From:	John Hoeveler
To:	Swift, Faye
Subject:	Fwd: Scanned from a Xerox Multifunction Device
Date:	Monday, January 09, 2017 11:58:32 AM
Attachments:	Scanned from a Xerox Multifunction Device.PDF

Faye

Here is the Loan Activity Report for Eagle Aggregate.

Thanks!

John

From: John Hoeveler
To: Swift, Faye
Subject: Eagle Note
Date: Monday, January 09, 2017 12:12:32 PM
Attachments: Scanned from a Xerox Multifunction Device.PDF

Here is the More for Eagle Aggregate..

From: John Hoeveler
To: Swift, Faye
Subject: EPA Documents
Date: Monday, January 09, 2017 4:03:52 PM
Attachments: ACCT 19927 Charles E. Raup-2.pdf
EPA #2 Qtrly Report 0916.xls
EPA #1 Qtrly Report 0916.xls
EPA #2 Program Principal & Int Analysis 1215-2.xls
CDTLS 2008 - 2016 Q3.xls
ACCT 19930 Midwest Agr-Services LLC.pdf
ACCT 19914 Foundation Soplution.pdf
ACCT 19949 Gengles Feeders LLC.pdf
ACCT 19902 Agronomy Services LLC (IRP #5).pdf

Faye,

I have these documents to show the 9/30/16 status of the EPA accounts. EPA2 has revised Eagle Aggregate to show $500,000, instead of $335,000. EPA1 QR has added new loans to reflect the revolving capital. Let me know if you have any questions. I have also added the P/I breakdowns for each account. The one's highlighted in red are defaults.

Thanks!

John

From:	John Hoeveler
To:	Swift, Faye; Mia Aisa; Kevin Oliff; Reginald Knowlton
Subject:	Re: EPA 1 close out
Date:	Monday, February 06, 2017 10:20:53 PM
Attachments:	EPA 1 QR 2008 - 2016 Q4.xls EPA 2 Report.xlsx

Hi Faye,

Thanks for sending this close out agreement. The reason I asked for this was because I suspected that loans may have been misallocated to EPA 1. It appears that too many loans were issued to EPA 1, which caused us to have a deficit under EPA 2. In fact, the amount of capital that we overpaid to EPA 1 is very similar to what we underpaid on EPA 2.

According to the EPA 1 close out agreement, we were allocated $1,130,000 to issue truck loans without any matching requirements. In total we issued $1,372,767.97 in eligible truck loans, taking us over what was originally allocated by $242,767.97. I understand that program income (interest) needed to be revolved back into the fund. However, our program income was only $60,909. If we deduct this amount from the total loan deployments, we still overpaid by $181,858.97. This overpayment is a mistake by our previous accountant and Executive Director, who should never have been involved in a complicated program such as this. We feel that this overpayment should be applied to EPA 2. This capital was deployed for eligible purposes under both EPA 1 and 2, but was simply earmarked to the wrong reporting documents. I am sure that you are aware that there is no eligibility difference between EPA 1 and EPA 2. They both carry the same requirements in terms of environmental regulations. We did not gain any monetary or programatic advantage by making this mistake. It simply meant that because too much was allocated towards EPA 1, we did not have enough capital to complete EPA 2.

Regarding another element of EPA 2, a few weeks ago we sent loan activity reports as well as the note and agreement for Eagle Aggregate. I don't understand why this loan was listed as being $335,000, but that was not the case. The real amount of the loan was $500,000. It funded the purchase of 21 trucks. This loan was deployed prior to 6/30/14, and we included all of the necessary VIN numbers to demonstrate eligibility. If we had listed this loan appropriately, we would have received grant credit of $165,000. But because the wrong loan amount was issued, we have fallen short by approximately $330,000 of our deployment requirement, instead of $165,000. We request that this loan be reevaluated in determining what remains of our requirement, as well as the above mentioned over-deployment on EPA 1. We believe that we have fulfilled all of the grant requirements of this program, particularly in deploying all of the received funds as well as the program income. If we include the $181,858.97 from EPA 1 and the $165,000 from Eagle Aggregate, we can close out EPA 2 and be in a good position to start redeploying more capital under the RLF.

I have included some spreadsheets for each EPA 1 and 2 that demonstrate the repayments on each fund. As you can see, we have revolved funds on EPA 1, at least what has revolved back. We have a very high default rate in this program due to the character and credit of our borrowers. However, we are revolving this capital and will continue to do so until every loan has defaulted out.

We greatly appreciate your patience and assistance as we evaluate what happened under the previous regime. We make no excuses for the maladministration but we insist that all capital

was deployed for its intended purposes under the grant agreement.

Thank you!

Sincerely,

John Hoeveler
CDTLS

On Mon, Feb 6, 2017 at 8:27 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Here you go.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:john@cdtls.org]
> **Sent:** Wednesday, February 01, 2017 2:18 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** EPA 1 close out
>
> Hi Faye,
>
> Do you have a copy of the EPA 1 closeout agreement? Dale got it originally and we never got a copy from him. We're looking to review the terms.
>
> Thanks!

John

From: John Hoeveler
To: Swift, Faye
Subject: Regulations on smartway
Date: Thursday, February 09, 2017 7:35:49 AM

Hi Faye,

Real quick. Do you have regulations that define how we can determine if a loan is a default under Smaryway? We go by 90 days of non payment. But do you have a definition of it yourself? We want to make sure we are in compliance on this definition.

Thank you!

John
--

From: John Hoeveler
To: Swift, Faye
Subject: Follow up
Date: Tuesday, February 14, 2017 9:24:19 AM

Hey Faye,

Real quick, are these any other documents related to our close out of EPA 1? Our auditor is asking how we came up with this remaining balance of $572k? Donald Browner (b) (6) and we think he left with these documents. Is there anything on your side we could cite? The question that the auditor has is that the close out agreement basically says that these numbers are ours, and not confirmed on your side.

Thanks!

John

--

From:	John Hoeveler
To:	Swift, Faye
Subject:	Fwd: Regulations on smartway
Date:	Saturday, March 04, 2017 11:58:53 PM
Attachments:	2010.6.24 SmartWay Terms and Conditions FY09-10_CDTLS.doc T&C Attachment A for 83412501 .pdf

---

Faye,

I'm still dealing with the auditors on this and they have a question. Where does it state that defaults reduce the cash balance on this program? I can't find a statement where that's written. The auditors think that because that's not explicitly written, then the cash balance should remain $2.6 million even though I have over a million in defaults. They think these defaults create a liability where we have to pay the EPA back because we issued bad loans. Is there some language you could provide me that says otherwise?

Still compiling those QR and P/I reports for you....

Thanks!

John

---------- Forwarded message ----------
From: **Swift, Faye** <Swift.Faye@epa.gov>
Date: Thu, Feb 9, 2017 at 8:33 AM
Subject: RE: Regulations on smartway
To: John Hoeveler <john@cdtls.org>

These are the terms and conditions for the 1st and 2nd grants. I don't have time to look through them for a specific definition right now, but please take a look and see what you can find. I can take a look next week.

Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Thursday, February 09, 2017 7:36 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Regulations on smartway

Hi Faye,

Real quick. Do you have regulations that define how we can determine if a loan is a default under Smaryway? We go by 90 days of non payment. But do you have a definition of it yourself? We want to make sure we are in compliance on this definition.

Thank you!

John

--

From: John Hoeveler
To: Swift, Faye
Subject: Re: Regulations on smartway
Date: Monday, March 06, 2017 8:57:42 AM

Thanks Faye. We don't see much in the way of regulations on accounting the balance. I know it could be a simple "what got paid back" method but in finance nothing is that simple. We know that you are ok with us declaring the defaults as a means of reducing the program balance, but our auditors need to see that. Would you be willing to write a simple email stating that? The auditors are under the impression that this program is utilizing borrowed capital so if we have a default, we need to make up for it. But under Smartway, we don't carry a liability with the EPA. Can you confirm?

Thanks!

John

On Mon, Mar 6, 2017 at 8:41 AM Swift, Faye <Swift.Faye@epa.gov> wrote:

> I'm looking into it.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *...Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:john@cdtls.org]
> **Sent:** Saturday, March 04, 2017 11:59 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Fwd: Regulations on smartway
>
> Faye,
>
> I'm still dealing with the auditors on this and they have a question. Where does it state that

defaults reduce the cash balance on this program? I can't find a statement where that's written. The auditors think that because that's not explicitly written, then the cash balance should remain $2.6 million even though I have over a million in defaults. They think these defaults create a liability where we have to pay the EPA back because we issued bad loans. Is there some language you could provide me that says otherwise?

Still compiling those QR and P/I reports for you....

Thanks!

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Date: Thu, Feb 9, 2017 at 8:33 AM
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Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

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Thank you!

John

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From:	John Hoeveler
To:	Swift, Faye
Subject:	Re: Regulations on smartway
Date:	Tuesday, March 07, 2017 10:51:54 AM
Attachments:	Scanned from a Xerox Multifunction Device-8.pdf Scanned from a Xerox Multifunction Device-7.pdf

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Hi Faye,

Here is the swap agreement and the note. These notes are extremely long.. we have notes with SBA that don't have as much nonsense in them but the late fees are on page A-2 .. you can see that these loans are between CDTLS and Meadowbrook, with Meadowbrook providing the truck information. What made this complicated is that Meadowbrook provided the payment information. Truckers paid Meadowbrook and the Meadowbrook paid us. Some of the complications of this were that 1. Our loan to Meadowbrook was interest only in the first year but Meadowbrook collected a straight amort of principal and interest. 2. Meadowbrook collected from borrowers monthly but paid us quarterly. 3. We just had to take Meadowbrook's word on what was really paid back.

We have around 170 of these notes, some are completely paid off, some are partially paid off. All payments ceased on April 2016. Meadowbrook is claiming that many of these these trucks were defaults and therefore they don't need to pay us. Obviously we beg to differ. Our next step is to send a letter from our lawyer threatening to file judgement and report to credit bureaus. We will give him a week to respond and then execute. Before we do this, we are reevaluating the late fees. We expect our balance to be over $1 mil, so we'll use that as a starting point for negotiations and go from there. Their starting point is $0. So it will be interesting!

Hopefully I'll have the Q reports and P&I reports today.

Thanks!

John

On Tue, Mar 7, 2017 at 9:21 AM Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, If you could send me a copy of the partnership agreement with Meadowbrook this morning that would be helpful.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]

Sent: Saturday, March 04, 2017 11:59 PM

To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Fwd: Regulations on smartway

Faye,

I'm still dealing with the auditors on this and they have a question. Where does it state that defaults reduce the cash balance on this program? I can't find a statement where that's written. The auditors think that because that's not explicitly written, then the cash balance should remain $2.6 million even though I have over a million in defaults. They think these defaults create a liability where we have to pay the EPA back because we issued bad loans. Is there some language you could provide me that says otherwise?

Still compiling those QR and P/I reports for you....

Thanks!

John

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Subject: RE: Regulations on smartway
To: John Hoeveler <john@cdtls.org>

These are the terms and conditions for the 1st and 2nd grants. I don't have time to look through them for a specific definition right now, but please take a look and see what you can find. I can take a look next week.

Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

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Thank you!

John

--

From: John Hoeveler
To: Swift, Faye
Subject: Re: Regulations on smartway
Date: Tuesday, March 07, 2017 3:41:06 PM

Thank you! We can live with this for sure! I'll my files to you shortly ..!

On Tue, Mar 7, 2017 at 3:20 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Thanks, John.
>
> I met with the Office of Grants and Debarment and counsel today. We are drafting a formal statement regarding defaults and will get that out to you ASAP. In general, these are grants and do not need to be paid back. The program assumed the risk of defaults when establishing the program. Assuming the defaults can be proven/justified, they may be deducted from the RLF balance.
>
> In general we agreed that a default should be listed as a default and if a truck was repossessed and sold to a new driver, and that that loan could be listed as a new loan. It is hard to say definitively if this is how CDTLS should track and report as I don't have all the details on how this type of situation was actually handled from a financial perspective. We can continue to explore this.
>
> We talked about the late fees. We agreed that late fees collected meet the definition of program income (T&C #15). For the purposes of the T&Cs, "cooperative agreement funds" are defined as EPA's share plus any recipient cost-share plus any accrued program income (T&C #3). T&C 6.k states, "…no more than 15% of cooperative agreement funds may be used by the recipient for administration of the finance program." With all that said, we still need to figure out what that means in practice, i.e. how to calculate how much of the program income (i.e. RLF) may be used for admin.
>
> As far as dealing with project partners and contractors, per the terms and conditions of the award (#18), the recipient remains accountable to EPA for the proper expenditure of cooperative agreement funds. The recipient is responsible for ensuring that third parties receiving cooperative agreement funds comply with the terms of their finance agreements with the recipient, and that the finance agreements between the recipient and third parties are in accordance with the terms and conditions of the cooperative agreement. EPA is not a party to these transactions.

We also talked about revisiting the numbers for the SmartWay #2 closeout report and how to move forward with closeout and moving on from these grants. We are going to meet again to continue these discussions after I have a chance to review your new reports.

Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, March 07, 2017 10:52 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: Regulations on smartway

Hi Faye,

Here is the swap agreement and the note. These notes are extremely long.. we have notes with SBA that don't have as much nonsense in them but the late fees are on page A-2 .. you can see that these loans are between CDTLS and Meadowbrook, with Meadowbrook providing the truck information. What made this complicated is that Meadowbrook provided the payment information. Truckers paid Meadowbrook and the Meadowbrook paid us. Some of the complications of this were that 1. Our loan to Meadowbrook was interest only in the first year but Meadowbrook collected a straight amort of principal and interest. 2. Meadowbrook collected from borrowers monthly but paid us quarterly. 3. We just had to take Meadowbrook's word on what was really paid back.

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> DERA Grants & Policy Team Leader
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> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:john@cdtls.org]
>
> **Sent:** Saturday, March 04, 2017 11:59 PM
>
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Fwd: Regulations on smartway
>
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Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

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Sent: Thursday, February 09, 2017 7:36 AM
To: Swift, Faye <Swift.Faye@epa.gov>
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Thank you!

John

--

From: John Hoeveler
To: Swift, Faye
Subject: Activity Report
Date: Thursday, December 14, 2017 12:55:25 PM
Attachments: 121121.pdf
12188.pdf
122021.pdf
121881.pdf
Loan Activity History 12112.pdf
12202.pdf

Hi Faye,

Here are the reports..

thanks!

John

From: John Hoeveler
To: Swift, Faye
Subject: Balance
Date: Thursday, August 17, 2017 10:02:43 AM

Faye,

Our auditor is asking about the $330,000 that was determined as the balance for EPA2. We asked for that to be reconsidered and have told the auditors it's being reviewed again since we submitted some new documents. Is there any way we can have a new assessment of this since we showed that the money was deployed to eligible trucks?

Thanks!

John Hoeveler

From: John Hoeveler
To: Swift, Faye
Subject: CAIVRS
Date: Wednesday, March 08, 2017 11:52:55 AM

Faye,

Does EPA utilize CAIVRS? We can put Meadowbrook on there but our registration with that system is with USDA Rural Development.

John

From: John Hoeveler
To: Swift, Faye
Subject: CDTLS Balance Sheet
Date: Friday, December 15, 2017 3:08:16 PM
Attachments: Balance Sheet Oct2017.pdf

Faye,

This is our latest balance sheet. As you can see, most of our assets are in the form of Notes Receivable. Some of these notes are active EPA 1 and 2 loans (such as Eagle and Agronomy). Some are USDA IRP, some are SBA. In total they equal $10.49 mil. CDTLS has liabilities of $9.51 mil. That's money we borrowed from either USDA or SBA (loan guarantees). That money will be paid back over as much as 30 years. That leaves us with $979,000 of equity in the fund. This is cash that we do not owe anyone. It's cash that we can use to make new truck loans. The good news is that the yield on our assets is much higher than the coupon on our liabilities. For example, the average USDA-IRP loan gives us 8% interest, but we pay USDA 1% on the capital, leaving us with 7% interest margin. So the equity position will improve as notes mature.

The average note has a term of about 7 years, so loans pay off and that increases our cash position. You can see that we have about $600,000 in cash right now. Much of it is in loan loss reserves. The equity position will improve over time, and that's the capital we will use to issue the required RLF loans. If the loans pay back, they will be revolved minus the 15%, if they default then the equity will decrease but so will our RLF balance.

So let's move forward with the close out of EPA2 and a RLF balance and we can continue to issue new truck loans under a EPA2 RLF.

Let me know if you have any questions ..

