



STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
DIVISION OF PARKS AND RECREATION

172 Pembroke Road Concord, New Hampshire 03301
Phone: (603) 271-3556 Fax: (603) 271-3553 E-Mail: nhparks@dred.nh.gov
Web: www.nhstateparks.org

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January 25, 2016

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, Division of Parks and Recreation (DPR) to enter into a Memorandum of Agreement (MOA) with New Hampshire Department of Corrections (DOC) for DPR to provide a firewood kiln in an amount not to exceed \$50,000 to the New Hampshire Correctional Industries (NHCI) entity in exchange for discounted kiln-dried firewood for a 5-year period upon approval of Governor and Executive Council through December 1, 2020. 100% Park Funds

Funding for the purchase of the kiln is available as follows:
03-35-35-351510-37220000 Concession Operations – State Parks
030-500311 Equipment – General (New) \$50,000

EXPLANATION

New Hampshire State Park’s largest concessions revenue stream is from the sale of firewood. DPR has purchased firewood from NHCI for over 20 years. The MOA will enable DPR to provide a kiln to NHCI for the production of firewood for DPR that would control costs and increase product availability. The MOA will allow for a sustainable source of firewood for DPR while providing a revenue-generating work environment for inmates.

The firewood market has proven to be volatile over the past few years because of market conditions and more strict regulations in response to invasive species and tree disease. The addition of a kiln will limit the spread of invasive species and vastly improve the lead time and distribution of firewood throughout the state park system while providing campground guests with a superior product. This MOA will provide for and strengthen the partnership between DPR and NHCI for a 5-year period through December 1, 2020.

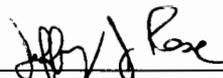
The Attorney General’s office has reviewed and approved this MOA as to form, substance and execution.

Respectfully submitted,

Concurred,

(4/11)


Philip A. Bryce
Director


Jeffrey J. Rose
Commissioner

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (the "Agreement") is by and between the **New Hampshire Correctional Industries** (the "NHCI"), an entity within the New Hampshire Department of Corrections (the "DOC") whose principal office is located at 105 Pleasant Street, PO Box 1806, Concord, NH 03302-1806 and the **New Hampshire Division of Parks and Recreation** (the "DPR"), an entity within the Department of Resources and Economic Development (the "DRED") whose principal office is located at 172 Pembroke Road, Concord, NH 03301 (collectively, the "parties").

WHEREAS, the DPR seeks to establish a dependable source for quality kiln-dried and heat-treated, packaged firewood to provide for onsite retail sale to its customers at its state parks and campgrounds;

WHEREAS, the DPR seeks to uphold and support the DRED Division of Forests and Lands statewide ban on the importation of untreated firewood so as to decrease the likelihood of importing damaging insects and diseases to NH forests, but that kiln-dried, packaged firewood is exempt from the ban;

WHEREAS, the NHCI seeks to create revenue-generating work environments that provide inmates with the work experience, job skills, and the confident attitude they will need in order to obtain and hold jobs once released;

NOW THEREFORE, DPR and NHCI agree as follows:

I) TERM OF AGREEMENT

- A) This Agreement shall take effect on upon Governor and Executive Council approval and shall continue in effect for a period of five (5) years or until December 1, 2020, whichever shall come later.

II) THE NHCI SHALL:

- A) Take delivery of a firewood kiln provided by the DPR with the conditions described herein:
 - 1) Locate the kiln at its NHCI farm at 312 North State St, Concord, NH, where firewood processing shall take place.
 - 2) Use the kiln to kiln-dry and heat treat all bundles to comply with state regulations and standards to prevent the spread of harmful forest insects and disease.
 - 3) Give DPR a discount of \$0.35 per bundle of firewood for the five year term of this Agreement or on the first 150,000 bundles purchased, whichever shall come first.
 - 4) Assume all responsibility for and cost of the operation, maintenance, and liability of the firewood kiln once delivered by DPR.

- B) Provide all the space required for all firewood processing operations including but not limited to raw material storage, processing, heat drying, packaging, and finished goods storage.
- C) Provide to DPR a bundled firewood product with the following specifications:
 - 1) Each bundle shall consist of a minimum of 1.0 cubic feet of kiln-dried, heat-treated firewood suitable for burning in a campfire environment.
 - 2) All firewood shall be kiln-dried and heat-treated to a not to exceed 12% moisture content.
 - 3) Each 1.0 cubic foot bundle of firewood shall also include approximately 0.05 cubic feet of dry kindling wood.
 - 4) All firewood and kindling wood shall be kiln-dried and heat-treated so as to comply with state regulations to prevent the spread of harmful forest insects and disease.
 - 5) All firewood and kindling shall be bundled using mesh "onion bags."
 - 6) All mesh "onion bags" shall be labeled with jointly agreed upon advertising.
- D) Provide DPR with a minimum of 30,000 bundles per year for each of the five (5) years of the term of this Agreement.
- E) Deliver the bundled firewood and products to specified state park and campground locations on dates and times as requested by the DPR, and shall provide, at its expense, the transportation and staff for all such deliveries.
- F) Within 10 days of delivery, invoice DPR in the amount of \$3.75 per bundle for all bundles delivered. The price per bundle shall reflect a discount of \$0.35 per bundle of firewood from the pre-discounted price of \$4.10 in accordance with Part II.A.3.
- G) Provide, at its expense, a qualified shop manager and a suitable number of productive and willing inmate workers, to properly implement and fulfill its obligations under this Agreement.
- H) Provide and maintain for the term of this Agreement, any and all required general comprehensive liability, vehicle, and property damage insurance, and workers compensation insurance, as is required for its operations, for which the DPR shall not be held liable or responsible. The parties acknowledge that the State is self-insured.

