

**CHEROKEE NATION'S JULY 2019 SEMIANNUAL REPORT  
UNDER SECTION 5.3 OF THE ENVIRONMENTAL MITIGATION TRUST  
AGREEMENT FOR INDIAN TRIBE BENEFICIARIES DATED OCTOBER 2, 2017**

The Office of the Secretary of Natural Resources, the lead agency authorized to act on behalf of the beneficiary Cherokee Nation, is submitting this July 2020 Semiannual Report pursuant to Section 5.3 of the Environmental Mitigation Trust Agreement for Indian Tribe Beneficiaries dated October 2, 2017 ("Indian Tribe Trust Agreement").

This Report is submitted for the period ending June 30, 2020 for (i) the Cherokee Nation's 1st Round Zero Emission Project ("Round 1 Project"), which was funded in Round 1 under the Indian Tribe Trust Agreement, and (ii) the Cherokee Nation's 2nd Round Zero Emission Project ("Round 2 Project"), which was funded in Round 2 under the Indian Tribe Trust Agreement.

**Report On Status Of Eligible Mitigation Action Items**

The Round 1 Project will deploy one all new zero emission school bus under Section 2(e)(4) of Appendix D-2 to the Indian Tribe Trust Agreement. The new zero emission school bus will provide transportation for the Cherokee Nation's school system. An electric Thomas Built Saf-T-Liner C2 341TS was ordered from Midwest Bus Sales in August 2019. Delivery is expected in August 2020. The eligible vehicle the new bus will replace is a 1998 Blue Bird 48 passenger bus, VIN number 1HVBABP9WH569999. Once the new bus is delivered, this bus will be rendered inoperable (meaning, at a minimum, it will have a 3-inch hole cut in the engine block and its frame rails will be cut completely in half) and made available to recycle.

The Round 2 Project had initially intended to deploy one all new zero emission school activity coach bus under Section 2(e)(4) of Appendix D-2 to the Indian Tribe Trust Agreement. However, primarily due to the increased costs expected for the charging stations that are discussed in more detail below, the Cherokee Nation now intends to deploy a second all new zero emission school bus. Since the coach bus is more expensive than the school bus, this will allow budget to be reallocated to the charging stations. The new zero emission school bus will provide transportation for the Cherokee Nation's school system, and will likely be the same electric Thomas Built Saf-T-Liner C2 341TS that was ordered in the Round 1 Project. The bus has not yet been ordered. The eligible vehicle the new bus will replace is a 1998 Am Tram 40 passenger bus, VIN number 1HVBKADN7WA081302. Once the new bus is delivered, this bus will be rendered inoperable (meaning, at a minimum, it will have a 3-inch hole cut in the engine block and its frame rails will be cut completely in half) and made available to recycle.

The buses will be based in Tahlequah, but will travel on multiple routes including destinations such as Catoosa, Stilwell, West Siloam Springs, Roland, Vinita, Sallisaw, and Muskogee, among others. The Nation intends to install charging stations at many of these locations as part of the charging infrastructure for the new buses. Currently, the following charging stations are planned to be installed as part of the projects: Tahlequah, Stilwell, Catoosa, and West Siloam Springs. The Cherokee Nation will install additional charging stations in a cascading order of priority depending on available funding and actual costs. As part of the

charging infrastructure for each new bus, the Cherokee Nation also intends to install a solar canopy. For the Round 1 Project the solar canopy is planned for Catoosa, and for the Round 2 Project the solar canopy is planned for West Siloam Springs. The Cherokee Nation is in the contracting stage for the Tahlequah and Stilwell charging stations, and the other charging stations are in the planning phase.

The projects also include a construction cost component under the administrative cost section of Appendix D-2. Francis Renewable Energy, the contractor the Cherokee Nation is working with on the charging stations, has informed the Cherokee Nation that many of the facilities may need to be altered to allow for use as a multiple bus charging station, primarily consisting of reinforcing the concrete due to the anticipated weight of the buses. Updated cost estimates for this are included in the updated budgets below.

