,110.75