Sincerely,

John

From: Swift, Faye
To: John Hoeveler
Bcc: Drummond, James; Young, Jill
Subject: CDTLS FW: EPA 1 Reports
Date: Saturday, December 09, 2017 1:41:00 PM
Attachments: EPA #1 Principal & Int Analysis Q4.xls
EPA 1 QR Q4.xls
image001.png
image002.png
2017.1.9 ACCT 19902 Agronomy Services LLC (IRP #5).pdf

John,

Regarding the attached reports that you submitted to me on 3/8/2017:

The EPA1 Q4 Quarterly Report lists 3 loans to Agronomy. The total project cost and the EPA portion of the loan are shown below.

Loan/Fleet Information *Bold column headings indicate required fields

ng

Date	Borrower Name	Interest Rate to Borrower	Loan Term (months)	Total Project Cost	Finance Program Type	EPA Portion of Funds Expended	EPA Funds Expended - Grant Funds (GF) / RLF	Non-EPA Leveraged Funds Source	Leveraed / Private Lender Portion	Project Cost - Loan Amount	Rate to Borrower Financing Retrofited Truck	Borrower Location (State)
7/27/15	Agronomy Services	0.00%	60	$95,000.00	Loan	$95,000.00	RLF	N/A	-	-	0.00%	IL
5/25/16	Agronomy Services	0.00%	36	$140,000.00	Loan	$95,000.00	RLF	N/A	-	-	0.00%	IL
8/3/16	Agronomy Services	0.00%	60	$200,000.00	Loan	$200,000.00	RLF	N/A	-	-	0.00%	IL

The corresponding EPA Q4 P&I report that was submitted list the following information for the Agronomy loans:

CDTLS
EPA #1 Program Principal/Interest Analysis
Grant #DE-83412501-0
As of 12/31/2016

Loans	GL Acct#	EPA Portion of Loan	Additional EPA Portion	Interest Rate	Repayments		
					Principal	Interest	Total
Agronomy Services	19928	$95,000.00		0%	$ 26,916.78	$ -	26,916.78
Agronomy Services	19940	$140,000.00		0%	$ 13,723.65	$ -	13,723.65
Agronomy Services	19957	$200,000.00		0%	$ 17,415.78	$ -	17,415.78

There is a discrepancy in how much of the 19940 loan was funded with EPA funds. Please clarify.

Further, the attached Loan Activity Report for Agronomy Service (submitted by CDTLS on 1/9/2017) identifies an Agronomy Loan for $150,000 issued on 6/4/14, Loan #19902. This information does not correspond with any of the 3 Agronomy Loans reported above. Can you provide loan activity reports for the 3 loans listed above, including documentation of how much of each loan was EPA/RFL funds? How do these 3 reported loans relate to loan #19902?

The EPA 1 Q3 quarterly report and P&I report included the 19928 and 19957 loans, however the QR listed the EPA share of 19957 as $200,000 and the P&I report listed the EPA share of 19957 as $60,000. Further , these reports included loans to Gengles Feeders, Midwest Agribusiness, and Foundation Solutions. Again, there is a discrepency in the reports regarding the EPA share of the Gengles Feeders loan. Loan activity reports for these three loans were submiteed to EPA on 1/9/2017. However, none of these three loans appear in subsequest the EPA 1 Q4 reports (attached). These 3 loans are not listed in the EPA2 reporting either. Please clarify thiese discrepencies.

Thanks,

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
...Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Wednesday, March 08, 2017 3:56 PM
To: Swift, Faye <Swift.Faye@epa.gov>

Subject: EPA 1 Reports

Faye,

Here's the EPA 1 Q4 Report and the P&I. Let me know if you have any questions.

Thanks!

John

From:	Swift, Faye
To:	John Hoeveler
Bcc:	Drummond, James; Young, Jill
Subject:	CDTLS RE: EPA 2 Program Expenses
Date:	Friday, December 08, 2017 1:10:00 PM
Attachments:	2017.9.19 EPA1 Fund Analysis.pdf

Hi John, as we discussed yesterday we also need to reconcile the RLF balance. Moving the full $500K Eagle Aggregate loan to SW#2 means you need to remove it from the EPA#1 accounting and RLF#1 reporting. If it is just this one, that seems manageable. We need double check to make sure there is are no other loans that are listed under both funds.

Attached is the EPA1 report submitted in sept 2017 which shows $350K of the loan under SW#1.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, December 07, 2017 12:07 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA 2 Program Expenses

Faye,

Yes we used the funds from EPA2. We may have originally stated that it was EPA1 and EPA2 but that was before realizing that we had a deficiency of funds deployed from EPA2. Since Eagle Aggregate was made before 6/30/14, we applied this loan entirely to EPA2.

Thanks!

John

On Thu, Dec 7, 2017 at 12:02 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> In the attached document, the handwritten note implies that the $500K Eagle Aggregate Loan is split between EPA1 and EPA2. However, all of the reporting spreadsheets from you attribute this loan to EPA2. Please confirm that the EA loan was funded with $500K of EPA 2 RLF funds.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
...Driving Innovation in Clean Transportation

-----Original Message-----
From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, September 19, 2017 1:21 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA 2 Program Expenses

Hi Faye,

Please see the attached expenses for the EPA2 Smartway program.

Have a good week!

Sincerely,

John

From:	Young, Jill
To:	john@cdtls.org
Cc:	Askew, Wendel; Rich, Stephanie; Swift, Faye; Keller, Jennifer; Proctor, Barbara; Drummond, James
Subject:	CDTLS
Date:	Thursday, March 09, 2017 2:40:40 PM

Mr. Hoeveler,

This email is in response to your request that EPA provide clarification on the treatment of defaults under the grants awarded to CDTLS under EPA's SmartWay Clean Diesel Finance Program. The funds awarded to CDTLS under EPA's SmartWay Clean Diesel Finance Programs are grant funds. Grant funds are to be used by the grant recipient for eligible expenditures in accordance with the authorities governing the award. The authorities governing the recipient's use of funds are found in statutory and regulatory requirements, approved project workplans, and the Terms and Conditions of the award, which also incorporate applicable program guidance. EPA assumed the risk of defaults when establishing the SmartWay Clean Diesel Finance Program. If the grantee can demonstrate that defaults are legitimate and that the grantee and its partners established policies/procedures and exercised due diligence to protect and recover assets (see T&C #18 below), there is no obligation on the part of the grantee to cover the costs of defaults and therefore defaults may be deducted from the revolving loan fund (RLF) balance.

The following information is included for reference.

The original Request for Proposals (SmartWay Clean Diesel Finance Program, FY 2009/2010 Request for Proposals (RFP), RFP#: EPA-OAR-OTAQ-09-13, CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 66.039) under which CDTLS grant # DE 83469201 was awarded included the following language regarding defaults:

> **Types of Finance Programs**
>
> Finance programs may include, but are not limited to the following: loan guarantees, issuance of tax exempt or taxable bonds for low cost loans, equity investments, revolving loans, or leases. The examples discussed below could apply to either a loan or lease program. Lease programs finance the use of a vehicle, engine or equipment, whereas loan programs finance the purchase of a vehicle, engine or equipment. In all cases, the participating financial institutions should use industry standard recovery strategies, such as global positioning system (GPS) devices and automatic shut-off systems, as a means to minimize losses and maximize vehicle recovery in the case of defaults. GPS devices can also be a useful technology for assessing what portion of the emission reductions occur in poor air quality areas, which is a programmatic priority. If a default does occur the cooperative agreement recipient shall determine the amount that would make them whole before requesting payment using cooperative agreement funds (i.e., the recovered value of the retrofitted engine or equipment at accepted industry rates).

***Loan Guarantee*:** The finance program may be a loan guarantee whereby the funds are used to guarantee repayment of the loans or leases made by a lending institution. Essentially, the cooperative agreement recipient would deposit funds into an escrow account to guarantee all or part of a loan for the purchase of a retrofitted vehicle or equipment that has been upgraded with verified retrofit technology, idle reduction technology, or other verified technologies. Disbursement would not be requested until a guaranteed loan has been made by a participating financial institution. In the usual case, the funds would remain in escrow and be returned to the cooperative agreement recipient when all borrowers repaid the guaranteed loans. If there is a default, the cooperative agreement recipient (after going through the standard industry recovery practices) would use the funds in the escrow account to make the lender whole for its losses. The losses may include the principal loaned out plus interest payments that had accrued at the time of the default (minus any payments made on the loan). In these types of loans, neither the borrowers nor the participating financial institutions should be given the impression that the loans are guaranteed by the Federal Government. The loan is guaranteed by the cooperative agreement recipient (or sub-recipient or lender partner, etc.). The escrow account must be properly structured in accordance with the standards of 64 Comp. Gen. 96, 98 (1984) to ensure that cooperative agreement funds transferred to the recipient are disbursements of assistance funds.

The Terms and Conditions for CDTLS grant # DE 83469201 include the following language regarding defaults:

18. Loan or Lease Default

In the event of a loan or lease default:

A. The recipient shall make reasonable efforts to enforce the terms of the loan or lease agreement including proceeding against the assets pledged as collateral to cover losses to the loan or lease.

B. The recipient shall use industry standard recovery strategies to minimize losses and/or maximize vehicle recovery.

C. The recipient shall determine the amount that would make them whole before requesting payment from the cooperative agreement award (i.e., the recovered value of the retrofitted engine or equipment at accepted industry rates).

Please continue to work with EPA program offices and staff to conclude this matter promptly.

Jill D. Young
Branch Chief
Environmental Protection Agency
Office of Grants & Debarment
1300 Pennsylvania Ave., NW
Washington, DC 20004
Young.Jill@epa.gov

From: John Hoeveler
To: Swift, Faye
Subject: Close out
Date: Tuesday, July 04, 2017 9:20:44 PM

Hi Faye,

(b) (6)

I don't know if you're back yet but I hope we can talk soon because I have a non-compliance notice from the SBA concerning our audit's statement of activities. This report is listing Smartway as money owed to the EPA, similar to how our USDA/IRP loans are. I have a meeting with SBA and will need to explain why we have a deficiency of cash relative to our liabilities. I would like to demonstrate to the SBA that this is wrong and that we don't have a loan with the EPA.

Perhaps we can discuss what I can tell the SBA because they have concerns about whether we are solvent lenders. Currently our audit is listing Smartway as $3.1 million. I'm very sure our balance is lower than that but I have difficulty demonstrating it. I know SBA is not interested in the dynamics of truck swaps and what type of VIN numbers were accepted. I just need to demonstrate that much of this deficiency is from a grant that's almost a decade old and will hopefully be closed out soon. I also have to prepare for the next audit and I will likely face the same issues unless I can get something from your office to show that progress has been made in reducing or eliminating the grant balance. I think we have provided all the required documentation to get a close out agreement for EPA2 but hopefully we can get something for the entire program. Any help is appreciated.

Thank you!

John Hoeveler
CDTLS

From: Swift, Faye
To: John Hoeveler
Subject: draft agreement
Date: Wednesday, February 14, 2018 6:44:00 PM
Attachments: 2018.2.14 CDTLS draft Closeout Agreement.2.doc

Hi John,

Let me know your thoughts. If you have other ideas for eligible projects we can consider. This has not been vetted by legal yet.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler
To: Swift, Faye
Subject: Edits to the closeout agreement
Date: Monday, February 19, 2018 3:09:17 PM
Attachments: 2018.2.14 CDTLS draft Closeout Agreement.2.doc

Hi Faye,

I made some edits to the closeout agreement. I used track changes. We find the terms to be agreeable so there aren't many edits. I changed the start date from March 1 2018 to June 30, 2017 in order to get the auditors to make this retroactive to the 2017 audit. Let me know if that's ok.

One other thing, can we agree to a payment plan for the $144,000 repayment? Can we do 10 years so we don't slammed with a huge bill that forces us to go without health insurance for a year?

Thanks!

Have a good week!

Sincerely,

John Hoeveler

From: John Hoeveler
To: Swift, Faye
Subject: EPA 1 Expenses
Date: Tuesday, September 19, 2017 1:23:46 PM
Attachments: EPA 1 Expenses Summary.xlsx
EPA1 Active Loans.pdf
EPA1 Closeout Agreement -- Program Balance as of 2012.pdf
EPA1 Fund Analysis.pdf
EPA1 Program Balance and Audited Expenses.pdf
EPA1 Project Additional Expenses - 166809.95.pdf

Hi Faye,

Please see the attached expenses for the EPA1 Smartway program.

Have a good week!

Sincerely,

John

From: John Hoeveler
To: Swift, Faye
Subject: EPA 1 fund balance
Date: Tuesday, March 21, 2017 12:21:37 PM
Attachments: Adjustment to EPA 1 Fund Balance - Final.xlsx

All EPA 1 loans..

Thanks!

From: John Hoeveler
To: Swift, Faye; Kevin Oliff
Subject: EPA 1 Fund Balance
Date: Friday, March 10, 2017 11:38:41 AM
Attachments: Adjustment to EPA 1 Fund Balance - Final.xlsx

Hi Faye,

Here is the EPA1 fund balance for 3/31/2017.

Thanks!

john

From:	John Hoeveler
To:	Swift, Faye
Subject:	EPA 1 Reports
Date:	Wednesday, March 08, 2017 3:56:37 PM
Attachments:	EPA #1 Principal & Int Analysis Q4.xls EPA 1 QR Q4.xls

---

Faye,

Here's the EPA 1 Q4 Report and the P&I. Let me know if you have any questions.

Thanks!

John

From: John Hoeveler
To: Swift, Faye
Subject: EPA 2 Program Expenses
Date: Thursday, December 07, 2017 12:08:17 PM

Faye,

Yes we used the funds from EPA2. We may have originally stated that it was EPA1 and EPA2 but that was before realizing that we had a deficiency of funds deployed from EPA2. Since Eagle Aggregate was made before 6/30/14, we applied this loan entirely to EPA2.

Thanks!

John

On Thu, Dec 7, 2017 at 12:02 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> In the attached document, the handwritten note implies that the $500K Eagle Aggregate Loan is split between EPA1 and EPA2. However, all of the reporting spreadsheets from you attribute this loan to EPA2. Please confirm that the EA loan was funded with $500K of EPA 2 RLF funds.
>
> Faye Swift
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> ...Driving Innovation in Clean Transportation
>
> -----Original Message-----
> From: John Hoeveler [mailto:john@cdtls.org]
> Sent: Tuesday, September 19, 2017 1:21 PM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: EPA 2 Program Expenses
>
> Hi Faye,
>
> Please see the attached expenses for the EPA2 Smartway program.
>
> Have a good week!
>
> Sincerely,
>
> John

From:	John Hoeveler
To:	Swift, Faye
Subject:	EPA 2 Program Expenses
Date:	Tuesday, September 19, 2017 1:24:40 PM
Attachments:	EPA 2 Expenses Summary.xlsx EPA2 2017 Expenses.pdf EPA2 Active Loan.pdf EPA2 Loan Writeoffs.pdf EPA2 Program Balance and Audited Expenses.pdf EPA2 Project (1) Additional Expenses - 606288.pdf EPA2 Project (2) Additional Expenses - 1029799.25.pdf

---

Hi Faye,

Please see the attached expenses for the EPA2 Smartway program.

Have a good week!

Sincerely,

John

From: John Hoeveler
To: Swift, Faye
Subject: EPA Records
Date: Monday, December 18, 2017 11:06:26 AM
Attachments: EPA Indirect Email.pdf
EPA Proposal.pdf
Indirect Approval .pdf
CDTLS 2008 Closeout Agreement - Signed.pdf

Faye,

I have been looking through the old folders on this program. I can't answer everything question as to why things were done the way they were done. But I do get some clues from looking into the archives.

An indirect cost of over 90% was approved for this program. That indirect cost was applied directly to the grant, because it was technically a grant and not a loan. This indirect rate comes on top of the 5% or 15% eligible expense allocation for each evolvement of capital. The expense reports we sent reflect this rate. I'm not going to justify everything that Mr. Browner and Mr. Marsico did, but just doing the math: $3,800,000 x 5% = $76,000. I can see why they were under the impression that they could charge the grant indirect rate. The average loan term is three years.

Second, according to the EPA1 close out, reporting on this program ended October 31, 2017. See page 5 of the CDTLS 2008 Closeout agreement. That means the grant is 100% closed out. The best thing for us to do is to move the EPA 1 loans over to EPA 2 in order to reduce the RLF balance. We will continue to report on EPA 2, but the balance is significantly reduced because EPA 1 is finished, as well as the eligible indirect expenses applied to EPA2.

Thanks!

John Hoeveler
CDTLS

From: Swift, Faye
To: John Hoeveler
Subject: EPA#1 RLF Balance
Date: Thursday, December 14, 2017 3:28:00 PM
Attachments: 2017.12.14 CDTLS 2008 Closeout to Present Balance.xls

---

Hi John, Here is my calculated RFL balance for EPA#1. Please take a look. I used track changes to show where I made edits to your most recent P&I report based on the new information you provided.