III) THE DPR SHALL:

- A) Purchase and deliver a firewood kiln with the following specifications:
 - 1) The purchase price of the kiln shall not exceed \$50,000.

- 2) A minimum of a five (5) cord capacity with all the necessary accessories and any required documentation for the kiln to be certified by the proper authority in the state of New Hampshire.
 - 3) The kiln shall be operated by natural gas, or any other suitable heat sources, and able to heat and dry the wood to meet any and all regulations in the state of New Hampshire.
 - 4) The kiln shall be located at the NHCI farm at 312 North State St, Concord, NH, where the firewood processing shall take place.
- B) Purchase all bundles produced by NHCI specifically for the DPR, with a minimum purchase of 30,000 bundles per year for each of the five (5) years of the term of this Agreement, to the product specifications described herein.
- C) Make payments to NHCI in the amount of \$3.75 per bundle for all bundles delivered. The price per bundle shall reflect a discount of \$0.35 per bundle of firewood from the pre-discounted price of \$4.10 in accordance with Part II.A.3.

IV) BOTH PARTIES SHALL:

- A) Hereby warrant that it has the lawful authority to enter into this Agreement, by and through its representatives who execute it.
- B) Agree to review and adjust the per bundle price any time the cost of raw materials increases or decreases by more than ten percent (10%). Such price adjustment shall be made in writing, signed by both parties, and attached to this Agreement as an addendum.
- C) Maintain proper records:
- 1) That are complete files of documents and communications relating in any way to this Agreement for the duration of the Agreement, and shall be kept for at least an additional five years following the expiration date of the Agreement.
 - 2) Acknowledge that this Agreement, and all documents of any sort relating to it, are public records under the New Hampshire Right-to-Know Law, R.S.A. 91-A.
- D) Agree that the firewood kiln purchased by DPR shall remain the property of DPR until such time that NHCI delivers to DPR a minimum of 150,000 bundles of firewood product to product specifications and price point outlined herein. Following the delivery of 150,000 bundles of firewood product by NHCI to DPR, DPR shall transfer ownership of the firewood kiln to NHCI.
- E) Not be liable to the other for any delay in or failure of performance caused by acts of God; acts of a public enemy; fires; floods; inclement weather; epidemics; strikes or labor disturbances; or inmate misconduct.

V) GENERAL TERMS OF THE AGREEMENT

- A) Conditional Nature of Agreement. Notwithstanding any provision of this Agreement to the contrary, all obligations of the either agency hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds.
- B) Remedies. Disputes arising under this Agreement which cannot be resolved between the parties shall be referred to the New Hampshire Department of Justice for review and final resolution. This agreement does not create any enforceable rights of action in any court.
- C) Assignment / Delegation / Subcontracts. The parties shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the parties. None of the services shall be subcontracted by the parties without the prior written consent of the parties.
- D) Sovereign Immunity. Nothing herein shall be construed as a waiver of sovereign immunity of the state of New Hampshire, such immunity being hereby specifically preserved.
- E) Notice. The contacts for each of the parties shall be the below named persons, or their successors in office. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing to the parties at the addresses given herein.

DOC-NHCI

Ron Cormier, Administrator
603-271-1875
Ronald.Cormier@doc.nh.gov

DRED-DPR

Grant Goulet, Retail Supervisor
603-271-3556
Grant.Goulet@dred.nh.gov

- VI) Amendments. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment.
- VII) Third Parties. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.
- VIII) Headings. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.
- IX) Entire Agreement. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understandings between the parties, and supersedes all prior agreements and understandings relating hereto.

In witness whereof, the parties have on this date hereunto affixed their signatures.

**DEPARTMENT OF CORRECTIONS
NEW HAMPSHIRE CORRECTIONAL INSTITUTE**

Concur:



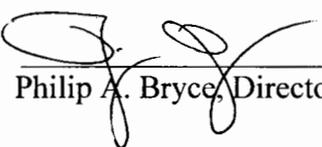
Ronald Cormier, Administrator 1-20-16
Date



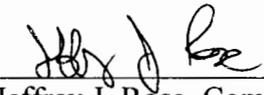
William L. Wrenn, Commissioner 1/20/16
Date

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF RESOURCES AND ECONOMIC DEVELOPMENT**

Concur:

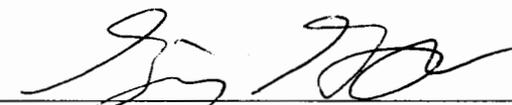


Philip A. Bryce, Director 1-20-16
Date



Jeffrey J. Rose, Commissioner 1/20/16
Date

Approved to Form, Substance, and Execution:



Brian W. Buonamano 1/20/16
Date
Assistant Attorney General, NH Department of Justice

Governor and Executive Council Approved: Date _____ Item # _____

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