

STATE OF NEW HAMPSHIRE DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT

OFFICE of the COMMISSIONER

172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

603-271-2411

FAX: 603-271-2629

September 19, 2013

Her Excellency, Governor Margaret Wood Hassan and the Honorable Executive Council State House Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Resources and Economic Development, Office of Workforce Opportunity, to enter into a contract with C & S Wholesale Grocers, Inc. (VC #161105), Keene, NH, in the amount of \$100,000 to implement employer-based training under the New Hampshire Job Training Program (JTP) effective October 2, 2013 or upon Governor and Executive Council approval, whichever is later, through January 2, 2015. 100% Job Training Fund

Funding is available in account titled, Job Training Program, as follows:

03-35-35-350510-54200000-102-500731 Contracts for Program Services

\$100,000

EXPLANATION

The JTP was established to provide job training designed to attract new business, assist in the expansion of business, and retain existing business in the State of New Hampshire. Under RSA 282-A:138-a, funding is derived from the Unemployment Compensation and Employment Service Administrative Fund. Per HB 2, training agreements funded through the JTP may be implemented using an AG approved contract form (attached). Governor and Executive Council approval is required for grants exceeding \$70,000.

To maintain its competitiveness, as well as financial stability, C & S Wholesale Grocers, Inc. is in the process of coordinating and streamlining its internal computer and communication systems. This project brings critical advanced skills training in Oracle applications, as well as, network applications for to up to 450 C & S Wholesale Grocers, Inc. employees. The company has committed \$150,150 of its own funds to the project.

Respectfully submitted,

Commissioner

Agreement Number: 2014-0005

TRAINING AGREEMENT - NH Job Training Fund

Between

State of New Hampshire – Department of Resources & Economic Development
Division of Economic Development - Office of Workforce Opportunity
172 Pembroke Road, PO Box 1856, Concord, NH 03302

and

C & S Wholesale Grocers, Inc. 7 Corporate Drive, Keene, NH 03431

This cost reimbursement agreement (agreement) for training services is <u>effective from October 2, 2013, or from the date of Governor and Executive Council approval, whichever is later.</u> This agreement ends January 2, 2015. Total payments under this agreement shall not exceed \$100,000, and are subject to C&S Wholesale Grocers, Inc. (C&S) documenting a 1:1 match that does not include wages paid to employees participating in training, in-kind contributions, administrative or entertainment expenses, or costs resulting from violation or failure to comply with federal, state, or local laws and regulations.

By signing below, the Department of Resources and Economic Development, Office of Workforce Opportunity (State), a state entity within the State of New Hampshire, and C&S agree to all the terms of this agreement, which, in addition to the above, consists of the following sections:

- I. Statement of Work Training/Services Obligation
- II. Performance Goals & Outcomes / Reporting Requirements
- III. Budget and Cash Management
- IV. Other Terms of Agreement

Section 1 - Statement of Work: Training

A. Introduction

This agreement is the result of a competitive application process and completely incorporates the following documents by reference:

- NH Job Training Fund law (SB 97) effective July 1, 2007, and permanent rules (Res 2700 et al), effective July 1, 2009.
- C&S.'s application dated August 2, 2013.

If a question occurs over expectations, the order of hierarchy for documents, unless otherwise specified in the body of this document, is as follows:

- the laws and regulations
- this agreement
- C&S.'s application

C&S assumes full responsibility for the administration and performance outcomes of this grant.

<u>PLEASE NOTE</u>: The <u>offer</u> of training funds under this initiative expires on January 2, 2015. If this agreement is not signed by both parties by November 2, 2013 the funds may be de-obligated and used to fund training of other successful applicants.

B. Training/Services Obligation

Contractor's Initials [

- 1. This grant will be used to pay for those services outlined in C&S's application dated August 2, 2013. Specifically, training/services shall address training in Microsoft Office Productivity and Oracle and Network Systems as described in C&S's proposal. Any changes to the training/services as outlined in the referenced document must be approved in writing by the State.
- 2. Training/services shall commence within 90 days from the latest signature date of this agreement, as required by the Administrative Rules (Res2704.05). If the first training course has not commenced within this 90-day timeframe, C&S risks losing this funding pursuant to the applicable rules. All training/services must be completed by January 2, 2015, with final invoices to the State no later than February 2, 2015.
- 3. C&S shall monitor the performance of the persons receiving the training and understands and agrees that students who repeatedly receive failing grades, or fail to complete courses, or terminate the training for a period of more than 30 days (for other than medical reasons) shall be removed from the training program.
- 4. C&S understands and agrees that only NH-based employees, legally able to work in the USA, may undertake training funded by this grant.