I was able to recreate the reported loans and income at the time of closeout (10.30.12 tab). I subtracted these amounts from the cumulative reported loans and income as of this week (12.2017 tab). The final balance is highlighted.

I am working on finalizing the same type of analysis for EPA#2.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: Swift, Faye
To: John Hoeveler
Bcc: Drummond, James; Young, Jill
Subject: EPA#2 RLF Balance Estimates
Date: Thursday, December 14, 2017 7:01:00 PM
Attachments: 2017.12.14 EPA#2 Closout to Present RLF Balance.xls

---

Hi John, Here are my ESTIMATES for EPA#2 RLF Balance (see the tab marked "estimate". These numbers are subject to change based on the pending loan activity reports.

These calculations include an adjustment of the Closeout calculations for EPA#2, namely: 1) inclusion of $500K Eagle Aggregate loan; 2) Accrued Program Income of 168,561.00 due at closeout of EPA#2. See the tab labeled "0614".

We can discuss moving any loans made after 6/31/2014 from EPA#1 RLF to EPA#2 RLF to decrease accrued program income on EPA#2 due at closeout. Please note that this will increase the RLF#1 balance by the transfered loan amount and any corresponding loan repayments will also be moved to EPA#2 RLF.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, December 14, 2017 5:41 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: RE:

Ok that would help a lot! Have a good day !

Sent from my iPhone

On Dec 14, 2017, at 5:24 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Probably. I'll send you the EPA#2 reconciliation and then we can discuss what makes sense.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> ---
>
> **From:** John Hoeveler [mailto:(b) (6)

Sent: Thursday, December 14, 2017 4:02 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re:

Thanks Faye. I don't disagree with anything but can we put one or two loans onto the EPA 2 balance? Probably some of the cash I used to fund those EPA1 loans was really EPA2 capital. It's highly likely.

Thanks!

John

Sent from my iPhone

On Dec 14, 2017, at 3:49 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> <image001.gif>
> Just to let you know, I will be working for a few hours in the morning tomorrow as well.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From:	John Hoeveler
To:	Swift, Faye
Subject:	EPA2 Reports
Date:	Wednesday, March 08, 2017 2:56:16 PM
Attachments:	EPA #2 Qtrly Report 1216- Updated .xls EPA2 P&I Q4.xls

---

Faye,

Here's the EPA2 Q4 Report and P&I breakdown. It accounts for the swaps and the defaults. I hope we can meet soon to discuss a closeout term for this program. We have a few ideas that we would like to propose that would allow us to continue to issue truck loans and report them to you. Let me know what you think of these reports and if you need anything else. We appreciate the email you sent yesterday.

Thank you!

John Hoeveler

From: John Hoeveler
To: Swift, Faye
Subject: Follow up
Date: Wednesday, April 05, 2017 11:05:06 AM

Hi Faye,

Are you around? I have some additional expenses for the program I can present. I just wanted to talk to you first. Have a good day!

John
--

From: John Hoeveler
To: Swift, Faye
Subject: Follow up
Date: Tuesday, September 26, 2017 11:30:48 AM

Hi Faye,

I don't know if you've had a chance to see the financials we sent but you mentioned we might have a meeting at your office as a next step. If we can sort out what we have as a balance on this grant, and what we should do with it, it would be great because we can deploy what's left to finish this grant and we can move on as a company. Do you think we can have that meeting next week?

Thanks!

John Hoeveler
CDTLS

From:	Swift, Faye
To:	John Hoeveler
Subject:	FW: EPA 2 Program Expenses
Date:	Monday, December 18, 2017 8:03:00 AM
Attachments:	EPA 2 Expenses Summary.xlsx EPA2 2017 Expenses.pdf EPA2 Active Loan.pdf EPA2 Loan Writeoffs.pdf EPA2 Program Balance and Audited Expenses.pdf EPA2 Project (1) Additional Expenses - 606288.pdf EPA2 Project (2) Additional Expenses - 1029799.25.pdf

---

Hi John,

In the attached expense reports, can you clarify what Columns L and M represent? i.e. "Project 1" and "Project 2"?

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

-----Original Message-----
From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, September 19, 2017 1:21 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA 2 Program Expenses

Hi Faye,

Please see the attached expenses for the EPA2 Smartway program.

Have a good week!

Sincerely,

John

From: Swift, Faye
To: John Hoeveler
Subject: FW: EPA 2 Program Expenses
Date: Thursday, December 07, 2017 3:21:00 PM
Attachments: EPA2 Program Balance and Audited Expenses.pdf

Hi John, Unless I am missing something, I don't see anything here that would justify and increase in program expenses billed to EPA 2 during the project period (ending 6/30/2014).

I have one more idea I am exploring and will work on it tonight. Let's talk Monday.

2014-2015 Closeout Calcs

2,600,000.00	grant
(234,773.68)	
2,365,226.32	Grant funds available
(355,130.87)	expenses
2,010,095.45	grant funds available for loans
2465095.45	loans
(2,010,095.45)	grant funds available for loans
455,000.00	PI & RLF funds needed
788561	PI earned
(455,000.00)	
333,561.00	accrued PI owed

2017 Revised Closeout Calcs

2,600,000.00	grant
(234,773.68)	
2,365,226.32	Grant funds available

(355,130.87)	expenses
2,010,095.45	grant funds available for loans
$ 2,630,095.45	loans
(2,010,095.45)	grant funds available for loans
620,000.00	PI & RLF funds needed
788561	PI earned
(620,000.00)	
168,561.00	accrued PI owed

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

-----Original Message-----
From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, September 19, 2017 1:21 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA 2 Program Expenses

Hi Faye,

Please see the attached expenses for the EPA2 Smartway program.

Have a good week!

Sincerely,

John

From: Swift, Faye
To: John Hoeveler
Subject: FW: EPA 2 Program Expenses
Date: Thursday, December 07, 2017 12:03:00 PM
Attachments: EPA2 Active Loan.pdf

Hi John,

In the attached document, the handwritten note implies that the $500K Eagle Aggregate Loan is split between EPA1 and EPA2. However, all of the reporting spreadsheets from you attribute this loan to EPA2. Please confirm that the EA loan was funded with $500K of EPA 2 RLF funds.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

-----Original Message-----
From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, September 19, 2017 1:21 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA 2 Program Expenses

Hi Faye,

Please see the attached expenses for the EPA2 Smartway program.

Have a good week!

Sincerely,

John

From:	Swift, Faye
To:	John Hoeveler
Subject:	FW: EPA Documents
Date:	Thursday, December 07, 2017 9:17:00 AM
Attachments:	EPA #2 Program Principal & Int Analysis 1215-2.xls

---

Hi John,

Is it possible for you to produce the attached document, but with repayment status as of 6/30/2014?

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Monday, January 09, 2017 4:03 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA Documents

Faye,

I have these documents to show the 9/30/16 status of the EPA accounts. EPA2 has revised Eagle Aggregate to show $500,000, instead of $335,000. EPA1 QR has added new loans to reflect the revolving capital. Let me know if you have any questions. I have also added the P/I breakdowns for each account. The one's highlighted in red are defaults.

Thanks!

John

From:	Swift, Faye
To:	John Hoeveler
Bcc:	Drummond, James; Young, Jill
Subject:	FW: Updated P&I
Date:	Thursday, December 14, 2017 8:44:00 AM
Attachments:	EPA2 P&I Q4.xls EPA #1 Principal & Int Analysis Q4-2.xls

---

John,

In the EPA#1 report you provided on Tuesday, loans that were transferred to another individual are being double counted. For example, Loan #12 to Tia Howard was transferred to Nichols Denning. The initial outlay of principal is listed twice (once for Tia Howard and one for Nicholas Denning), so that when the total amount of "EPA Portion of Loan" is calculated, these loans are being double counted. My understanding is that in actuality, the new loan recipient took over the balance remaining on the loan and was not issued a new loan (i.e. there was no new outlay of cash).

Other examples can be seen in loan #20 (Wayne Hallman to Shannon Jenkins) and loan #33 (Jerry McInnis to Tony Hunter) and loan #36 (Mitchell Addison to James McNealy).

Please confirm that the new loan recipients took over the balance remaining on the loan and were not issued a new loan (i.e. there was no new outlay of cash). Also, please confirm that you understand that my calculations for the reconciliation of the RLF balance will not list these loan transfers as an additional outlay of RLF funds.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, December 12, 2017 12:28 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Updated P&I

From: John Hoeveler
To: Swift, Faye
Subject: Fwd: EPA Attachment
Date: Friday, April 28, 2017 3:57:26 PM
Attachments: (b) (6)

Hi Faye,

Here's a copy of our financials related to the EPA program .. it included invoices, time sheets, etc. Let me know if this will work. Have a good weekend!

Thanks,

John

---------- Forwarded message ----------
From: **Kevin Oliff** <Kevin@cdtls.org>
Date: Fri, Apr 28, 2017 at 2:48 PM
Subject: EPA Attachment
To: "john cdtls.org" <john@cdtls.org>, Mia Aisa <mia@cdtls.org>

Couldn't fit into the scanner to do it as one document so here's the doc split into two.

From:	John Hoeveler
To:	Swift, Faye
Subject:	Fwd: Fwd: loan activity reports needed
Date:	Friday, December 15, 2017 10:35:49 AM
Attachments:	12153.pdf 121461.pdf 121391.pdf 12139.pdf 121302.pdf 121301.pdf 12130.pdf 12129.pdf

---

Faye,

Here's the first batch .... I'm getting the rest. We have to save them as PDFs so it's tedious.

---------- Forwarded message ----------
From: **Alketa Shtylla** <alketa@cdtls.org>
Date: Fri, Dec 15, 2017 at 10:32 AM
Subject: Re: Fwd: loan activity reports needed
To: John Hoeveler <(b) (6)

Here are a few working on the rest,

Thanks

From: "Swift, Faye" <Swift.Faye@epa.gov>
Date: December 14, 2017 at 6:11:07 PM EST
To: John Hoeveler <(b) (6)
Subject: loan activity reports needed

Hi John, Please send me the following loan activity reports.

12129

12130

121301

121302

12139

121391

12146

121461

12153

121531

12155

121551

#40. Nathan Wilks and Willie Young (EPA-096)

12161

121611

12162

121621

12163

121631

121632

12165

121651

12167

121671

12168

121681

12171

121711

12177

121771

12189

121891

121892

12197

121971

12198

121981

12201

122011

12203

122031

12211

122111

Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

Alketa Shtylla

CDTLS

Portfolio Manager

1020 16th St. NW

Washington, D.C.

Suite 600

alketa@cdtls.org

www.cdtls.org

703-608-8083

From: John Hoeveler
To: Swift, Faye; Alketa
Subject: Fwd: Fwd: loan activity reports needed
Date: Friday, December 15, 2017 10:59:46 AM
Attachments: 122111.pdf
12211.pdf
122031.pdf
12203.pdf
122011.pdf
12201.pdf
121981.pdf
12198.pdf
121971.pdf
12197.pdf
121892.pdf
121891.pdf
12189.pdf
121771.pdf
12177.pdf
121711.pdf
12171.pdf
121681.pdf
12168.pdf
121671.pdf
12167.pdf
121651.pdf
12165.pdf
121632.pdf
12163.pdf
121621.pdf
12162.pdf
121611.pdf
12161.pdf
121551.pdf
12155.pdf
121531.pdf
12153.pdf

Hey Faye,

Here's the rest.. have a good weekend.. stay warm!

Thanks!

---------- Forwarded message ----------
From: **Alketa Shtylla** <alketa@cdtls.org>
Date: Fri, Dec 15, 2017 at 10:57 AM
Subject: Re: Fwd: loan activity reports needed
To: John Hoeveler <(b) (6)

These are the rest of the reports.

Thanks

>
> Begin forwarded message:
>
> > From: "Swift, Faye" <Swift.Faye@epa.gov>

> > Date: December 14, 2017 at 6:11:07 PM EST
> > To: John Hoeveler <(b) (6)
> > Subject: loan activity reports needed
> >
> > Hi John, Please send me the following loan activity reports.
> >
> > 12129
> > 12130
> > 121301
> > 121302
> > 12139
> > 121391
> > 12146
> > 121461
> > 12153
> > 121531
> > 12155
> > 121551
> > #40. Nathan Wilks and Willie Young (EPA-096)
> > 12161
> > 121611
> > 12162
> > 121621
> > 12163
> > 121631
> > 121632
> > 12165
> > 121651
> > 12167
> > 121671
> > 12168
> > 121681
> > 12171
> > 121711
> > 12177
> > 121771
> > 12189
> > 121891
> > 121892
> > 12197
> > 121971
> > 12198
> > 121981
> > 12201
> > 122011
> > 12203
> > 122031
> > 12211
> > 122111
> >

> > Faye Swift
> > DERA Grants & Policy Team Leader
> > 202-343-9147
> >
> > US EPA Transportation & Climate Division
> > …Driving Innovation in Clean Transportation
> >

Alketa Shtylla

CDTLS

Portfolio Manager

1020 16thSt. NW

Washington, D.C.

Suite 600

alketa@cdtls.org

www.cdtls.org

703-608-8083

From:	John Hoeveler
To:	Swift, Faye
Subject:	Fwd: Loan Activity Report
Date:	Monday, December 18, 2017 12:10:05 PM
Attachments:	12146.pdf 121461-Swap.pdf loan#12153.pdf Loan#12165.pdf Loan#12198.pdf loan#12206.pdf loan#12209.pdf loan#121531-Swap.pdf Loan#121631.pdf Loan#121632 Swap.pdf Loan#121651 - Swap.pdf Loan#121981-Swap.pdf

---

Hi Faye here are the activity reports ..

Thanks!

Sent from my iPhone

Begin forwarded message:

> **From:** "mia cdtls.org" <mia@cdtls.org>
> **Date:** December 18, 2017 at 12:03:50 PM EST
> **To:** "john cdtls.org" <john@cdtls.org>
> **Subject: Loan Activity Report**
> **Reply-To:** "mia cdtls.org" <mia@cdtls.org>

From: John Hoeveler
To: Swift, Faye
Subject: Meadowbrook ein
Date: Wednesday, February 28, 2018 11:31:50 AM

Hey Faye,

I found it. I'll send the report in two weeks when it's due. No payments in over a year - his credit score will be about 350. He won't be able to buy a Yugo unless he pays cash.

John

Sent from my iPhone

From: John Hoeveler
To: Swift, Faye
Subject: Meadowbrook update
Date: Tuesday, March 27, 2018 11:25:54 AM

Faye,

I reported Meadowbrook to Experian for being over a year late in paying up on their loans to us. That will end up with D&B and other credit bureaus ..

I also sent all delinquent files to a law firm in Chicago so we can file judgement. He won't be able to get a game of jacks after that's filed.

Can we please have the close out agreement? :)

Thank you!

John

From: Swift, Faye
To: John Hoeveler
Subject: memo?
Date: Wednesday, December 06, 2017 12:33:00 PM

Hi John,

In pulling together the administrative record, I am missing a copy of a memo from CDTLS to Denise Polk, dated 10/21/2015. Do you happen to have a copy of this?

If not, it is not a problem. I can dig it up here but thought I'd check with you first.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: Swift, Faye
To: John Hoeveler
Subject: RE:
Date: Friday, July 07, 2017 1:57:00 PM

Hi John, I am still working on the letter. Based on our conversion yesterday I think I have a good understanding of what you need and I'm trying to touch on all the points we discussed - Boiling it all down to plain language is difficult.

What day is your meeting with SBA?

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, July 06, 2017 2:28 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re:

Yea I'll be around no problem!

Sent from my iPhone

On Jul 6, 2017, at 2:25 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> <image001.gif>
> Hi John, I got pulled into something else and am still working on the email for you. Are you working tomorrow?
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: John Hoeveler
To: Swift, Faye
Subject: Re:
Date: Thursday, December 14, 2017 4:02:58 PM

Thanks Faye. I don't disagree with anything but can we put one or two loans onto the EPA 2 balance? Probably some of the cash I used to fund those EPA1 loans was really EPA2 capital. It's highly likely.

Thanks!

John

Sent from my iPhone

On Dec 14, 2017, at 3:49 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> <image001.gif>
> Just to let you know, I will be working for a few hours in the morning tomorrow as well.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: Swift, Faye
To: John Hoeveler
Subject: RE: Balance
Date: Monday, August 21, 2017 9:25:00 AM

Hi John, I will have an update for you later this week. Thank you for your patience.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

-----Original Message-----
From: John Hoeveler [mailto:john@cdtls.org]
Sent: Thursday, August 17, 2017 10:02 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Balance

Faye,

Our auditor is asking about the $330,000 that was determined as the balance for EPA2. We asked for that to be reconsidered and have told the auditors it's being reviewed again since we submitted some new documents. Is there any way we can have a new assessment of this since we showed that the money was deployed to eligible trucks?

