

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

## BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

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Beneficiary \_\_\_\_\_

Lead Agency Authorized to Act on Behalf of the Beneficiary \_\_\_\_\_  
*(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:		
Beneficiary's Project ID:		
Funding Request No.	(sequential)	
Request Type: (select one or more)	<input type="checkbox"/> Reimbursement	<input type="checkbox"/> Advance
Request Type: (select one or more)	<input type="checkbox"/> Other (specify): _____	
Payment to be made to: (select one or more)	<input type="checkbox"/> Beneficiary	
Payment to be made to: (select one or more)	<input type="checkbox"/> Other (specify): _____	
Funding Request & Direction (Attachment A)	<input type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately	

### SUMMARY

Eligible Mitigation Action	<input type="checkbox"/> Appendix D-2 item (specify): _____
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):	
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):	
Estimate of Anticipated NOx Reductions (5.2.3):	
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):	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2):	
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8):	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9):	

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).

**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 \_\_\_\_\_, 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:

5/21/2025



[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 Buses

### **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):**

The purchase, installation, operation and maintenance of six (6) 2021 model-year, or newer, U.S. EPA emission compliant propane-powered school bus that will REPLACE six (6) of the Grantee's existing diesel-powered school buses that will be used for the same purpose. The replacement vehicle(s) will be operated in and around Michigan City, Indiana.

Propane -powered school buses dramatically improve air quality and the quality-of-life conditions for operators, 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 1.239 tons of nitrogen oxides (NOx) and 0.012 tons of fine particulate matter (PM2.5).

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

Over the lifetime of these school buses, U.S. EPA's DEQ model estimates this project will result in a NOx reduction of 1.239 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 25% of the total project cost while the Grantee and/or other programs 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.

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## Attachment B Details

### **Project Schedule and Milestones:**

Indiana announces Round 3 – VW Onroad and Nonroad funding opportunity via online Request for Proposals (RFP)	March 23, 2021
Deadline for Round 3 – VW Onroad and Nonroad program applications	June 1, 2021
Indiana notifies applicants of award decisions	September 16, 2021
Funding Agreement between Indiana and Grantee is fully executed	December 10, 2021
Grantee project implementation	December 10, 2021 to September 30, 2025
Indiana reviews programmatic, financial, and other 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	May 15, 2025
Indiana coordinates with Trustee on any questions or issues that arise related to the submitted Appendix D-4	May 15, 2025 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
Task A  The purchase, installation, operation and maintenance of six (6) 2021 model-year, or newer, U.S. EPA emission compliant propane-powered school bus that will REPLACE six (6) of the Grantee's existing diesel-powered school buses that will be used for the same purpose. The replacement vehicle(s) will be operated in and around Michigan City, Indiana.	\$188,523.00	\$565,569.00	\$754,092.00
Percentage	25%	75%	100%

**State of Indiana Total Trust Allocation:**

1) State of Indiana's Total Trust Allocation (UPDATED 4/30/2025)	\$45,953,516.04
2) Obligated Awards from Previous D-4 Submittals	\$32,387,112.15
3) State of Indiana's Net Remaining Allocation Prior to this D-4 Submittal	\$13,566,403.89
4) Current D-4 Funding Request Total	\$188,523.00
5) State of Indiana's Remaining Allocation After this D-4 Submittal	\$13,377,880.89

**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 5 years (2021 to 2025)</b>	\$6,140,382.09	\$2,046,794.03
<b>To Admin (3%) over 5 years (2020 to 2025)</b>	\$1,228,076.42	\$307,019.11
<b>To EMAs (82%) over 5 years (2020 to 2025)</b>	\$33,567,422.08	\$11,189,140.69

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**Projected Trust Allocations:**