Section II -- Performance Goals & Outcomes / Reporting Requirements

- 1. The total expected number of participants to receive training is 450.
- 2. To meet the reporting requirements of this funding source, C&S agrees to work with the State to provide such information as requested by the legislature. Whenever possible, copies of participant certifications and/or licensures should be included in the documentation of performance outcomes. Lack of response to this requirement may result in a penalty requiring repayment of grant funds.
- 3. All reporting obligations shall be coordinated through, and facilitated by, Michael Power, whose contact information is Michael. Power at 603-271-7275, ext. 188.
- 4. The final written evaluation (report) shall be due to the State within 45 days from the completion of training and provide the following types of information:
 - a. Number of individuals trained and positions held
 - b. Impact of the training on the workers' skills
 - c. Cost per trainee
 - d. Number of trainees retained in employment as a result of the training
 - e. Number of jobs created as a result of the training
 - f. Analysis of the training provider's program (did it meet the needs of the business, was it revised to meet the needs, etc.)
- 5. Failure to submit the final evaluation report shall result in a reduced reimbursement amount, to be determined by the State.
- 6. The State reserves the right to arrange an onsite visit for program monitoring purposes, or to meet and discuss any program challenges that may arise throughout this training grant.

Section III - Budget and Cash Management

- 1. Payments by the State under this agreement shall not exceed \$100,000.
- 2. Payments shall be disbursed on a cost-reimbursement basis. Training expenses incurred prior to the effective date of this agreement will not be reimbursed. There shall be a 15% withholding, (up to a maximum of \$5,000.00) on the final payment until such time as the final report has been received. Failure to submit a final evaluation report may result in the forfeiture of the withheld funds, as determined by the State.
- 3. Grant funds may not be used to purchase capital equipment, based on the thresholds defined by the appropriate OMB Circular (useful life of greater than 1 year and unit cost of \$5,000 or more).
- 4. C&S's training costs shall be compared to the budget line items submitted in their proposal response (if appropriate). Material deviation (≥ 15%) from the projected budget line items shall require approval by the

Contractor's Initials

2

State. For purposes of this agreement, the training/services budget is summarized below (figures based on the *Training Plan* included in proposal and any subsequent discussions):

Microsoft Office Prod	uctivity	C&S	GRANT
Config Systems, Inc.	Tuition/Instructor Fees	\$ 40,075.00	\$ 40,075.00
Oracle and Network S	ystems	•	
Oracle Instructor Fee	s (75 employees)	\$110,075.00	\$59,925.00
	TOTAL TRAINING COSTS	\$150,150.00	\$ 100,000.00

C&S agrees to match the total <u>training cost</u> on a 1:1 basis, up to the amount awarded in the grant of \$100,000. As noted in the law and rules, wages paid to workers participating in training, entertainment costs, administrative costs, and costs relating to failure to comply with federal, state, or local laws do <u>NOT</u> qualify as match for this grant. Company invoices for reimbursement shall be summarized on the invoice form attached hereto as Exhibit A, and must include proof of payment to vendor, as well as sufficient documentation to support the amount of the billing. Proof of payment means a copy of a cancelled check, credit card receipt, or a vendor statement indicating the invoice has been paid. Time sheets, vendor invoices, calculations showing prorated expenses, etc. are examples of documentation that may be used to support the invoice amount. Payment will be made for 50% of submitted vendor invoices up to the maximum grant amount awarded.

Section IV - Other Terms of Agreement

- 1. The parties through the execution of a written and signed Modification Agreement may modify this agreement at any time.
- 2. C&S warrants that it is authorized to conduct business in the State of New Hampshire and in good standing with the New Hampshire Secretary of State's Office.
- 3. No assignment or subcontracting of any of C&S's rights or responsibilities under this agreement shall be effective unless approved in writing by the State or unless clearly described in the Statement of Work.
- 4. Either party may terminate this agreement at any time by giving thirty (30) calendar days advance written notice to the other party.
- 5. Either party may terminate or suspend this agreement for cause, including non-performance, at any time should a material breach of any of the agreement's terms occur. Termination or suspension shall be effective at the date and time specified on the written notice of Termination for Cause.
- 6. It is understood and agreed that this agreement will be funded by administrative dollars drawn from the state unemployment trust fund. In the event that such funding is reduced, suspended or terminated for any reason, or if legislative laws/administrative rules are significantly changed, the State shall have the right to terminate this agreement, to de-obligate funds, or to negotiate appropriate modifications to this agreement.
- 7. This agreement will terminate at midnight on the end date shown on the first page unless early termination occurs under stipulation 4, 5, or 6 above. In the event of early agreement termination, C & S shall only be entitled to payments accrued or earned up until the close of business on the scheduled termination date.
- 8. C&S shall be responsible for all claims, suits, damages, judgments, recoveries, settlements, or other liabilities incurred as a result of performance or failure to perform under this agreement arising out of the negligent or intentional actions of C&S officials, employees, subcontractors, and/or agents. During the term of the agreement, C&S shall, at its own expense, carry general liability insurance providing a limit of not less than Two Million Dollars (\$2,000,000) per occurrence, which shall protect the State as an additional insured against claims for personal injury, death, and property damage subject to standard policy provisions and exclusions. Certificates thereof shall be delivered to the State within ten (10) days after the date of execution of the agreement, and thereafter within ten (10) business days after expiration of the effective policy, without any lapse in coverage. C&S shall maintain appropriate levels of workers' compensation insurance in accordance with New Hampshire law.