The projects also include light duty ZEV charging stations under Section 9 of Appendix D-2. The number and final design of these charging stations will depend on the particular site's needs, as well as the available budget based on the actual costs of installation at each selected site. The process for the light duty ZEV component for each round will not be finalized until the bus charging infrastructure plan is completed. Currently, the Round 1 Project plans for two Level 2 light duty ZEV chargers, and the Round 2 Project plans for one Level 2 light duty ZEV charger and one Level 3 light duty ZEV charger.

The project schedule and budget have had revisions as detailed below. Costs expended thus far are also detailed below.

### **Report On How Cherokee Nation Has Made Documentation Publicly Available**

The Cherokee Nation has complied with Sections 5.2.7.2 and 5.3 of the Indian Tribe Trust Agreement by making publicly available all documentation submitted in support of its funding request and all records supporting all expenditures of any funds it receives, subject to applicable laws governing the publication of confidential business information and personally identifiable information, including the following:

- Posting its Round 1 Project application at the following website:  
<https://www.cherokee.org/our-government/secretary-of-natural-resources-office/>
- Posting its November 2019 Semiannual Report at the following website:  
<https://www.cherokee.org/our-government/secretary-of-natural-resources-office/>
- Posting its Round 2 Project application at the following website:  
<https://www.cherokee.org/our-government/secretary-of-natural-resources-office/>
- Posting its January 2020 Semiannual Report at the following website:  
<https://www.cherokee.org/our-government/secretary-of-natural-resources-office/>

**Report On Eligible Mitigation Action Management Plan**  
**Including Detailed Costs, Budget, And Implementation And Expenditures Timeline**

**REVISED PROJECT SCHEDULE AND MILESTONES – ROUND 1 PROJECT**

The Cherokee Nation has revised its Round 1 Project schedule, and now estimates it will conclude in about December 2021.

Step 1. Trustee Award [COMPLETED May 2019]

*The Trustee distributed funds to the Cherokee Nation in May 2019.*

Step 2. Contracting, Project Planning, and Initiation (15 months) [August 2020]

This step will include detailed project planning to finalize the scope, assignments, and timeline. This phase will result in a formal kick-off of the project with all project team members so that they can successfully meet project goals and objectives. This phase includes selection of the bus charging infrastructure including the equipment and sites. This step also includes executing agreements with the contractors. The Cherokee Nation estimates that this will take about 15 months.

Steps 3a. (Infrastructure Installation) and 3b. (Vehicle Procurement) [August 2021]

The Cherokee Nation anticipates that steps 3a and 3b can mostly be performed simultaneously.

Step 3a. Infrastructure Installation (12 months) [August 2021]

This step includes finalizing site plans for the charging stations and seeking the necessary permits from local authorities to install the systems. During this step, the Cherokee Nation will be working with all third parties to develop site and installation plans for the charging stations, including any site engineering (such as civil, electrical, and mechanical), construction, and equipment installation. The costs for the charging infrastructure equipment will be expended when the parts are ordered once the site design is complete. The costs for the charging infrastructure installation will be expended as infrastructure is completed.

Step 3b. Vehicle Procurement [August 2020]

This step includes finalizing the specifications for the vehicles by working with the third party supplier. The Cherokee Nation expects that the bus will be delivered in August 2020, about 12 months after it was ordered. The funds for the bus will be expended when an invoice for the bus is provided. The Cherokee Nation will conduct pre-delivery inspections to approve vehicle delivery, and conduct post-delivery inspections for final approval. If necessary, the Cherokee Nation will engage the services of external vendors to complete the inspections.

Step 4. Deployment (3 months) [November 2021]

Delivered vehicles will be registered and insured by the Cherokee Nation. A series of tests will be conducted to ensure the vehicles can be charged properly with the charging equipment and can operate along the planned bus routes. During this phase, staff will receive the necessary training to operate and maintain the vehicles. At the end of this phase, the vehicle being replaced will be scrapped.

Step 5. Project Completion (1 month) [December 2021]

Once the replaced vehicle is scrapped, the Cherokee Nation will issue a final report summarizing implementation and will close out the project with the Trustee. The Cherokee Nation estimates project completion will occur in December 2021. The consultant implementation fee will be expended when the project is complete.