	2020	2021	2022	2023	2024	2025 (4/30/2025+)
1) Anticipated Annual Project Funding Request to be paid through the Trust	\$3,996,653.40	\$4,841,603.20	\$5,174,086.48	\$7,563,755.37	\$10,429,195.70	\$13,948,221.89
2) Anticipated Annual Cost Share (Administrative Costs)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3) Anticipated Total Project Funding by Year (Line 1 + Line 2)	\$3,996,653.40	\$4,841,603.20	\$5,174,086.48	\$7,563,755.37	\$10,429,195.70	\$13,948,221.89
4) Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$3,895,454.40	\$4,710,898.20	\$5,165,086.48	\$7,494,846.85	\$10,245,580.70	\$381,818.00
5) Current Beneficiary Project Funding to be paid through the Trust (Line 1)	\$101,199.00	\$130,705.00	\$9,000.00	\$68,908.52	\$183,615.00	\$188,523.00
6) Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (Line 4 + Line 5)	\$3,996,653.40	\$4,841,603.20	\$5,174,086.48	\$7,563,755.37	\$10,429,195.70	\$570,341.00
7) Beneficiary Share of Estimated Funds Remaining in Trust at Beginning of Year	\$40,935,880.59	\$36,939,227.19	\$32,097,623.99	\$26,923,537.51	\$19,359,782.14	\$13,948,221.89

8) Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (Line 7 – Line 6)	\$36,939,227.19	\$32,097,623.99	\$26,923,537.51	\$19,359,782.14	\$8,930,586.44	\$13,377,880.89
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## **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:

# MICHIGAN CITY AREA SCHOOLS

MICHIGAN CITY, INDIANA 46360

Bill Number: 3  
Date: April 8, 2025

*Indiana Department of Environmental Management*  
ATTN: *Shawn M Seals*  
OFFICE OF AIR QUALITY – MAIL CODE 61-50  
100 NORTH SENTATE AVENUE  
INDIANAPOLIS, INDIANA 46204-225

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RE: IN VW ROUND 3 / ONR3 - 017

Please reimburse Michigan City Area Schools for a portion of the purchase of 6 2020 Model Year or Newer, U.S. EPA emission complaint propane powered school buses that replaced 6 diesel powered school buses.

Amount: \$188,523.00

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<i>6 buses purchased May 2022 totaling \$754,092.00</i>	\$754,092.00
<i>Cost share of \$754,092.00</i>	-\$565,569.00
<i>IDEM PORTION 25% OF \$754,092.00</i>	<b>\$188,523.00</b>

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Wire Instructions:

Bank: Horizon Bank

ABA: [REDACTED]

Account Number: [REDACTED]

Bank address: 515 Franklin Street, Michigan City, IN 46360

Bank Phone Number: 219-874-9245

Name on the Account: **Michigan City Area Schools**



REMIT TO: MacAllister Machinery  
Dept. 78731  
P.O. Box 78000  
Detroit, MI 48278-0731

MACALLISTER MACHINERY Ph 317-591-9100  
8800 BROOKVILLE RD  
INDIANAPOLIS IN 46239

Account Number: 4708230  
CUSTOMER ORIGINAL INVOICE

**SOLD TO**  
TRANSPORTATION DEPT  
MICHIGAN CITY SCH/TRANSPORTATION  
TRANSPORTATION DEPT  
408 S CARROLL AVE  
MICHIGAN CITY IN 46360

INVOICE NUMBER	INVOICE DATE	ORDER NUMBER	CUSTOMER PO NUMBER	PAGE
	05/25/2022	BUS-SLS-4996467	NOT ON FILE	1/1
QTY	ITEM	DESCRIPTION	UNIT PRICE	EXTENSION

**SEGMENT 1 / NEW BUS SALE**

**EQUIPMENT**

1	BLUE BIRD SB-CONV-P SN:1BAKJCHA6PF390866 ID#:F529453	125,682.00	125,682.00
1	BLUE BIRD SB-CONV-P SN:1BAKJCHA8PF390867 ID#:F529454	125,682.00	125,682.00
1	BLUE BIRD SB-CONV-P SN:1BAKJCHAXPF390868 ID#:F529455	125,682.00	125,682.00
1	BLUE BIRD SB-CONV-P SN:1BAKJCHA1PF390869 ID#:F529456	125,682.00	125,682.00
1	BLUE BIRD SB-CONV-P SN:1BAKJCHA8PF390870 ID#:F529457	125,682.00	125,682.00
1	BLUE BIRD SB-CONV-P SN:1BAKJCHAXPF390871 ID#:F529458	125,682.00	125,682.00