Contractor's Initials _______ 3

- 9. Upon the termination of the agreement for any reason, all data and all reports or any other work products prepared by C&S in the course of operating the program, shall become the property of the State. (Note: this does not include actual course curriculum)
- 10. C&S shall maintain records of attendance, costs, and other project-related materials for a period of three (3) years after the completion of the training. C&S shall allow access to these records by the State, its authorized representatives, or the appropriate governmental entity for audit purposes.
- 11. A wavier of any breach of any of the provisions of this agreement shall not be construed as a continuing waiver of other breaches of the same or other provisions hereof.
- 12. If a part of this agreement is held to be illegal, void, or unenforceable for any reason, such holding shall not affect the validity and enforceability of any other part.
- 13. The headings in this agreement are used as a matter of convenience only and are not to be considered a part of this agreement or to be used in determining the intent of the parties.
- 14. In the performance of this agreement, C&S is in all respects an independent contractor and is neither an agent nor employee of the State. Neither C&S nor any of its officers, employees, agents, or members shall have authority to bind the State, or receive any benefits, workers' compensation or emoluments provided by the State to its employees.
- 15. The parties herein do not intend to benefit any third parties and this agreement shall not be construed to confer any such benefit.
- 16. This agreement is subject to the jurisdiction of and shall be interpreted under the laws of the State of New Hampshire.
- 17. This agreement does not abridge or limit, nor shall it be interpreted as abridging or limiting the sovereign or official immunity to which the State and its representatives and agents are lawfully entitled.

END - Signatures to follow on next page

Contractor's Initials ______

Department of Resources and Economic D	evelopment, Office of Workforce Opportunity
Jeffrey J. Rose, Commissioner	9/13/13 Date
C.S. Wholosele Crosses Inc	
C&S Wholesale Grocers, Inc.	9/10/2013
Cole A. Mills, Vice President, Tax Duly Authorized	Date *
COUNTY OF CHESHINE	owledged before me this 10th day of September 2013, by
Cose $A = M_1/l^3$, known to me or satisfactorily proven, in his/her capacity as
VICE PAESIDENT - TAK	_, known to me or satisfactorily proven, in his/her capacity as of
	Mr.
	NOTARY PUBLIC/JUSTICE OF PEACE
	My Commission expires: 51415
	THEW ON
	COMMISSION Z EXPIRES Z MAY 26, TO 2015
Approved as to form, substance, and execu	tion: 4MPSHILLIAN PUBLICATION
Office of the Attorney General	

٠,



September 10, 2013

Office of Workforce Opportunity New Hampshire Department of Resources & Economic Development Attn.: Mr. Michael Power 172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

RE:

C&S Wholesale Grocers, Inc.

Training Grant Application 2014-0005

Dear Mr. Power:

This letter is to confirm that Cole A. Mills, Vice President - Tax, has the authority to sign all documents related to the New Hampshire Workforce Opportunity training grant on behalf of C&S Wholesale Grocers, Inc. by reason of his position and responsibilities with the company.

C&S Wholesale Grocers, Inc. does not hold special board of director meetings to confirm the daily duties and authority of its employees.

If you have any questions, please contact me at (603) 354-5846 or bboyd@cswg.com.

Sincerely,

Senior Vice President, General Counsel & Corporate Secretary

CC:

Ann C. Johnson, CSWG Cole A. Mills, CSWG

State of New Hampshire

County of Cheshire, SS

The foregoing instrument was acknowledged before me this $l^{\prime\prime}$ day of September 2013 by William M. Boyd, III of C&S Wholesale Grocers, Inc., a Senior Vice President, General Counsel and Corporate Secretary of the corporation, on behalf of the corporation.