**REVISED PROJECT SCHEDULE AND MILESTONES – ROUND 2 PROJECT**

The Cherokee Nation has revised its Round 2 Project schedule, and now estimates it will conclude in about August 2022.

Step 1. Trustee Award (3 months) [COMPLETED November 2019]

*The Trustee distributed funds to the Cherokee Nation in November 2019.*

Step 2. Contracting, Project Planning, and Initiation (12 months) [November 2020]

This step will include detailed project planning to finalize the scope, assignments, and timeline. This phase will result in a formal kick-off of the Project with all team members so that they can successfully meet project goals and objectives. This step also includes executing agreements with the contractors, including final selection of the all-new electric school activity coach bus manufacturer. The Cherokee Nation anticipates that this can mostly be performed simultaneously with project planning. The Cherokee Nation estimates that this will take about 12 months.

Step 3 (Infrastructure Installation and Vehicle Deployment) (18 months) [May 2022]

The Cherokee Nation anticipates that steps 3.a. (Vehicle Procurement and Deployment) and 3.b. (Infrastructure Installation) can be performed simultaneously.

Step 3.a. Vehicle Procurement and Deployment [August 2021]

This step includes finalizing the specifications for the vehicles by working with the third party supplier. Once the specifications are finalized, the Cherokee Nation expects that the lead-time on the vehicles will be at least 12 months. The funds for the bus will be expended when the bus is ordered. The Cherokee Nation will conduct pre-delivery inspections to approve vehicle delivery, and conduct post-delivery inspections for final approval. If necessary, the Cherokee

Nation will engage the services of external vendors to complete the inspections.

This step also includes deployment of the school bus. Delivered vehicles will be registered and insured by the Cherokee Nation. At the time the vehicle is delivered, construction of some of the charging stations should be completed. A series of tests will be conducted to ensure the vehicles can be charged properly with the charging equipment and can operate along the planned bus routes, including testing the vehicle at any existing charging station(s). During this phase, staff will receive the necessary training to operate and maintain the vehicles. At the end of this phase, the vehicle being replaced will be scrapped.

Step 3.b. Infrastructure Installation (18 months) [May 2022]

This step includes finalizing site plans for the charging stations and seeking the necessary permits from local authorities to install the systems. During this step, the Cherokee Nation will be working with all third parties to develop site and installation plans for the charging stations, including any site engineering (such as civil, electrical, and mechanical), construction, and equipment installation.

The costs for the charging infrastructure equipment will be expended when the parts are ordered once the site design is complete. The costs for the charging infrastructure installation will be expended as infrastructure is completed. Once construction at a charging site is complete, the site will be tested with the vehicles in the Cherokee Nation's electric fleet.

Step 4. Project Completion (3 months) [August 2022]

Once the replaced vehicle is scrapped and the charging infrastructure is installed, the Cherokee Nation will issue a final report summarizing implementation and will close out the project with the Trustee. The Cherokee Nation estimates project completion will occur in August 2022. The contractual implementation fee will be expended when the project is complete.

**SUMMARY OF ALL COSTS EXPENDED ON THE ROUND 1 PROJECT**

The costs expended on the Round 1 Project as of June 30, 2020 is payment in October 2019 on the contractual – application administrative expense of \$39,916.10 and payment on the contractual – technical support expense of \$25,000.00.

**SUMMARY OF ALL COSTS EXPENDED ON THE ROUND 2 PROJECT**

No costs have been expended on the Round 2 Project.