Thanks!

John Hoeveler

From: Swift, Faye
To: John Hoeveler
Subject: RE: CAIVRS
Date: Wednesday, March 08, 2017 12:52:00 PM

What is CAIVRS?

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Wednesday, March 08, 2017 11:53 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: CAIVRS

Faye,

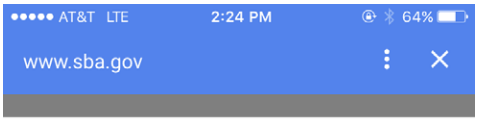
Does EPA utilize CAIVRS? We can put Meadowbrook on there but our registration with that system is with USDA Rural Development.

John

From: John Hoeveler
To: Swift, Faye
Subject: Re: CAIVRS
Date: Wednesday, March 08, 2017 1:27:33 PM
Attachments: unnamed.png

It's a database where government lenders report borrowers who caused the government to lose money ... so if you default on a student debt that's backed by Uncle Sam, FHA loans (HUD), SBA loans, USDA B&I loans, stuff like that. Since we made a loan to him using federal money, we could add him to the list. If you're on that list, you're ineligible for government programs. I want to put Meadowbrook on it.

You know there are a lot of elements to a loan program that can make it effective or ineffective. We could work with you to help design programs based on our experience of what works. Maybe we can make it part of our closeout agreement :) Our other programs work pretty well.. we're #11 on the SBA list nationwide. USDA is similar but they don't have rankings. Anyways, we'll put Meadowbrook on Experian and file judgement in addition to CAIVRS.



)portunity - FY 2016

FY2016 Top 25 Community Advantage Lenders (Ranked by $ CA Loan Approvals)

	Lender	State	# CA Loan Approvals	$ CA Loan Approvals
1	LiftFund, Inc.	TX	74	$10,725,600
2	CDC Small Business Finance Corporation	CA	84	$10,431,100
3	Empire State Certified Development Corporation	NY	65	$10,056,100
4	Main Street Launch	CA	72	$9,973,800
5	Valley Economic Development Corp.	CA	78	$8,947,100
6	Business Development Finance Corporation	AZ	41	$5,225,600
7	Growth Capital Corporation	OH	52	$4,423,000
8	Carolina Small Business Development Fund	NC	36	$4,177,100
9	PeopleFund	TX	49	$4,140,600
10	Wisconsin Women's Business Initiative Corporation	WI	41	$3,632,000
11	Comm. Development Transportation Lending Services, Inc.	DC	18	$3,475,300
12	Regional Business Assistance Corp.	NJ	25	$3,115,000
13	Local Initiatives Support Corporation	NY	20	$2,905,800
14	West Central Development Corporation	OH	25	$2,555,500
15	Flagship Enterprise Center, Inc.	IN	17	$2,488,000
16	Craft3	WA	14	$2,106,000
17	Colorado Lending Source, Ltd.	CO	14	$2,067,800
18	SomerCor 504, Inc.	IL	16	$2,025,000
19	Black Business Investment Fund of Central Florida, Inc.	FL	10	$1,981,900
20	Fresno Community Development Financial Institution	CA	21	$1,937,800
21	Eastern Maine Development Corporation	ME	10	$1,801,000
22	Northern Economic Initiative Corp.	MI	11	$1,660,400
23	Montana Community Development Corp.	MT	14	$1,512,800
24	Community Investment Corporation	VT	11	$1,385,000
25	Union County Economic Development Corporation	NJ	9	$1,371,500

On Wed, Mar 8, 2017 at 12:52 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> What is CAIVRS?

Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Wednesday, March 08, 2017 11:53 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: CAIVRS

Faye,

Does EPA utilize CAIVRS? We can put Meadowbrook on there but our registration with that system is with USDA Rural Development.

John

From: John Hoeveler
To: Swift, Faye
Subject: Re: CDTLS RE: EPA 2 Program Expenses
Date: Friday, December 08, 2017 1:34:43 PM

Thanks Faye. Yes we will move it to EPA2. If I moved more loans from EPA1 to EPA2 would that reduce the $168,000 balance? I can see there's a lot of loans on EPA1 that might be eligible under EPA2. The genesis of this problem is that the previous group didn't seem to worry about EPA1 vs EPA2 and that's created the $168,000 balance.

Do you think we can get the letter that we can present to the auditors early next week?

Thank you! Have a good weekend!

John

Sent from my iPhone

On Dec 8, 2017, at 1:09 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, as we discussed yesterday we also need to reconcile the RLF balance. Moving the full $500K Eagle Aggregate loan to SW#2 means you need to remove it from the EPA#1 accounting and RLF#1 reporting. If it is just this one, that seems manageable. We need double check to make sure there is are no other loans that are listed under both funds.
>
> Attached is the EPA1 report submitted in sept 2017 which shows $350K of the loan under SW#1.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Thursday, December 07, 2017 12:07 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** EPA 2 Program Expenses
>
> Faye,
>
> Yes we used the funds from EPA2. We may have originally stated that it was EPA1 and EPA2 but that was before realizing that we had a deficiency of funds deployed from EPA2. Since Eagle Aggregate was made before 6/30/14, we applied this loan entirely to EPA2.

Thanks!

John

On Thu, Dec 7, 2017 at 12:02 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> In the attached document, the handwritten note implies that the $500K Eagle Aggregate Loan is split between EPA1 and EPA2. However, all of the reporting spreadsheets from you attribute this loan to EPA2. Please confirm that the EA loan was funded with $500K of EPA 2 RLF funds.
>
> Faye Swift
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> ...Driving Innovation in Clean Transportation
>
> -----Original Message-----
> From: John Hoeveler [mailto:john@cdtls.org]
> Sent: Tuesday, September 19, 2017 1:21 PM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: EPA 2 Program Expenses
>
> Hi Faye,
>
> Please see the attached expenses for the EPA2 Smartway program.
>
> Have a good week!
>
> Sincerely,
>
> John

<2017.9.19 EPA1 Fund Analysis.pdf>

From: John Hoeveler
To: Swift, Faye
Subject: Re: CDTLS
Date: Tuesday, October 10, 2017 10:02:32 AM

Thanks Faye. Is the meeting taking place this week? I can delay the audit report but everything hinges on how the smartway program is treated. Particularly Smartway 2 since that one has a balance of $330,000. Can I get a letter that says that we don't owe EPA any money? That's basically what the auditor is looking for to get rid of the negative permanently restricted cash. If I can get rid of that I can continue with SBA and make a successful lending business.

Thanks!

John

Sent from my iPhone

On Oct 10, 2017, at 8:42 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> <image001.gif>
> Hi John,
>
> I hope to have an update for you by Thursday.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: John Hoeveler
To: Swift, Faye
Subject: Re: Close out
Date: Wednesday, July 05, 2017 8:37:33 AM

Faye,

Do you think you can mention in that letter that a close out will happen soon?

Thanks!

John

On Wed, Jul 5, 2017 at 8:27 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> I'll try to get you some language today, and we can go from there.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Wednesday, July 05, 2017 8:26 AM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Re: Close out
>
> Faye,
>
> Thanks! That would certainly help. Let me know if there's anything else we can provide for the close out. When would be a good time to folln w up with you? This meeting with SBA will be next week.
>
> Thanks again!

John

On Wed, Jul 5, 2017 at 7:53 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, I am back working today. I can pull some language about what a grant is, that a grant is not a loan, and that eligible expenses do not need to be repaid. Hopefully that will help.
>
> I am continuing to work on digesting all of the new reports and info you have provided so that we may move forward with closeout.
>
> Faye Swift
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> ...Driving Innovation in Clean Transportation
>
> -----Original Message-----
> From: John Hoeveler [mailto:john@cdtls.org]
> Sent: Tuesday, July 04, 2017 9:20 PM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: Close out
>
> Hi Faye,
>
> (b) (6)
>
> I don't know if you're back yet but I hope we can talk soon because I have a non-compliance notice from the SBA concerning our audit's statement of activities. This report is listing Smartway as money owed to the EPA, similar to how our USDA/IRP loans are. I have a meeting with SBA and will need to explain why we have a deficiency of cash relative to our liabilities. I would like to demonstrate to the SBA that this is wrong and that we don't have a loan with the EPA.
>
> Perhaps we can discuss what I can tell the SBA because they have concerns about whether we are solvent lenders. Currently our audit is listing Smartway as $3.1 million. I'm very sure our balance is lower than that but I have difficulty demonstrating it. I know SBA is not interested in the dynamics of truck swaps and what type of VIN numbers were accepted. I just need to demonstrate that much of this deficiency is from a grant that's almost a decade old and will hopefully be closed out soon. I also have to prepare for the next audit and I will likely face the same issues unless I can get something from your office to show that progress has been made in reducing or eliminating the grant balance. I think we have provided all the required documentation to get a close out agreement for EPA2 but hopefully we can get something for the entire program. Any help is appreciated.

Thank you!

John Hoeveler
CDTLS

From: Swift, Faye
To: John Hoeveler
Subject: RE: Close out
Date: Wednesday, July 05, 2017 12:11:00 PM

Hi John, I am still working on this and am going to add more about the RLF and that we are working to reconcile costs and closeout, but wanted to run it by you. Is this is the ballpark/direction of what you need?

Mr. Hoeveler,

At your request, I am providing some background and an update on your grant with EPA: XXXXXXXXXXXXXXXXXXXXXXX.

EPA Assistance Agreements (i.e. Grants and Cooperative Agreements) are subject to the Federal Regulations codified at 2 CFR Part 200, as well as program policy and any additional Terms and Conditions that are included in the Assistance Agreement. By definition, Grants and Cooperative Agreements are NOT Loans.

To be clear, CDTLS received a grant from EPA, not a loan. As such, grant funds that are incurred/expended on eligible activities are not to be paid back to the agency.

CDTLS received grant funds to establish a revolving loan program to incentive the purchase of clean diesel trucks...

-----Original Message-----
From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, July 04, 2017 9:20 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Close out

Hi Faye,

(b) (6)

I don't know if you're back yet but I hope we can talk soon because I have a non-compliance notice from the SBA concerning our audit's statement of activities. This report is listing Smartway as money owed to the EPA, similar to how our USDA/IRP loans are. I have a meeting with SBA and will need to explain why we have a deficiency of cash relative to our liabilities. I would like to demonstrate to the SBA that this is wrong and that we don't have a loan with the EPA.

Perhaps we can discuss what I can tell the SBA because they have concerns about whether we are solvent lenders. Currently our audit is listing Smartway as $3.1 million. I'm very sure our balance is lower than that but I have difficulty demonstrating it. I know SBA is not interested in the dynamics of truck swaps and what type of VIN numbers were accepted. I just need to demonstrate that much of this deficiency is from a grant that's almost a decade old and will hopefully be closed out soon. I also have to prepare for the next audit and I will likely face the same issues unless I can get something from your office to show that progress has been made in reducing or eliminating the grant balance. I think we have provided all the required documentation to get a close out agreement for EPA2 but hopefully we can get something for the entire program. Any help is appreciated.

Thank you!

John Hoeveler
CDTLS

From: John Hoeveler
To: Swift, Faye
Subject: Re: Close out
Date: Wednesday, July 05, 2017 1:02:01 PM

Faye,

Thanks. I would like to address the issue of Permanent Restricted Cash on our balance sheet. A grant shouldn't create a negative cash balance. Because this grant is going on and on for years, we face having another bad audit. It was our understanding that this program expires in 2019 and 2020. Is there any way we can expire out this program by bringing these years forward? The problem with the default approach is that we need to have a reduction in net income in order to reduce the grant balance. So it hits the bottom line and all this good work that generates fee and interest income, it's all wiped out by a few defaults. Please help us find another way to reduce this balance.

Thank you!

John

On Wed, Jul 5, 2017 at 12:11 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, I am still working on this and am going to add more about the RLF and that we are working to reconcile costs and closeout, but wanted to run it by you. Is this is the ballpark/direction of what you need?
>
> _____
>
> Mr. Hoeveler,
>
> At your request, I am providing some background and an update on your grant with EPA: XXXXXXXXXXXXXXXXXXXXXXX.
>
> EPA Assistance Agreements (i.e. Grants and Cooperative Agreements) are subject to the Federal Regulations codified at 2 CFR Part 200, as well as program policy and any additional Terms and Conditions that are included in the Assistance Agreement. By definition, Grants and Cooperative Agreements are NOT Loans.
>
> To be clear, CDTLS received a grant from EPA, not a loan. As such, grant funds that are incurred/expended on eligible activities are not to be paid back to the agency.
>
> CDTLS received grant funds to establish a revolving loan program to incentive the purchase of clean diesel trucks...
>
> -----Original Message-----
> From: John Hoeveler [mailto:john@cdtls.org]
> Sent: Tuesday, July 04, 2017 9:20 PM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: Close out

Hi Faye,

(b) (6)

I don't know if you're back yet but I hope we can talk soon because I have a non-compliance notice from the SBA concerning our audit's statement of activities. This report is listing Smartway as money owed to the EPA, similar to how our USDA/IRP loans are. I have a meeting with SBA and will need to explain why we have a deficiency of cash relative to our liabilities. I would like to demonstrate to the SBA that this is wrong and that we don't have a loan with the EPA.

Perhaps we can discuss what I can tell the SBA because they have concerns about whether we are solvent lenders. Currently our audit is listing Smartway as $3.1 million. I'm very sure our balance is lower than that but I have difficulty demonstrating it. I know SBA is not interested in the dynamics of truck swaps and what type of VIN numbers were accepted. I just need to demonstrate that much of this deficiency is from a grant that's almost a decade old and will hopefully be closed out soon. I also have to prepare for the next audit and I will likely face the same issues unless I can get something from your office to show that progress has been made in reducing or eliminating the grant balance. I think we have provided all the required documentation to get a close out agreement for EPA2 but hopefully we can get something for the entire program. Any help is appreciated.

Thank you!

John Hoeveler
CDTLS

From: Swift, Faye
To: John Hoeveler
Subject: RE: December
Date: Tuesday, November 28, 2017 6:51:00 AM

Hi John,

I was out of the office yesterday. I don't have any specific updates for you at this time. My team is reviewing my proposal, and we have a meeting scheduled for Thursday. I have been advised not to share the proposal until we are able to formalize a response.

I do appreciate your continued patience as we work through this.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Monday, November 27, 2017 12:12 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: December

Hi Faye,

Do you have time to speak with me today?

Thanks!

John Hoeveler
CDTLS

From: John Hoeveler
To: Swift, Faye
Subject: Re: Edits to the closeout agreement
Date: Tuesday, February 20, 2018 9:49:10 AM

Ok thanks!

Sent from my iPhone

On Feb 20, 2018, at 9:42 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> I think we can do payment plans – I don't know what the terms are. I'll discuss with the team.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Monday, February 19, 2018 3:09 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Edits to the closeout agreement
>
> Hi Faye,
>
> I made some edits to the closeout agreement. I used track changes. We find the terms to be agreeable so there aren't many edits. I changed the start date from March 1 2018 to June 30, 2017 in order to get the auditors to make this retroactive to the 2017 audit. Let me know if that's ok.
>
> One other thing, can we agree to a payment plan for the $144,000 repayment? Can we do 10 years so we don't slammed with a huge bill that forces us to go without health insurance for a year?
>
> Thanks!
>
> Have a good week!
>
> Sincerely,
>
> John Hoeveler

From:	Swift, Faye
To:	John Hoeveler
Subject:	RE: EPA 1 close out
Date:	Monday, February 06, 2017 8:27:00 AM
Attachments:	CDTLS 2008 Closeout Agreement - Signed.pdf

Here you go.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Wednesday, February 01, 2017 2:18 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA 1 close out

Hi Faye,

Do you have a copy of the EPA 1 closeout agreement? Dale got it originally and we never got a copy from him. We're looking to review the terms.

Thanks!

John

From: Swift, Faye
To: John Hoeveler
Subject: RE: EPA Attachment
Date: Friday, September 01, 2017 1:36:00 PM

Hi John,

Regarding the Summary of Expenses that you have provided:

1) Is it possible to separate SW#1 expenses from SW#2 expenses?
2) Where any of these costs previously billed to the grant/RLF?

Thanks,

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Friday, April 28, 2017 2:51 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Fwd: EPA Attachment

Hi Faye,

Here's a copy of our financials related to the EPA program .. it included invoices, time sheets, etc. Let me know if this will work. Have a good weekend!

Thanks,

John

---------- Forwarded message ----------
From: **Kevin Oliff** <Kevin@cdtls.org>
Date: Fri, Apr 28, 2017 at 2:48 PM
Subject: EPA Attachment
To: "john cdtls.org" <john@cdtls.org>, Mia Aisa <mia@cdtls.org>

Couldn't fit into the scanner to do it as one document so here's the doc split into two.