Cynthia J. Lake

My commission expires: October 3,₹0

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that C&S WHOLESALE GROCERS, INC. doing business in New Hampshire as CSWG, a(n) Vermont corporation, is authorized to transact business in New Hampshire and qualified on January 9, 1989. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 12th day of August, A.D. 2013

William M. Gardner Secretary of State



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY) 09/30/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

		CONTACT NAME:				
	inc.	PHONE (AC. No. Ext):	(866) 283-7122	FAX (A/C. No.): (800) 363-01	05	
		E-MAIL ADDRESS:				
PRODUCER AON Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA INSURED C&S Wholesale Grocers, Inc. 7 Corporate Drive Keene NH 03431-5042 USA	INSURER(S) AFFORDING COVERAGE NAIC					
INSURED		INSURER A:	National Union Fire In	s Co of Pittsburgh	19445	
		INSURER B:	New Hampshire Ins Co		23841	
Aon Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA INSURED C&S Wholesale Grocers, Inc. 7 Corporate Drive	INSURER C:					
	Risk Services Northeast, Inc. York NY Office Water Street York NY 10038-3551 USA RED Wholesale Grocers, Inc. Orporate Drive	INSURER D:				
		INSURER E:				
Aon Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA INSURED C&S Wholesale Grocers, Inc. 7 Corporate Drive	INSURER F:		<u>.</u>			

COVERAGES	CERTIFICATE NUMBER: 570051505430	REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requeste Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDU S	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP	LIMITS	·
A	GENERAL LIABILITY			GL6819377	09/30/2013	NA 738 /383 /	EACH OCCURRENCE	\$750,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$250,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	Excluded
		- 1			1	· .	PERSONAL & ADV INJURY	\$750,000
							GENERAL AGGREGATE	\$10,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	\$2,000,000
	X POLICY PRO-						SIR	\$250,000
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	
	ANY AUTO				1		BODILY INJURY (Per person)	
	ALL OWNED SCHEDULED						BODILY INJURY (Per accident)	
	AUTOS AUTOS NON-OWNED						PROPERTY DAMAGE	
	AUTOS						(Per accident)	
							EACH OCCURRENCE	
	UMBRELLA LIAB OCCUR							
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	
	DED RETENTION							
В	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			wc026020372	09/30/2013	09/30/2014	X WC STATU- OTH-	
в	ANY PROPRIETOR / PARTNER / EXECUTIVE			NH VT wc026020371	09/30/2013	09/30/2014	E.L. EACH ACCIDENT	\$1,000,000
١	(Mandatory in NH)	N/A		AL,CT,IA,NH,NJ,NY,SC,TN,V	03, 30, 2013	05, 50, 202.	E.L. DISEASE-EA EMPLOYEE	\$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE-POLICY LIMIT	\$1,000,000
DESC	RIPTION OF OPERATIONS / LOCATIONS / VEHICLE	ES (Atta	ch A	CORD 101, Additional Remarks Schedule, I	f more space is r	equired)		

Certificate Holder: State of New Hampshire - Department of Resources & Economic Development Division of Economic Development Office of Workforce Opportunity. Evidence of Insurance.

CERT	HEIC	ATE		DED
CER		~~:	not	.ven

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

State of New Hampshire 172 Pembroke Road PO Box 1856 Concord NH 03302 USA

AUTHORIZED REPRESENTATIVE

Aon Risk Services Northeast Inc

AGENCY CUSTOMER ID: 570000033042

LOC#:



ADDITIONAL REMARKS SCHEDULE

Page _ of .

		11110 001122 022
AGENCY		NAMED INSURED
Aon Risk Services Northeast, Inc.		C&S Wholesale Grocers, Inc.
POLICY NUMBER		
See Certificate Number: 570051505430		
CARRIER	AIC CODE	
See Certificate Number: 570051505430		EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL	. REMARKS	FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER:	ACORD 25	FORM TITLE: Certificate of Liability Insurance

	INSURER(S) AFFORDING COVERAGE	NAIC#
INSURER		

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

	certificate form for policy films.							-
INSR LTR			SUBR WYD	POLICY NUMBER	POLICY EFFECTIVE EXPIRATION DATE (MM/DD/YYYY) (MM/DD/YYYY)		LIMITS	
	WORKERS COMPENSATION							
В		N/A		WC026020369 CA	09/30/2013	09/30/2014		
В		N/A		WC026020370 MA,ND,OH,WA,WY	09/30/2013	09/30/2014		
В		N/A		WC026020372 NJ PA	09/30/2013	09/30/2014		
В		N/A		WC026020374 GA	09/30/2013	09/30/2014		
В	-	N/A		wC026020375 FL	09/30/2013	09/30/2014		