<b>SEGMENT TOTAL</b>	<b>754,092.00</b>
<b>SUBTOTAL BEFORE TAXES</b>	<b>754,092.00</b>

NON-TAX INDIANA RESALE 0.00

**PAYMENT TERMS**

A monthly Finance Charge of 1.00% (12% APR) will be added on all past due amounts. Title to goods remains with the seller until full payment is received.

CREDIT AMOUNT DO NOT PAY	
PAY THIS AMOUNT	754,092.00

**Michigan City Area Schools**
 408 S. Carroll Ave  
 Michigan City, IN 46360
**PURCHASE ORDER NO. 21000336-2**

PAGE NO. 1

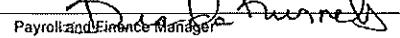
 V 12234  
 E MACALLISTER TRANSPORTATION  
 N 8800 BROOKVILLE ROAD  
 D INDIANAPOLIS IN 46239  
 O  
 R

 S MCAS - TRANSPORATION  
 H 1100 S. WOODLAND AVE  
 I  
 P MICHIGAN CITY, IN 46360

 T  
 O ATTN: SUE HARRISON  
 accounts.payable@mcas.k12.in.us

ORDER DATE: 01/05/22			BUYER: BRENDA RUNNELS	REQ. NO.: R2100526	REQ. DATE:
TERMS: NET 30 DAYS			F.O.B.:	DESC.: PURCHASE OF 7 PROPANE BUS	
ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	EXTENSION
01	6.00		78 PASSENGER BLUE BIRD PROPANE BUSES	125682.0000	754,092.00
ITEM	ACCOUNT		AMOUNT	PROJECT CODE	PAGE TOTAL \$ 754,092.00
01	030000274000050	73400	565,569.00		TOTAL \$ 754,092.00
01	399400274000050	73400	188,523.00		I HEREBY CERTIFY THAT THERE IS AN UNOBLIGATED BALANCE IN THE APPROPR SUFFICIENT TO PAY FOR THE ABOVE ORD

 APPROVED BY  
 RECEIVING



Payroll and Finance Manager

Michigan City Area Schools

VENDOR NO. 12234

CHECK NO. 891496

ACCOUNT	PURCH. ORDER	INVOICE NUMBER	AMOUNT	DESCRIPTION
0300A27400005000 73400		BUS-SLS-4996467	754,092.00	
0300A27300005000 61100		P5858811	395.00	
0300A27300005000 61100		P5859451	174.75	
0300A27300005000 61100		P5889908	90.09	
0300A27300005000 61100		P5903235	143.03	
0300A27900005000 61100		PS907944	74.21	
0300A27300005000 61100		P6320193	147.23	
0300A27900005000 61100		P6333634	165.50	
0300A27300005000 61100		S58803158	14.00	

12234

MACALLISTER TRANSPORTATION

02/28/2023

**Michigan City Area Schools**  
408 S. Carroll Ave  
Michigan City, IN 46360

Horizon Bank  
Michigan City, IN

**891496**  
71-132/712

*Date*  
02/28/2023

Void 2 Yrs after 12/31 of Year of Check

Amount

**\$\*\*\*755,267.81\***

**PAY THE SUM OF \*\*\*755267\* DOLLARS AND \*81\* CENTS**

To the  
Order of  
12234  
MACALLISTER TRANSPORTATION  
DEPT. 78731  
P.O. BOX 78000  
DETROIT MI 48278-0731

*Barbara Eason-Watkins*

SUPERINTENDENT

**PDF Copy Only - Non-Negotiable**