From: John Hoeveler
To: Swift, Faye
Cc: John Hoeveler
Subject: Re: EPA Attachment
Date: Friday, September 01, 2017 3:05:36 PM

Hi Faye,

Let me look into this. I'll get back to you Tuesday. Have a good Labor Day!

John

Sent from my iPhone

On Sep 1, 2017, at 1:35 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> Regarding the Summary of Expenses that you have provided:
>
> <!--[if !supportLists]-->1) <!--[endif]-->Is it possible to separate SW#1 expenses from SW#2 expenses?
> <!--[if !supportLists]-->2) <!--[endif]-->Where any of these costs previously billed to the grant/RLF?
>
> Thanks,
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:john@cdtls.org]
> **Sent:** Friday, April 28, 2017 2:51 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Fwd: EPA Attachment
>
> Hi Faye,
>
> Here's a copy of our financials related to the EPA program .. it included invoices, time sheets, etc. Let me know if this will work. Have a good weekend!
>
> Thanks,
>
> John

---------- Forwarded message ----------
From: **Kevin Oliff** <Kevin@cdtls.org>
Date: Fri, Apr 28, 2017 at 2:48 PM
Subject: EPA Attachment
To: "john cdtls.org" <john@cdtls.org>, Mia Aisa <mia@cdtls.org>

Couldn't fit into the scanner to do it as one document so here's the doc split into two.

From: John Hoeveler
To: Swift, Faye
Subject: Re: EPA Documents
Date: Thursday, December 07, 2017 9:31:16 AM

Hi Faye,

Sure. Do you want all loans or just a highlighted?

Sent from my iPhone

On Dec 7, 2017, at 9:16 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> Is it possible for you to produce the attached document, but with repayment status as of 6/30/2014?
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:john@cdtls.org]
> **Sent:** Monday, January 09, 2017 4:03 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** EPA Documents
>
> Faye,
>
> I have these documents to show the 9/30/16 status of the EPA accounts. EPA2 has revised Eagle Aggregate to show $500,000, instead of $335,000. EPA1 QR has added new loans to reflect the revolving capital. Let me know if you have any questions. I have also added the P/I breakdowns for each account. The one's highlighted in red are defaults.
>
> Thanks!
>
> John
>
> <EPA #2 Program Principal & Int Analysis 1215-2.xls>

From: Swift, Faye
To: John Hoeveler
Subject: RE: EPA Documents
Date: Thursday, December 07, 2017 9:33:00 AM

All loans.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, December 07, 2017 9:30 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: EPA Documents

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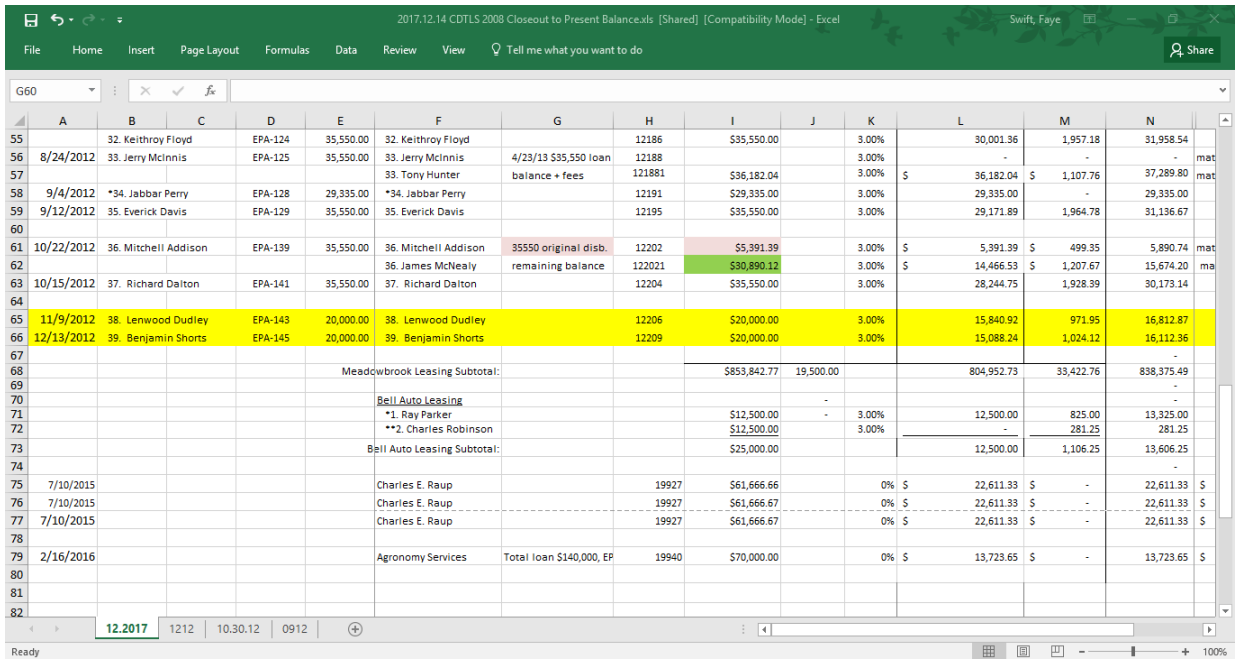
From: John Hoeveler
To: Swift, Faye
Subject: Re: EPA#2 RLF Balance Estimates
Date: Friday, December 15, 2017 12:22:47 PM
Attachments: image001.png
12206.pdf
12209.pdf

Thanks! Looks like they paid back plus interest .. here are the activity reports.

On Fri, Dec 15, 2017 at 11:57 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
55		32. Keithroy Floyd		EPA-124	35,550.00	32. Keithroy Floyd		12186	$35,550.00		3.00%	30,001.36	1,957.18	31,958.54	
56	8/24/2012	33. Jerry McInnis		EPA-125	35,550.00	33. Jerry McInnis	4/23/13 $35,550 loan	12188			3.00%	-	-	-	mat
57						33. Tony Hunter	balance + fees	121881	$36,182.04		3.00%	$ 36,182.04	$ 1,107.76	37,289.80	mat
58	9/4/2012	*34. Jabbar Perry		EPA-128	29,335.00	*34. Jabbar Perry		12191	$29,335.00		3.00%	29,335.00	-	29,335.00	
59	9/12/2012	35. Everick Davis		EPA-129	35,550.00	35. Everick Davis		12195	$35,550.00		3.00%	29,171.89	1,964.78	31,136.67	
60															
61	10/22/2012	36. Mitchell Addison		EPA-139	35,550.00	36. Mitchell Addison	35550 original disb.	12202	$5,391.39		3.00%	$ 5,391.39	$ 499.35	5,890.74	mat
62						36. James McNealy	remaining balance	122021	$30,890.12		3.00%	$ 14,466.53	$ 1,207.67	15,674.20	ma
63	10/15/2012	37. Richard Dalton		EPA-141	35,550.00	37. Richard Dalton		12204	$35,550.00		3.00%	28,244.75	1,928.39	30,173.14	
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66	12/13/2012	39. Benjamin Shorts		EPA-145	20,000.00	39. Benjamin Shorts		12209	$20,000.00		3.00%	15,088.24	1,024.12	16,112.36	
67														-	
68						Meadowbrook Leasing Subtotal:			$853,842.77	19,500.00		804,952.73	33,422.76	838,375.49	
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71						*1. Ray Parker			$12,500.00	-	3.00%	12,500.00	825.00	13,325.00	
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Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

...Driving Innovation in Clean Transportation

From: John Hoeveler [mailto (b) (6)
Sent: Friday, December 15, 2017 11:44 AM

To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: EPA#2 RLF Balance Estimates

So we're stuck with the $168k? I looked everywhere for loans made before 6/30/14. But the money that was supposed to be deployed before then was deployed into the loans you see in EPA1.

Sent from my iPhone

On Dec 15, 2017, at 11:33 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

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>
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From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, December 14, 2017 5:41 PM
To: Swift, Faye <Swift.Faye@epa.gov>
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Sent: Thursday, December 14, 2017 4:02 PM
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Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

...Driving Innovation in Clean Transportation

<2017.12.14 EPA#2 Closout to Present RLF Balance.xls>

From: John Hoeveler
To: Swift, Faye
Subject: Re: EPA#2 RLF Balance Estimates
Date: Friday, December 15, 2017 1:12:32 PM

Faye,

I think I understand the implications of transferring those loans to 2. If the RLF balance is increased but the program income is decreased, that's ok. I can revolve more capital to produce income. I talked to some of our current borrowers like Raup Transportation and Agronomy and they have more old trucks they can swap out. It would help to know how much I should revolve out and I know this will get us there but it's all about allocation resources in a productive way. Thanks!

Sent from my iPhone

On Dec 15, 2017, at 1:03 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> I think you are confusing the two funds. I am suggesting the 2 loans (totaling $40,000) that are currently on EPA#1 RLF (that were made between 10/31/2012 and 6/30/2014) can be switched to EPA#2. So the accrued program income of EPA#2 on 6/30/2014 would be reduced by $40K, but it would also be increased by any loan repayments received before 6/30/2014 for these specific loans.
>
> The balance depends on both funds out and funds in. In order to transfer the loan to the account, any payments received on that loan prior to 6/30/14 also factor into the balance calculation.
>
> Please be specific: which report and which loans does it not list?
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> ---
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Friday, December 15, 2017 12:51 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Re: EPA#2 RLF Balance Estimates
>
> Faye,
>
> I think that report is what produced these problems in the first place. They don't list all the loans.
>
> If we add these two loans to EPA1 balance, wouldn't that reduce the grant

balance? I would do better to revolve that capital and make something off the 5%/15% than to simply return it so I would like to get that balance down as the first priority. Can we reduce the amount by $40,000 since these two loans were done before 6/30/14?

Thanks!

John

Sent from my iPhone

On Dec 15, 2017, at 12:39 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Right. But if we subtract the loan, but add in the full payments it is not going to help you much. We need to know the status of the payback as of 6/30/2014. I'll check my quarterly reports for EPA#1 to see if we have that information. I'm working on the other stuff you sent me. Any chance you can produce a P&I report for EPA#1 for 2014 Q2 (i.e. 6/30/2014).
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
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> **From:** John Hoeveler [mailto:(b) (6)
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> **Subject:** Re: EPA#2 RLF Balance Estimates
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Sent: Friday, December 15, 2017 11:44 AM
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BTW ....

12206 = Lenwood
12209 = Ben

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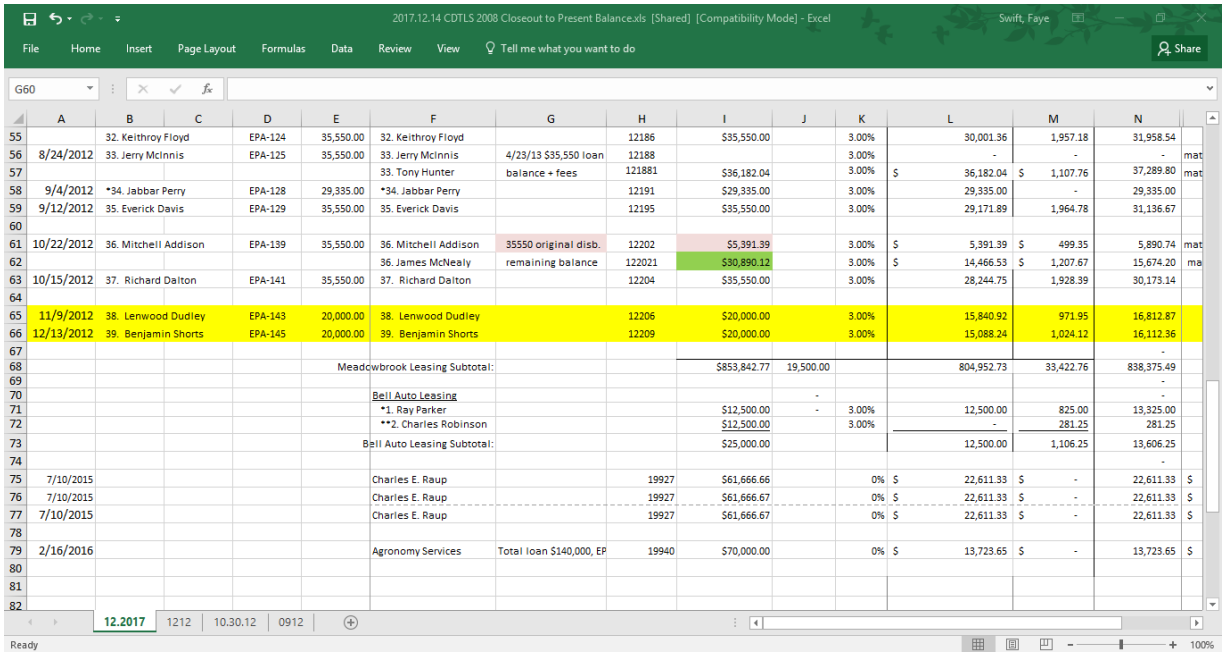

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> These calculations include an adjustment of the Closeout calculations for EPA#2, namely: 1) inclusion of $500K Eagle Aggregate loan; 2) Accrued Program Income of 168,561.00 due at closeout of EPA#2. See the tab labeled "0614".
>
> We can discuss moving any loans made after 6/31/2014 from EPA#1 RLF to EPA#2 RLF to decrease accrued program income on EPA#2 due at closeout. Please note that this will increase the RLF#1 balance by the transfered loan amount and any corresponding loan repayments will also be moved to EPA#2 RLF.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*

From: John Hoeveler [mailto:(b) (6)]
Sent: Thursday, December 14, 2017 5:41 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: RE:

Ok that would help a lot! Have a good day !

Sent from my iPhone

On Dec 14, 2017, at 5:24 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Probably. I'll send you the EPA#2 reconciliation and then we can discuss what makes sense.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*

From: John Hoeveler [mailto:(b) (6)]
Sent: Thursday, December 14, 2017 4:02 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re:

Thanks Faye. I don't disagree with anything but can we put one or two loans onto the EPA 2 balance? Probably some of the cash I used to fund those EPA1 loans was really EPA2 capital. It's highly likely.

Thanks!

John

Sent from my iPhone

On Dec 14, 2017, at 3:49 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> <image001.gif>
>
> Just to let you know, I will be working for a few hours in the morning tomorrow as well.

Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

...Driving Innovation in Clean Transportation

<2017.12.14 EPA#2 Closout to Present RLF Balance.xls>

From: John Hoeveler
To: Swift, Faye
Subject: Re: EPA#2 RLF Balance Estimates
Date: Thursday, December 14, 2017 7:12:23 PM

So the bottom line is $168k? EPA2 is chock full of meadowbrook loans that haven't seen repayments in years.

Sent from my iPhone

On Dec 14, 2017, at 7:01 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, Here are my ESTIMATES for EPA#2 RLF Balance (see the tab marked "estimate". These numbers are subject to change based on the pending loan activity reports.
>
> These calculations include an adjustment of the Closeout calculations for EPA#2, namely: 1) inclusion of $500K Eagle Aggregate loan; 2) Accrued Program Income of 168,561.00 due at closeout of EPA#2. See the tab labeled "0614".
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> We can discuss moving any loans made after 6/31/2014 from EPA#1 RLF to EPA#2 RLF to decrease accrued program income on EPA#2 due at closeout. Please note that this will increase the RLF#1 balance by the transfered loan amount and any corresponding loan repayments will also be moved to EPA#2 RLF.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *...Driving Innovation in Clean Transportation*
>
> ---
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> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Thursday, December 14, 2017 5:41 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Re: RE:
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> Ok that would help a lot! Have a good day !
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> On Dec 14, 2017, at 5:24 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:
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Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, December 14, 2017 4:02 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re:

Thanks Faye. I don't disagree with anything but can we put one or two loans onto the EPA 2 balance? Probably some of the cash I used to fund those EPA1 loans was really EPA2 capital. It's highly likely.

Thanks!

John

Sent from my iPhone

On Dec 14, 2017, at 3:49 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

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> Just to let you know, I will be working for a few hours in the morning tomorrow as well.
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> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
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> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

<2017.12.14 EPA#2 Closout to Present RLF Balance.xls>

From: Swift, Faye
To: John Hoeveler
Subject: RE: EPA2 Reports
Date: Thursday, March 09, 2017 7:51:00 AM

Thanks. Are you also working on a RLF balance report for EPA1 (the closeout agreement funds)?

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Wednesday, March 08, 2017 2:56 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA2 Reports

Faye,

Here's the EPA2 Q4 Report and P&I breakdown. It accounts for the swaps and the defaults. I hope we can meet soon to discuss a closeout term for this program. We have a few ideas that we would like to propose that would allow us to continue to issue truck loans and report them to you. Let me know what you think of these reports and if you need anything else. We appreciate the email you sent yesterday.