**REVISED BUDGET – ROUND 1 PROJECT**

<b>Eligible Mitigation Action and Mitigation Action Expenditure Categories</b>	<b>Item</b>	<b>Cost</b>	<b>Qty.</b>	<b>Revised Budget</b>	<b>Original Budget</b>
D-2 Section 2(e)(1) - Government-Owned Eligible Buses	Thomas Bus	\$375,823	1	\$375,823	\$395,823
	Bus Charging Infrastructure	\$135,439	1	\$135,439	\$154,602
	Bus Charging Infrastructure - Solar Canopy	\$175,040	75%	\$131,280	\$126,000
	Bus salvage fee	\$5,000	1	\$5,000	\$-
<i>D-2 Section 2(e)(1) - Government-Owned Eligible Buses Subtotal:</i>				<i>\$647,542</i>	<i>\$676,425</i>
D-2 Section 9(c)(1) - Light Duty ZEV, Gov't Property	First Level 2 Charger	\$17,486	1	\$17,486	\$-
	Each Add'l Level 2 Charger	\$15,234	1	\$15,234	\$32,720
	Charging Infrastructure - Solar Canopy	\$175,040	25%	\$43,760	\$42,000
<i>D-2 Section 9(c)(1) - Light Duty ZEV, Gov't Property Subtotal:</i>				<i>\$76,480</i>	<i>\$74,720</i>
Administrative Expenditures	Contractual - application	\$350	114	\$39,916	\$39,916
	Contractual - project	\$350	50	\$19,950	\$19,950
	Contractual - technical	\$25,000	1	\$25,000	\$-
<i>Administrative Expenditures Subtotal:</i>				<i>\$84,866</i>	<i>\$59,866</i>
Cost share correction - to be accomplished by reducing funding of the light duty ZEV project and/or administrative costs				\$ (99)	\$ (2,222)
<b>PROJECT TOTAL</b>				<b>\$808,789</b>	<b>\$808,789</b>

**REVISED BUDGET – ROUND 2 PROJECT**

<b>Eligible Mitigation Action and Mitigation Action Expenditure Categories</b>	<b>Item</b>	<b>Cost</b>	<b>Qty.</b>	<b>Revised</b>	<b>Original</b>
D-2 Section 2(e)(1) - Government-Owned Eligible Buses	Electric School Bus	\$375,823	1	\$375,823	\$1,099,000
	Bus Charging Infrastructure - DC Charger w/ new elec.	\$218,271	1	\$218,271	\$188,448
	Bus Charging Infrastructure - DC Charger	\$189,079	1	\$189,079	\$154,602
	Bus Charging Infrastructure - DC Charger w/ new electric	\$175,000	2	\$350,000	\$-
	Bus Charging Infrastructure - Solar Canopy	\$278,603	75%	\$208,952	\$129,780
	Other - bus salvage fee	\$5,000	1	\$5,000	\$5,000
<i>D-2 Section 2(e)(1) - Government-Owned Eligible Buses Subtotal:</i>				<i>\$1,347,125</i>	<i>\$1,571,830</i>
D-2 Section 9(c)(1) - Light Duty ZEV, Gov't Property	First Level 2 Charger	\$17,486	1	\$17,486	\$17,486
	Each Add'l Level 2 Charger	\$15,737	0	\$-	\$31,474
	First Level 3 Charger	\$151,942	1	\$151,942	\$-
	Each Add'l Level 3 Charger	\$102,711	0	\$-	\$-
	Charging Infrastructure - Solar Canopy	\$278,603	25%	\$69,651	\$43,260
<i>D-2 Section 9(c)(1) - Light Duty ZEV, Gov't Property Subtotal:</i>				<i>\$239,079</i>	<i>\$92,220</i>
Administrative Expenditures	Contractual - application	\$350	36.1	\$12,635	\$12,635
	Contractual - project	\$350	50	\$17,500	\$17,500
	Construction	Item cost bundled	Bundle est.	\$106,571	\$100,000

	Construction	Item cost bundled	Bundle est.	\$84,213	\$-
<i>Administrative Expenditures Subtotal:</i>				<i>\$220,919</i>	<i>\$135,135</i>
Cost share correction - to be accomplished by reducing funding of the light duty ZEV project and/or administrative costs				\$(15,441)	\$(7,503)
<b>PROJECT TOTAL</b>				<b>\$1,791,682</b>	<b>\$1,791,682</b>



**CERTIFICATIONS**

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

1. This report is submitted on behalf of Beneficiary Cherokee Nation, 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. This report contains all information and certifications required by Paragraph 5.3 of the Trust Agreement.
3. To the best of my information and belief, and under penalty of perjury, the information in this report is true and correct.

DATED: July 14, 2020



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Chad Harsha  
Secretary of Natural Resources

The Office of the Secretary of Natural  
Resources  
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[LEAD AGENCY]

for

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Cherokee Nation  
[BENEFICIARY]