Thank you!

John Hoeveler

From: John Hoeveler
To: Swift, Faye
Subject: Re: EPA2 Reports
Date: Thursday, March 09, 2017 8:10:30 AM

Yes. Is there a template I should throw all the data into?

On Thu, Mar 9, 2017 at 7:51 AM Swift, Faye <Swift.Faye@epa.gov> wrote:

> Thanks. Are you also working on a RLF balance report for EPA1 (the closeout agreement funds)?
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:john@cdtls.org]
> **Sent:** Wednesday, March 08, 2017 2:56 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** EPA2 Reports
>
> Faye,
>
> Here's the EPA2 Q4 Report and P&I breakdown. It accounts for the swaps and the defaults. I hope we can meet soon to discuss a closeout term for this program. We have a few ideas that we would like to propose that would allow us to continue to issue truck loans and report them to you. Let me know what you think of these reports and if you need anything else. We appreciate the email you sent yesterday.
>
> Thank you!

John Hoeveler

--

From: Swift, Faye
To: John Hoeveler
Subject: RE: EPA2 Reports
Date: Thursday, March 09, 2017 9:43:00 AM

For EPA1, at closeout, all unexpended grant funds as well as any accrued program income was returned to EPA. Which essentially resets the RFL to zero at that place in time. Any principle, interest, fees, etc collected (i.e program income) since that time would add to the RLF balance. Any new loans made since that time would subtract from the RLF balance.

For EPA2, at closeout, all unexpended grant funds as well as any accrued program income was to be returned to EPA (this was the source of the dispute – that last loan made with grant funds was not demonstrated to be made during the project period and therefore was determined to be an ineligible expense and therefore CDTLS needed to return the grant funds ~$300K). I can't remember how much accrued program income was calculated at that time, I need to go back to the documentation – but again, returning all accrued program income and unexpended grant funds essentially resets the RFL to zero at that place in time. As EPA2 is now closed, and we have not entered into closeout agreement, CDTLS should not be making any new loans or incurring any costs under the EPA2 RLF. Any principle, interest, fees, etc collected (i.e program income) since the project period ended would add to the RLF balance. If and when we negotiate a closeout agreement for EPA2, any new loans made will subtract from the RLF balance.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Thursday, March 09, 2017 9:28 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: EPA2 Reports

Faye,

Is there a starting balance we should start off from and deduct from as we do each RLF loan?

Thanks!

John
On Thu, Mar 9, 2017 at 8:07 AM Swift, Faye <Swift.Faye@epa.gov> wrote:

> I just saw that you send this yesterday. Disregard.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: Swift, Faye
Sent: Thursday, March 09, 2017 7:52 AM
To: 'John Hoeveler' <john@cdtls.org>
Subject: RE: EPA2 Reports

Thanks. Are you also working on a RLF balance report for EPA1 (the closeout agreement funds)?

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Wednesday, March 08, 2017 2:56 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA2 Reports

Faye,

Here's the EPA2 Q4 Report and P&I breakdown. It accounts for the swaps and the defaults. I hope we can meet soon to discuss a closeout term for this program. We have a few ideas that we would like to propose that would allow us to continue to issue truck loans and report them to you. Let me know what you think of these reports and if you need anything else. We appreciate the email you sent yesterday.

Thank you!

John Hoeveler

--

From: John Hoeveler
To: Swift, Faye
Subject: Re: EPA2 Reports
Date: Thursday, March 09, 2017 9:28:11 AM

Faye,

Is there a starting balance we should start off from and deduct from as we do each RLF loan?

Thanks!

John
On Thu, Mar 9, 2017 at 8:07 AM Swift, Faye <Swift.Faye@epa.gov> wrote:

> I just saw that you send this yesterday. Disregard.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
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> *…Driving Innovation in Clean Transportation*
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> **From:** Swift, Faye
> **Sent:** Thursday, March 09, 2017 7:52 AM
> **To:** 'John Hoeveler' <john@cdtls.org>
> **Subject:** RE: EPA2 Reports
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> *Faye Swift*
>
> DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Wednesday, March 08, 2017 2:56 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: EPA2 Reports

Faye,

Here's the EPA2 Q4 Report and P&I breakdown. It accounts for the swaps and the defaults. I hope we can meet soon to discuss a closeout term for this program. We have a few ideas that we would like to propose that would allow us to continue to issue truck loans and report them to you. Let me know what you think of these reports and if you need anything else. We appreciate the email you sent yesterday.

Thank you!

John Hoeveler

--

From: Swift, Faye
To: John Hoeveler
Subject: RE: Follow up
Date: Tuesday, February 14, 2017 12:30:00 PM

It's going to take me a little time to sort through the files.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, February 14, 2017 9:24 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Follow up

Hey Faye,

Real quick, are these any other documents related to our close out of EPA 1? Our auditor is asking how we came up with this remaining balance of $572k? Donald Browner (b) (6) and we think he left with these documents. Is there anything on your side we could cite? The question that the auditor has is that the close out agreement basically says that these numbers are ours, and not confirmed on your side.

Thanks!

John
--

From: Swift, Faye
To: John Hoeveler
Subject: RE: Follow Up
Date: Tuesday, March 21, 2017 8:02:00 AM

Hi John,

We received some questions from your auditor regarding the handling of defaults. We are working on a response, but I have some clarifying questions. Would it be appropriate for the 3 of us to have a short call today?

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Monday, March 20, 2017 5:58 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Follow Up

Hi Faye,

I just wanted to follow up with you to see if anything is new. We were wondering if we could meet with you this week or sometime soon. Let me know if you need anything else from us.

Thanks!

John

From: Swift, Faye
To: John Hoeveler
Subject: RE: Follow up
Date: Wednesday, September 27, 2017 8:18:00 AM

Hi John, I am trying to schedule an internal meeting with group for next week. Depending on outcome, we will decide if a face to face is needed. I will provide you a status update ASAP.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

-----Original Message-----
From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, September 26, 2017 11:30 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Follow up

Hi Faye,

I don't know if you've had a chance to see the financials we sent but you mentioned we might have a meeting at your office as a next step. If we can sort out what we have as a balance on this grant, and what we should do with it, it would be great because we can deploy what's left to finish this grant and we can move on as a company. Do you think we can have that meeting next week?

Thanks!

John Hoeveler
CDTLS

From: John Hoeveler
To: Swift, Faye
Subject: Re: followup
Date: Monday, June 05, 2017 10:51:53 AM

Hi Faye,

(b) (6)

Thanks for the follow up. We really appreciate the extra effort to review the material. Our audit will begin soon and we would like to tell the auditors where we stand with this program because last year's audit showed nearly the entire balance of the original program balance from 8 years ago. If we could get a close out agreement for EPA 2 and some revisions on the balances for EPA 1 and 2, we would be in a good position to have a favorable audit that allows us to move forward as a respectable CDFI. If there are other ideas for how to move forward we're certainly open to that. Let me know how the meetings go and we can talk about it.

Have a good week!

Sincerely,

John Hoeveler

> On Jun 5, 2017, at 10:19 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:
>
> I have been working on the CDTLS issues and I am trying to schedule a meeting (or series of meetings) this week to present the new info to the group here. I will keep you updated on progress.

From: John Hoeveler
To: Swift, Faye
Subject: Re: FW: EPA 2 Program Expenses
Date: Monday, December 18, 2017 9:54:47 AM

Hi Faye,

To the best of my knowledge, these are expenses that were discovered after the FY/Audit periods were over. Expenses were supposed to be allocated to the grant, but there was confusion about whether those expenses could be tied to the grant. They should have been tied to the grant. So we added those expenses to this expense report.

Thanks!

John

On Mon, Dec 18, 2017 at 8:04 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> In the attached expense reports, can you clarify what Columns L and M represent? i.e. "Project 1" and "Project 2"?
>
> Faye Swift
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> ...Driving Innovation in Clean Transportation
>
> -----Original Message-----
> From: John Hoeveler [mailto:john@cdtls.org]
> Sent: Tuesday, September 19, 2017 1:21 PM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: EPA 2 Program Expenses
>
> Hi Faye,
>
> Please see the attached expenses for the EPA2 Smartway program.
>
> Have a good week!
>
> Sincerely,
>
> John

From: Swift, Faye
To: John Hoeveler; Alketa
Subject: RE: Fwd: loan activity reports needed
Date: Friday, January 05, 2018 10:31:00 AM

Hi John,

In looking over these reports again, it looks like the last payments received from Meadowbrook were in April of 2016. Which means, theoretically, any payments received by Meadowbrook since that time (many loans still have balances owed as of 4/2016) are still owed to CDTLS from Meadowbrook.

But my point is, these reports appear to come out of CDTLS's accounting system, which would leave me to believe that the numbers shown in the loan activity reports you submitted to me accurately represent repayments that were made to CDTLS by Meadowbrook. Which means CDTLS should be in possession of these funds, and/or have an accounting of where they went. It doesn't make sense to me that you would have an accounting of funds received with no accounting of where they went.

I'm in the process of briefing management on our proposed exit strategy, but inevitably I'm going to be asked, "Where's the money?"

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Friday, December 15, 2017 10:59 AM
To: Swift, Faye <Swift.Faye@epa.gov>; Alketa <alketa@cdtls.org>
Subject: Fwd: Fwd: loan activity reports needed

Hey Faye,

Here's the rest.. have a good weekend.. stay warm!

Thanks!

---------- Forwarded message ----------
From: **Alketa Shtylla** <alketa@cdtls.org>
Date: Fri, Dec 15, 2017 at 10:57 AM
Subject: Re: Fwd: loan activity reports needed
To: John Hoeveler <(b) (6)

These are the rest of the reports.

Thanks

>
> Begin forwarded message:
>
> > From: "Swift, Faye" <Swift.Faye@epa.gov>
> > Date: December 14, 2017 at 6:11:07 PM EST
> > To: John Hoeveler <(b) (6)
> > Subject: loan activity reports needed
> >
> > Hi John, Please send me the following loan activity reports.
> >
> > 12129
> > 12130
> > 121301
> > 121302
> > 12139
> > 121391
> > 12146
> > 121461
> > 12153
> > 121531
> > 12155
> > 121551
> > #40. Nathan Wilks and Willie Young (EPA-096)
> > 12161
> > 121611
> > 12162
> > 121621
> > 12163
> > 121631
> > 121632
> > 12165
> > 121651
> > 12167
> > 121671
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> > 121681
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> > 12189
> > 121891
> > 121892
> > 12197
> > 121971

> > 12198
> > 121981
> > 12201
> > 122011
> > 12203
> > 122031
> > 12211
> > 122111
> >
> > Faye Swift
> > DERA Grants & Policy Team Leader
> > 202-343-9147
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> > …Driving Innovation in Clean Transportation
> >

Alketa Shtylla

CDTLS

Portfolio Manager

1020 16thSt. NW

Washington, D.C.

Suite 600

alketa@cdtls.org

www.cdtls.org

703-608-8083

From: John Hoeveler
To: Swift, Faye
Cc: Alketa
Subject: Re: loan activity reports needed
Date: Monday, December 18, 2017 10:39:26 AM

Ok I'll pull those.

Sent from my iPhone

On Dec 18, 2017, at 9:55 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, These were very helpful but a few are still missing. Please send me the following loan activity reports at your earliest convenience.
>
> 12206
> 12209
>
> 12153
> 12146
> EPA#2 #40. Nathan Wilks and Willie Young (EPA-096)
> 121631
> 12165
> 12198
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Friday, December 15, 2017 10:59 AM
> **To:** Swift, Faye <Swift.Faye@epa.gov>; Alketa <alketa@cdtls.org>
> **Subject:** Fwd: Fwd: loan activity reports needed
>
> Hey Faye,
>
> Here's the rest.. have a good weekend.. stay warm!
>
> Thanks!
>
> ---------- Forwarded message ----------
> From: **Alketa Shtylla** <alketa@cdtls.org>
> Date: Fri, Dec 15, 2017 at 10:57 AM
> Subject: Re: Fwd: loan activity reports needed

To: John Hoeveler <(b) (6)

These are the rest of the reports.

Thanks

>
> Begin forwarded message:
>
> > From: "Swift, Faye" <Swift.Faye@epa.gov>
> > Date: December 14, 2017 at 6:11:07 PM EST
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> > 121981
> > 12201
> > 122011
> > 12203
> > 122031
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> > Faye Swift
> > DERA Grants & Policy Team Leader
> > 202-343-9147
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> > …Driving Innovation in Clean Transportation
> >

Alketa Shtylla

CDTLS

Portfolio Manager

1020 16thSt. NW

Washington, D.C.

Suite 600

alketa@cdtls.org

www.cdtls.org

703-608-8083

From: Swift, Faye
To: John Hoeveler
Cc: Alketa
Subject: RE: loan activity reports needed
Date: Monday, December 18, 2017 11:53:00 AM

Once I have these reports I can move the 2 loans from EPA1 RLF to EPA2, which will decrease the amount of accrued program income owed on EPA2.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Monday, December 18, 2017 10:38 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Cc: Alketa <alketa@cdtls.org>
Subject: Re: loan activity reports needed

Ok I'll pull those.

Sent from my iPhone

On Dec 18, 2017, at 9:55 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, These were very helpful but a few are still missing. Please send me the following loan activity reports at your earliest convenience.
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> 12198
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: John Hoeveler [mailto:(b) (6)
Sent: Friday, December 15, 2017 10:59 AM
To: Swift, Faye <Swift.Faye@epa.gov>; Alketa <alketa@cdtls.org>
Subject: Fwd: Fwd: loan activity reports needed

Hey Faye,

Here's the rest.. have a good weekend.. stay warm!

Thanks!

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From: **Alketa Shtylla** <alketa@cdtls.org>
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Subject: Re: Fwd: loan activity reports needed
To: John Hoeveler <(b) (6)

These are the rest of the reports.

Thanks

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Alketa Shtylla

CDTLS

Portfolio Manager

1020 16thSt. NW

Washington, D.C.

Suite 600

alketa@cdtls.org

www.cdtls.org

703-608-8083

From: John Hoeveler
To: Swift, Faye
Subject: Re: Meadowbrook update
Date: Tuesday, March 27, 2018 12:57:53 PM

Ok thanks .. I'll let you know what happens with Cohen .. my bet is he'll file for Chapter 13.. or offer me a free truck.

On Tue, Mar 27, 2018 at 12:48 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, the agreement is with the lawyers. I am waiting for comments, hopefully tomorrow.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Tuesday, March 27, 2018 11:26 AM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Meadowbrook update
>
> Faye,
>
> I reported Meadowbrook to Experian for being over a year late in paying up on their loans to us. That will end up with D&B and other credit bureaus ..
>
> I also sent all delinquent files to a law firm in Chicago so we can file judgement. He won't be able to get a game of jacks after that's filed.
>
> Can we please have the close out agreement? :)
>
> Thank you!
>
> John

From: John Hoeveler
To: Swift, Faye
Subject: Re: new version RE: SBA Meeting
Date: Thursday, July 13, 2017 3:00:02 PM

Yea Ill send that over.. we found it in the close out agreement. We searched for old Dale/Browner emails but we were kept out of that discussion. The letter is good! It can be on letterhead right?

Thanks!

john

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> **Sent:** Thursday, July 13, 2017 2:13 PM
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> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Re: new version RE: SBA Meeting
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> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Thursday, July 13, 2017 1:45 PM

To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: new version RE: SBA Meeting

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This letter looks good it will be very helpful.. Would it be possible to state that funds should not be listed as "restricted cash" because the program period is over and the Terms and Conditions state "Recipients shall have no obligation to the Federal government regarding program income earned after the end of the project period." Since that ended in 2011 and 2014 for each, the cash shouldn't be restricted anymore.

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On Thu, Jul 13, 2017 at 1:40 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

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From: Swift, Faye
Sent: Thursday, July 13, 2017 12:13 PM
To: 'John Hoeveler' <(b) (6)
Subject: RE: SBA Meeting

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Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

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From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, July 13, 2017 8:13 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: SBA Meeting

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Sent from my iPhone

On Jul 13, 2017, at 7:49 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

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DERA Grants & Policy Team Leader

202-343-9147

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From: John Hoeveler [mailto:(b) (6)
Sent: Tuesday, July 11, 2017 5:42 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: SBA Meeting

Hi Faye,

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To: John Hoeveler
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Date: Thursday, July 13, 2017 2:05:00 PM

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To: Swift, Faye
Subject: Re: new version RE: SBA Meeting
Date: Thursday, July 13, 2017 2:13:57 PM

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From: Swift, Faye
To: John Hoeveler
Subject: RE: new version RE: SBA Meeting
Date: Thursday, July 13, 2017 2:52:00 PM
Attachments: 2DRAFT - CDTLS 7.13.17.docx

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From: Swift, Faye
To: John Hoeveler
Subject: RE: new version RE: SBA Meeting
Date: Thursday, July 13, 2017 3:58:00 PM
Attachments: 7.13.17 CDTLS-EPA Status Summary - signed.docx

Good luck in your meeting. I will be out of the office tomorrow, but back in DC next week.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

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From: John Hoeveler [mailto:(b) (6)
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Thanks!

John

From: John Hoeveler
To: Swift, Faye
Subject: Re: RE:
Date: Thursday, December 14, 2017 5:41:50 PM

Ok that would help a lot! Have a good day !

Sent from my iPhone

On Dec 14, 2017, at 5:24 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Probably. I'll send you the EPA#2 reconciliation and then we can discuss what makes sense.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
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>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Thursday, December 14, 2017 4:02 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Re:
>
> Thanks Faye. I don't disagree with anything but can we put one or two loans onto the EPA 2 balance? Probably some of the cash I used to fund those EPA1 loans was really EPA2 capital. It's highly likely.
>
> Thanks!
>
> John
>
> Sent from my iPhone
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> On Dec 14, 2017, at 3:49 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:
>
> > <image001.gif>
> > Just to let you know, I will be working for a few hours in the morning tomorrow as well.
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From: Swift, Faye
To: John Hoeveler
Subject: RE: rebates?
Date: Friday, January 05, 2018 1:50:00 PM

Whatever you have. We will probably have to state the amount of RLF funds that have been reported to us (i.e. the balances I calculated based on the reports you've been sending me the last year) in the agreement.

I envision something like, "Based on CDTLS reporting, the balance of the RLFs to date is X and Y. Any existing and future loan repayments will be used to fund rebates to incentivize the purchase of new, clean trucks in accordance with original program goals." I'm not sure how specific we will be about truck requirements – as little as possible.

There may be a requirement that you keep records of loan repayments and usage for a period of time (I still need to talk to my team about this), but I don't want to include any reporting requirements.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

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From: John Hoeveler [mailto:(b) (6)
Sent: Friday, January 05, 2018 1:15 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: rebates?

The remainder of the three EPA loans?

Sent from my iPhone

On Jan 5, 2018, at 1:03 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> Had a briefing with Management today. Would CDTLS still be willing to commit to using any available RLF funds on a rebate program? We had discussed this concept previously. Essentially converting the RLF into a rebate or voucher program to incentivize the purchase of new trucks? There would be little to no reporting or accounting – still need to hash out the details but want to make sure you agree before we push forward.
>
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Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Friday, January 05, 2018 1:15 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: rebates?

The remainder of the three EPA loans?

Sent from my iPhone

On Jan 5, 2018, at 1:03 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> Had a briefing with Management today. Would CDTLS still be willing to commit to using any available RLF funds on a rebate program? We had discussed this concept previously. Essentially converting the RLF into a rebate or voucher program to incentivize the purchase of new trucks? There would be little to no reporting or accounting – still need to hash out the details but want to make sure you agree before we push forward.
>
> *Faye Swift*

DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler
To: Swift, Faye
Subject: Re: rebates?
Date: Friday, January 05, 2018 3:01:39 PM

Thanks, Faye. I am very grateful for all your help. We're happy to do as much as we can. I told the lawyer to file judgement on Meadowbrook. We have 12 loans that we'll report a no payment. I'll keep you informed of what happens.

Let me know if you need any other information.

Thanks again!

john

On Fri, Jan 5, 2018 at 2:49 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> I don't have any language now, but will begin to work on it. Essentially what I summarized previously. I want to keep it simple. Ideally there would not be a number you are obligated to – just until all existing and future loan repayments are used up, then the program ends. In the event of an audit, you would want to be able to show that any existing or future loan repayments were used in accordance with the agreement. I suppose if you get repayments from Meadowbrook in the future it would apply to those as well. But ideally there will be no additional reporting to EPA.
>
> This is all proposed at this point, but what I am trying to push through.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> ---
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Friday, January 05, 2018 2:40 PM

To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: rebates?

Faye,

We're open to anything that let's us move on. Can you send some of the language that we would be agreeing to? What's the number we would be obliged to rebate? Can we have language that states that this balance does not need to be accounted as restricted funds on our audit?

Yes we receive the funds from these borrowers. They aren't meadowbrook loans.

Thanks!

John

Sent from my iPhone

On Jan 5, 2018, at 1:53 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> So are those repayments coming directly to CDTLS? And being held, accounted for, and used appropriately?

Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

...Driving Innovation in Clean Transportation

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Sent: Friday, January 05, 2018 1:15 PM
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Faye Swift

DERA Grants & Policy Team Leader

202-343-9147

US EPA Transportation & Climate Division

…Driving Innovation in Clean Transportation

From: Swift, Faye
To: John Hoeveler
Subject: RE: rebates?
Date: Friday, January 05, 2018 2:49:00 PM

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> *Faye Swift*
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>
> US EPA Transportation & Climate Division
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From:	Swift, Faye
To:	John Hoeveler
Subject:	RE: Regulations on smartway
Date:	Thursday, February 09, 2017 8:33:00 AM
Attachments:	2010.6.24 SmartWay Terms and Conditions FY09-10_CDTLS.doc T&C Attachment A for 83412501 .pdf

---

These are the terms and conditions for the 1st and 2nd grants. I don't have time to look through them for a specific definition right now, but please take a look and see what you can find. I can take a look next week.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Thursday, February 09, 2017 7:36 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Regulations on smartway

Hi Faye,

Real quick. Do you have regulations that define how we can determine if a loan is a default under Smaryway? We go by 90 days of non payment. But do you have a definition of it yourself? We want to make sure we are in compliance on this definition.

Thank you!

John
--

From: Swift, Faye
To: John Hoeveler
Subject: RE: Regulations on smartway
Date: Tuesday, March 07, 2017 3:20:00 PM

Thanks, John.

I met with the Office of Grants and Debarment and counsel today. We are drafting a formal statement regarding defaults and will get that out to you ASAP. In general, these are grants and do not need to be paid back. The program assumed the risk of defaults when establishing the program. Assuming the defaults can be proven/justified, they may be deducted from the RLF balance.

In general we agreed that a default should be listed as a default and if a truck was repossessed and sold to a new driver, and that that loan could be listed as a new loan. It is hard to say definitively if this is how CDTLS should track and report as I don't have all the details on how this type of situation was actually handled from a financial perspective. We can continue to explore this.

We talked about the late fees. We agreed that late fees collected meet the definition of program income (T&C #15). For the purposes of the T&Cs, "cooperative agreement funds" are defined as EPA's share plus any recipient cost-share plus any accrued program income (T&C #3). T&C 6.k states, "…no more than 15% of cooperative agreement funds may be used by the recipient for administration of the finance program." With all that said, we still need to figure out what that means in practice, i.e. how to calculate how much of the program income (i.e. RLF) may be used for admin.

As far as dealing with project partners and contractors, per the terms and conditions of the award (#18), the recipient remains accountable to EPA for the proper expenditure of cooperative agreement funds. The recipient is responsible for ensuring that third parties receiving cooperative agreement funds comply with the terms of their finance agreements with the recipient, and that the finance agreements between the recipient and third parties are in accordance with the terms and conditions of the cooperative agreement. EPA is not a party to these transactions.

We also talked about revisiting the numbers for the SmartWay #2 closeout report and how to move forward with closeout and moving on from these grants. We are going to meet again to continue these discussions after I have a chance to review your new reports.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, March 07, 2017 10:52 AM
To: Swift, Faye <Swift.Faye@epa.gov>

Subject: Re: Regulations on smartway

Hi Faye,

Here is the swap agreement and the note. These notes are extremely long.. we have notes with SBA that don't have as much nonsense in them but the late fees are on page A-2 .. you can see that these loans are between CDTLS and Meadowbrook, with Meadowbrook providing the truck information. What made this complicated is that Meadowbrook provided the payment information. Truckers paid Meadowbrook and the Meadowbrook paid us. Some of the complications of this were that 1. Our loan to Meadowbrook was interest only in the first year but Meadowbrook collected a straight amort of principal and interest. 2. Meadowbrook collected from borrowers monthly but paid us quarterly. 3. We just had to take Meadowbrook's word on what was really paid back.

We have around 170 of these notes, some are completely paid off, some are partially paid off. All payments ceased on April 2016. Meadowbrook is claiming that many of these these trucks were defaults and therefore they don't need to pay us. Obviously we beg to differ. Our next step is to send a letter from our lawyer threatening to file judgement and report to credit bureaus. We will give him a week to respond and then execute. Before we do this, we are reevaluating the late fees. We expect our balance to be over $1 mil, so we'll use that as a starting point for negotiations and go from there. Their starting point is $0. So it will be interesting!

Hopefully I'll have the Q reports and P&I reports today.

Thanks!

John

On Tue, Mar 7, 2017 at 9:21 AM Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, If you could send me a copy of the partnership agreement with Meadowbrook this morning that would be helpful.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:john@cdtls.org]
> **Sent:** Saturday, March 04, 2017 11:59 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Fwd: Regulations on smartway
>
> Faye,

I'm still dealing with the auditors on this and they have a question. Where does it state that defaults reduce the cash balance on this program? I can't find a statement where that's written. The auditors think that because that's not explicitly written, then the cash balance should remain $2.6 million even though I have over a million in defaults. They think these defaults create a liability where we have to pay the EPA back because we issued bad loans. Is there some language you could provide me that says otherwise?

Still compiling those QR and P/I reports for you....

Thanks!

John

---------- Forwarded message ----------
From: **Swift, Faye** <Swift.Faye@epa.gov>
Date: Thu, Feb 9, 2017 at 8:33 AM
Subject: RE: Regulations on smartway
To: John Hoeveler <john@cdtls.org>

These are the terms and conditions for the 1st and 2nd grants. I don't have time to look through them for a specific definition right now, but please take a look and see what you can find. I can take a look next week.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

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From: John Hoeveler [mailto:john@cdtls.org]
Sent: Thursday, February 09, 2017 7:36 AM
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Subject: Regulations on smartway

Hi Faye,

Real quick. Do you have regulations that define how we can determine if a loan is a default under Smaryway? We go by 90 days of non payment. But do you have a definition of it yourself? We want to make sure we are in compliance on this definition.

Thank you!

John
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Thank you!

John
--

From: John Hoeveler
To: Swift, Faye
Subject: Re: Response to EPA1
Date: Monday, December 11, 2017 11:57:36 AM

USDA ... Intermediary Relending Program.

On Mon, Dec 11, 2017 at 11:51 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> What is IRP?
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Monday, December 11, 2017 11:08 AM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Response to EPA1
>
> Hi Faye,
>
> Here are the activity reports for Agronomy Services. 19940 is half funded by EPA and half from IRP. The other loans mentioned will not apply. They were IRP loans. Sorry for the confusion.
>
> The other loans listed in the QR's are also IRP. The previous group did IRP loans with trucks as well. I think they got those loans from Meadowbrook but they funded them directly - with IRP capital.
>
> Let me know if you have anymore questions.

Have a good week!

Sincerely

John Hoeveler

From: John Hoeveler
To: Swift, Faye
Subject: Re: Response to EPA1
Date: Monday, December 11, 2017 3:29:46 PM

Thanks! I have a call at 4:45 with the auditors... any chance I get that letter to tell them the new balances?

Thanks again!

John

On Mon, Dec 11, 2017 at 3:19 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Thanks. I am updating my balance sheets based on the Agronomy info you submitted.
>
> *Faye Swift*
>
> DERA Grants & Policy Team Leader
>
> 202-343-9147
>
> US EPA Transportation & Climate Division
>
> *…Driving Innovation in Clean Transportation*
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Monday, December 11, 2017 11:56 AM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Re: Response to EPA1
>
> USDA ... Intermediary Relending Program.
>
> On Mon, Dec 11, 2017 at 11:51 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:
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> >
> > *Faye Swift*

DERA Grants & Policy Team Leader

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Let me know if you have anymore questions.

Have a good week!

Sincerely

John Hoeveler

From: John Hoeveler
To: Swift, Faye
Subject: Re: Response to EPA1
Date: Wednesday, December 13, 2017 12:26:49 PM

Hi Faye.

Yes I state that 50% of loan 19940 is funded with the EPA1 RLF. $70,000.

Thanks!

John

Sent from my iPhone

On Dec 13, 2017, at 12:23 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John,
>
> Please clarify your statements below. #19940 is for $140,000. Are you stating that $70,000 of this loan was funding with RLF funds?
>
> <image001.png>
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
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Let me know if you have anymore questions.

Have a good week!

Sincerely

John Hoeveler

From: John Hoeveler
To: Swift, Faye
Subject: Re: status - closeout agreement
Date: Friday, May 04, 2018 10:34:05 AM

Yes. I sent it to the board and the lawyer that's the reason for the delay. Lawyers take forever but I was promised a response soon.

Have a good weekend!

Sent from my iPhone

On May 4, 2018, at 10:08 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, Can you just confirm receipt of the draft?
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*
>
> ---
>
> **From:** Swift, Faye
> **Sent:** Monday, April 30, 2018 3:03 PM
> **To:** 'John Hoeveler' <(b) (6)
> **Subject:** RE: status - closeout agreement
>
> Hi John, Please review the attached draft closeout agreement. If CDTLS is in agreement, we can move forward with signatures. Please fill in the appropriate contact information and signatory for CDTLS.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
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> US EPA Transportation & Climate Division
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>
> ---
>
> **From:** John Hoeveler [mailto:(b) (6)
> **Sent:** Thursday, April 26, 2018 5:09 PM
> **To:** Swift, Faye <Swift.Faye@epa.gov>
> **Subject:** Re: status - closeout agreement
>
> No problem. Thank you!
>
> Sent from my iPhone

On Apr 25, 2018, at 1:49 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

I should have a draft agreement for you tomorrow. Sorry, I got pulled into some other things.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Wednesday, April 25, 2018 3:20 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: status - closeout agreement

Faye,

What's the interest based on since the amount was lowered? I can only imagine the bill is huge since there's been no payment for years. Anyways, we certainly will do that. Thanks for your help!

John

Sent from my iPhone

On Apr 24, 2018, at 10:39 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

Hi John, We are getting ready to finalize the closeout agreement and formal response. I'll have a final draft to you by COB today. Please take one last look – we want to make sure you are in agreement with the terms so that we don't have to further negotiate.

CDTLS will have an opportunity to request a waiver of interest and fees once the official response goes out (instructions will be included).

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division

From: Swift, Faye
To: John Hoeveler
Subject: RE: status - closeout agreement
Date: Monday, April 30, 2018 3:02:00 PM
Attachments: CDTLS draft Closeout Agreement 4.30.18.doc

Hi John, Please review the attached draft closeout agreement. If CDTLS is in agreement, we can move forward with signatures. Please fill in the appropriate contact information and signatory for CDTLS.

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DERA Grants & Policy Team Leader
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From: John Hoeveler
To: Swift, Faye
Subject: Re: status - closeout agreement
Date: Wednesday, April 25, 2018 3:20:47 PM

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> *Faye Swift*
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> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: Swift, Faye
To: John Hoeveler
Subject: RE: status - closeout agreement
Date: Wednesday, April 25, 2018 3:48:00 PM

The interest will be recalculated based on the new amount, but since 2016 or something crazy.

Faye Swift
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202-343-9147

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John

Sent from my iPhone

On Apr 24, 2018, at 10:39 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> Hi John, We are getting ready to finalize the closeout agreement and formal response. I'll have a final draft to you by COB today. Please take one last look – we want to make sure you are in agreement with the terms so that we don't have to further negotiate.
>
> CDTLS will have an opportunity to request a waiver of interest and fees once the official response goes out (instructions will be included).
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: Swift, Faye
To: John Hoeveler
Subject: RE: This week
Date: Monday, November 13, 2017 1:33:00 PM

Hi John,

I had a meeting scheduled for this Wednesday to meet with my grants team and lawyers to try to resolve the balance due on SW#2, as well as a path forward for closeout.

Unfortunately, I need to travel out of town due to (b) (6) and will be out of the office the rest of the week. I hope to reschedule with my group for next week. I will share my summary materials with you as soon as I am able.

I do apologize for this further delay. Hopefully we will make significant progress next week when I am back in the office.

Thank you for your continued patience,

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Sunday, November 12, 2017 8:33 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: This week

Hi Faye,

I wanted to check in to see if we have a meeting soon to discuss the resolution of Smartway. I'm available all week and trying to finish up the audit. Everything is looking really good but this one last element is hanging over us. We're still pursuing legal action against Meadowbrook and we'll continue to do that even after a resolution. Let me know if you're available.

Have a good week!

John Hoeveler
CDTLS

From: Swift, Faye
To: John Hoeveler
Subject: RE: Update
Date: Wednesday, December 06, 2017 2:59:00 PM

John, I have to apologize - the time got away from me this afternoon and I have to (b) (6) Let's have a call first thing tomorrow - let me know your availability.

I don't know if this helps - but you can tell the auditor that EPA is working to reduce or eliminate the balance owed (i.e. accrued program income) on SW#2 based on the updated reports submitted this summer, taking into account revised loan amounts, defaults, and admin expenses.

Moving forward, EPA and CDTLS are working to modify the closeout agreements to convert the RLF in to a rebate program which will expend the RLFs until gone.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

-----Original Message-----
From: John Hoeveler [mailto:(b) (6)
Sent: Monday, December 04, 2017 7:55 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: Update

Thanks Faye,

I'm around all day if you need me. Is there anything I can tell the auditors at this point because it's the only remaining item and I'm soon to be 180 days out from the end of the FY and USDA and SBA require an audit after 90 days. I've been stalling as much as I can.

Have a good week!

John

Sent from my iPhone

> On Dec 4, 2017, at 7:20 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:
>
> Hi John, Sorry I wasn't able to touch base with you last week. The meeting was Thurs late afternoon, and I do not work on Fridays. Anyway, we met and it went well. However, we have not reached a final determination. I am working today to address a few questions that came up - I may be reaching out to you for input if necessary. I am also scheduling a followup with my team for early this week to keep the momentum moving on this.
>
> Thanks,
>
> Faye Swift
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division ...Driving Innovation in
> Clean Transportation

>
> -----Original Message-----
> From: john hoeveler [mailto:john@cdtls.org]
> Sent: Friday, December 01, 2017 9:09 AM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: Update
>
> Hi Faye,
>
> I wanted to follow up on the meeting you had yesterday. Are you available to discuss any updates?
>
> Have a good weekend!
>
> John
>
> Sent from my iPhone

From: John Hoeveler
To: Swift, Faye
Subject: Re: Update
Date: Wednesday, December 06, 2017 3:25:09 PM

Faye,

That helps a lot! Can we reach an agreement on the amount of the total rebate we'll disburse? If it's the amount that we have in total EPA notes, we'll have enough to cover that and we can avoid having a negative restricted cash balance. That will help us move forward as an organization. What's a good time tomorrow? I know you're in the office early...

Thank you!

John

On Wed, Dec 6, 2017 at 2:59 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> John, I have to apologize - the time got away from me this afternoon and I have to (b) (6)
> Let's have a call first thing tomorrow - let me know your availability.
>
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> DERA Grants & Policy Team Leader
> 202-343-9147
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> US EPA Transportation & Climate Division
> …Driving Innovation in Clean Transportation
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> From: John Hoeveler [mailto:(b) (6)
> Sent: Monday, December 04, 2017 7:55 AM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: Re: Update
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> Thanks Faye,
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> I'm around all day if you need me. Is there anything I can tell the auditors at this point because it's the only remaining item and I'm soon to be 180 days out from the end of the FY and USDA and SBA require an audit after 90 days. I've been stalling as much as I can.
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> I wanted to follow up on the meeting you had yesterday. Are you available to discuss any updates?
>
> Have a good weekend!
>
> John
>
> Sent from my iPhone

From: Swift, Faye
To: John Hoeveler
Subject: RE: Updated numbers
Date: Wednesday, January 03, 2018 5:40:00 PM
Attachments: image001.png
image002.png

John, As of 6/30/2014, $8,433.34 and $7,247.84 were the principal and interest collected on loans 12206 and 12209, respectively ($15,681.18 total). If you want to attribute the $40,000 in loans to EPA#2 (made before 6/30/2014), then we also need to attribute any P&I received on these loans prior to 6/30/14 to EPA#2. The $40k gets subtracted from EPA#2 and the P&I gets added to EPA#2. You can't subtract the loans from EPA#2 and then put the P&I on EPA#1.

In other words, if these loans had been originally made under EPA#2 on 11/9/2012 and 12/13/2012, any payments made between loan issuance and 6/30/2014 would have been put back into EPA#2.

The total P&I collected on these loans to date, based on the loan activity reports you submitted to me, is $42,123.47.

$	20,000.00	$	1,027.02	$	21,027.02
$	20,000.00	$	1,096.45	$	21,096.45

$42,123.47 - $15,681.18 = $26,442.29.

As we have discussed, the Accrued Program Income is based on a snapshot of accounts on 6/30/2014. At that time, accrued progam income is returned to EPA which in effect zero's out the RLF for EPA#2. $26,442.29 in P&I was collected on these 2 loans after 6/30/2014, and this amount has been added to the EPA#2 RLF. You can see this in the tab labeled "1217-RECON w swap".

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto (b) (6)
Sent: Wednesday, January 03, 2018 4:44 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: Updated numbers

Faye,

The $8,433.34 and $7,247.84 should be added to the RLF because those funds were collected as part of loans issued prior to 6/30/14.

Thanks!

John

On Wed, Jan 3, 2018 at 3:47 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> We subtracted the $40,000 in loans made from EPA#2 funds, but also had to add the principle and interest received on those loans as of 6/30/2014 to EPA#2.
>
12206	$ 20,000.00		3.00%	7,827.92	605.42	$ 8,433.34	Payback as of 6/30/2014 per CDTLS 2008 - 2014 Q2 Prog
12209	$ 20,000.00		3.00%	6,656.86	590.98	$ 7,247.84	Payback as of 6/30/2014 per CDTLS 2008 - 2014 Q2 Prog
>
> So $168,561.40- $40,000 + $8433.34 + $7247.84 = $144,242.58
>
> Based on the final programmatic reports and final financial report submitted by CDTLS during 2014-2015, expenses on EPA#2 as of 6/30/2014 were determined to be $355,130.87. This amount for expenses is already factored into the Accrued Program Income calculation.
>
> I did not see anything in the expense documentation that you sent me this past summer that would justify an increase in expenses as of 6/30/2014. The expenses incurred after 6/30/2014 do not factor into the Accrued Program Income calculation. If there is something I missed regarding expenses incurred on EPA#2 prior to 6/30/2014 please bring it to my attention.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: John Hoeveler [mailto:(b) (6)
Sent: Wednesday, January 03, 2018 2:35 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: Updated numbers

Thanks Faye.

What's the calculation for P&I earned? I would have thought we would go from the $168,000 that we had before, then add the two $20,000 loans to bring it to $128,000 then factor in the expenses. Can't we do it that way?

Thanks again!

John

Sent from my iPhone

On Jan 3, 2018, at 2:05 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> <image001.png>
>
> Hi John, The amount of PI income owed on SW#2 at the end of the project period has been recalculated to $144,242.58. This is based on 1) increasing the Eagle Aggregate loan to $500K; 2) moving loans 12206 and 12209 to EPA#2. The attached spreadsheet shows all the details that go into the calculation.
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> I am briefing middle management on Friday, and am trying to get on my Office Director's calendar for early next week. In the meantime we are drafting a formal response to CDTLS.
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> To: Swift, Faye <Swift.Faye@epa.gov>
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> I wanted to follow up about the revisions to the amount that we owe you. Anything new?
>
> Thanks!
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<2017.12.20 REVISED CDTLS 2010 Closout to Present RLF Balance.xls>

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Subject: RE: Updated numbers
Date: Wednesday, January 03, 2018 3:47:00 PM
Attachments: image001.png

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From: John Hoeveler
To: Swift, Faye
Subject: Re: Updated numbers
Date: Wednesday, January 03, 2018 5:54:31 PM
Attachments: image001.png

Ok. Thanks for your help!

Sent from my iPhone

On Jan 3, 2018, at 5:40 PM, Swift, Faye <Swift.Faye@epa.gov> wrote:

> John, As of 6/30/2014, $8,433.34 and $7,247.84 were the principal and interest collected on loans 12206 and 12209, respectively ($15,681.18 total). If you want to attribute the $40,000 in loans to EPA#2 (made before 6/30/2014), then we also need to attribute any P&I received on these loans prior to 6/30/14 to EPA#2. The $40k gets subtracted from EPA#2 and the P&I gets added to EPA#2. You can't subtract the loans from EPA#2 and then put the P&I on EPA#1.
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> > DERA Grants & Policy Team Leader

202-343-9147

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…Driving Innovation in Clean Transportation

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<2017.12.20 REVISED CDTLS 2010 Closout to Present RLF Balance.xls>

From: Swift, Faye
To: John Hoeveler
Subject: RE: Updated numbers
Date: Wednesday, January 03, 2018 2:05:00 PM
Attachments: 2017.12.20 REVISED CDTLS 2010 Closout to Present RLF Balance.xls
image001.png

2017 Closeout Calcs	
2,600,000.00	grant
(234,773.68)	
2,365,226.32	Grant funds available
(355,130.87)	expenses
2,010,095.45	grant funds available for loans
$ 2,670,095.45	loans
(2,010,095.45)	grant funds available for loans
660,000.00	PI & RLF funds needed
804,242.58	PI earned
(660,000.00)	
144,242.58	accrued PI owed

Hi John, The amount of PI income owed on SW#2 at the end of the project period has been recalculated to $144,242.58. This is based on 1) increasing the Eagle Aggregate loan to $500K; 2) moving loans 12206 and 12209 to EPA#2. The attached spreadsheet shows all the details that go into the calculation.

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DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

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Thanks!

John

Sent from my iPhone

From: John Hoeveler
To: Swift, Faye
Subject: Re: Updated P&I
Date: Thursday, December 14, 2017 10:09:16 AM

Hi Faye,

Yes I understand that these transfers will not be applied to the RLF balance. If it's the case that it's a double count, then we will apply the disbursement only once. We understand that. Thanks for your assistance in this matter!

Sincerely,

John

> On Dec 14, 2017, at 8:44 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:
>
> John,
>
> In the EPA#1 report you provided on Tuesday, loans that were transferred to another individual are being double counted. For example, Loan #12 to Tia Howard was transferred to Nichols Denning. The initial outlay of principal is listed twice (once for Tia Howard and one for Nicholas Denning), so that when the total amount of "EPA Portion of Loan" is calculated, these loans are being double counted. My understanding is that in actuality, the new loan recipient took over the balance remaining on the loan and was not issued a new loan (i.e. there was no new outlay of cash).
>
> Other examples can be seen in loan #20 (Wayne Hallman to Shannon Jenkins) and loan #33 (Jerry McInnis to Tony Hunter) and loan #36 (Mitchell Addison to James McNealy).
>
> Please confirm that the new loan recipients took over the balance remaining on the loan and were not issued a new loan (i.e. there was no new outlay of cash). Also, please confirm that you understand that my calculations for the reconciliation of the RLF balance will not list these loan transfers as an additional outlay of RLF funds.
>
> *Faye Swift*
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> *…Driving Innovation in Clean Transportation*

From: John Hoeveler [mailto:john@cdtls.org]
Sent: Tuesday, December 12, 2017 12:28 PM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Updated P&I

<EPA2 P&I Q4.xls><EPA #1 Principal & Int Analysis Q4-2.xls>

From: Swift, Faye
To: John Hoeveler
Subject: RE: Updated P&I
Date: Thursday, December 14, 2017 11:29:00 AM

Ok. I'm almost done with the RLF#1 balance calcs and will send for your review very shortly.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From: John Hoeveler [mailto:(b) (6)
Sent: Thursday, December 14, 2017 10:51 AM
To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Re: Updated P&I

Hi Faye,

Yes I understand that these transfers will not be applied to the RLF balance. If it's the case that it's a double count, then we will apply the disbursement only once. We understand that. Thanks for your assistance in this matter!

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#33 (Jerry McInnis to Tony Hunter) and loan #36 (Mitchell Addison to James McNealy).

Please confirm that the new loan recipients took over the balance remaining on the loan and were not issued a new loan (i.e. there was no new outlay of cash). Also, please confirm that you understand that my calculations for the reconciliation of the RLF balance will not list these loan transfers as an additional outlay of RLF funds.

Faye Swift
DERA Grants & Policy Team Leader
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To: Swift, Faye <Swift.Faye@epa.gov>
Subject: Updated P&I

<EPA2 P&I Q4.xls><EPA #1 Principal & Int Analysis Q4-2.xls>

From: John Hoeveler
To: Swift, Faye
Subject: Re: Updates
Date: Tuesday, May 23, 2017 9:12:48 AM

Hi Faye,

I'm just checking in because our fiscal year will end soon and I would like to get some revisions on where things with the smartway program. Can we get some updated balances on both the grant and the RLF? I hope we can negotiate a way forward that allows us to remove the restricted cash, but we can still continue to do eligible truck loans going forward.

Thank you,

John

Sent from my iPhone

> On May 23, 2017, at 8:09 AM, Swift, Faye <Swift.Faye@epa.gov> wrote:
>
> Hi John, this week is a short week for me and I'm booked up. I can put something on the schedule for next week.
>
> Do you have new info/items to discuss, or just checking in?
>
> Faye Swift
> DERA Grants & Policy Team Leader
> 202-343-9147
>
> US EPA Transportation & Climate Division
> ...Driving Innovation in Clean Transportation
>
> -----Original Message-----
> From: John Hoeveler [mailto:john@cdtls.org]
> Sent: Monday, May 22, 2017 12:34 PM
> To: Swift, Faye <Swift.Faye@epa.gov>
> Subject: Updates
>
> Hi Faye,
>
> Can you schedule a time to talk with me this week?
>
> Thanks!
>
> John
>
> Sent from my iPhone

From: Swift, Faye
To: John Hoeveler
Subject: rebates?
Date: Friday, January 05, 2018 1:03:00 PM

Hi John,

Had a briefing with Management today. Would CDTLS still be willing to commit to using any available RLF funds on a rebate program? We had discussed this concept previously. Essentially converting the RLF into a rebate or voucher program to incentivize the purchase of new trucks? There would be little to no reporting or accounting – still need to hash out the details but want to make sure you agree before we push forward.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

US EPA Transportation & Climate Division
…Driving Innovation in Clean Transportation

From:	John Hoeveler
To:	Swift, Faye
Subject:	Response to EPA1
Date:	Monday, December 11, 2017 11:09:06 AM
Attachments:	agronomy - 19957.pdf agronomy - 19940.pdf agronomy - 19928.pdf

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Hi Faye,

Here are the activity reports for Agronomy Services. 19940 is half funded by EPA and half from IRP. The other loans mentioned will not apply. They were IRP loans. Sorry for the confusion.

The other loans listed in the QR's are also IRP. The previous group did IRP loans with trucks as well. I think they got those loans from Meadowbrook but they funded them directly - with IRP capital.

Let me know if you have anymore questions.

Have a good week!

Sincerely

John Hoeveler

From: Swift, Faye
To: John Hoeveler
Subject: status - closeout agreement
Date: Tuesday, April 24, 2018 12:39:00 PM

Hi John, We are getting ready to finalize the closeout agreement and formal response. I'll have a final draft to you by COB today. Please take one last look – we want to make sure you are in agreement with the terms so that we don't have to further negotiate.

CDTLS will have an opportunity to request a waiver of interest and fees once the official response goes out (instructions will be included).

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

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202-343-9147

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From: John Hoeveler
To: Swift, Faye
Subject: This week
Date: Sunday, November 12, 2017 8:34:22 PM
Attachments: 2011 Proposal Finance Draft 2-10-11 235p.debrief color highlights.doc

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Hi Faye,

I wanted to check in to see if we have a meeting soon to discuss the resolution of Smartway. I'm available all week and trying to finish up the audit. Everything is looking really good but this one last element is hanging over us. We're still pursuing legal action against Meadowbrook and we'll continue to do that even after a resolution. Let me know if you're available.

Have a good week!

John Hoeveler
CDTLS

From: John Hoeveler
To: Swift, Faye
Subject: Updated P&I
Date: Tuesday, December 12, 2017 12:29:06 PM
Attachments: EPA2 P&I Q4.xls
EPA #1 Principal & Int Analysis Q4-2.xls

From: Swift, Faye
To: John Hoeveler
Subject: updated QRs needed
Date: Tuesday, December 12, 2017 11:58:00 AM
Attachments: EPA 1 Reports.msg
EPA2 Reports.msg

John,

According to my records, the attached email/reports are the last Quarterly and P&I reports that CDTLS has submitted (reporting period ending 12/31/2016).

I am working on finalizing an analysis of which loans are correctly attributed to each fund (RLF#1 and RLF#2), and the dates of loan issuance. I am doing this in order to 1) reconcile the RLF balances 2) see if there are additional loans that can be "swapped" in order to reduce the accrued program income for EPA#2 grant as of the closeout date.

While I am doing that, I need you to update the attached reports with any loans issued or payments received to date.

Faye Swift
DERA Grants & Policy Team Leader
202-343-9147

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