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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF BUSINESS AND ECONOMIC AFFAIRS  
**OFFICE OF WORKFORCE OPPORTUNITY**

172 Pembroke Road Concord, New Hampshire 03301  
Phone: 603-271-7275                      www.nhworks.org

June 25, 2018

His Excellency, Governor Christopher T. Sununu  
and the Honorable Executive Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the Department of Business and Economic Affairs, Office of Workforce Opportunity, to enter into a contract with Hitchiner Manufacturing Company, Inc. (VC #207881), Milford, NH, in the amount of \$84,750.00 to implement employer-based training under the Job Training Fund (JTF) effective July 10, 2018 or upon Governor and Executive Council approval, whichever is later, through October 10, 2019. 100% Job Training Fund

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


	<b><u>FY 2019</u></b>
<b>03-22-22-220510-14540000</b>	
Office of Workforce Opportunity	\$84,750.00
<b>102-500731 Contracts for Program Services</b>	

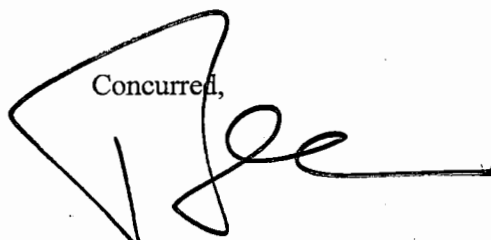
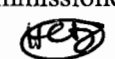
**EXPLANATION**

The Job Training Fund (JTF) 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 12-O:30 funding is derived from the Unemployment Compensation and Employment Service Administrative Fund. Per HB517, training agreements funded through the JTF may be implemented using an Attorney General (AG) approved contract form (attached). Governor and Executive Council approval is required for grants exceeding \$70,000.

Founded in 1946 and headquartered in Milford, NH, Hitchiner Manufacturing is the premier industrial supplier of complete-to-print high-volume, complex thin-wall investment castings and fully-finished casting-based subassemblies and components. This project will train 97 employees to implement new technologies that will benefit them, the Company and the economic development of New Hampshire. Specifically employees will receive critical advanced skills training in Kaizen Training, MOST Certification Program and Non-Destruction Testing (NDT) Level I X-Ray. The company shall match the JTF grant of \$84,750.00 to support the proposed training, for a total training cost of \$169,500.00. Training providers include Great Bay Community College, Accenture-Operations Workforce Optimization and Faust Enterprises, LLC.

Respectfully submitted,

  
Wildolfo Arvelo,  
Economic Development Director

Concurred,  
  
Taylor Caswell,  
Commissioner  


Agreement Number: 2018-0062

NH State Vendor #:

# New Hampshire jobTrainingfund

## TRAINING AGREEMENT

Between

State of New Hampshire – Department of Business and Economic Affairs  
Division of Economic Development - Office of Workforce Opportunity  
172 Pembroke Road, Concord, NH 03301

and

Hitchiner Manufacturing Company, Inc. ("Company")  
594 Elm St. Milford, NH 03055

This cost reimbursement agreement (agreement) for training services is effective from July 10, 2018 or from the date of Governor and Council Approval, whichever is later. This agreement ends October 10, 2019. **Total payments under this agreement shall not exceed \$84,750.00, and are subject to Company 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 Business and Economic Affairs, Office of Workforce Opportunity (State), a state entity within the State of New Hampshire and Hitchiner Manufacturing 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 Program for Economic Growth (Section 12-0:30 effective July 1, 2017, and permanent rules (Res 2700 et al), effective July 1, 2009
- Company's application dated May 23, 2018

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 State laws and regulations
- this agreement
- Company's application dated May 23, 2018

Company assumes full responsibility for the administration and performance outcomes of this grant.

***PLEASE NOTE: The offer of training funds under this initiative expires on October 10, 2018. If this agreement is not signed by both parties by October 10, 2018 the funds may be de-obligated and used to fund training of other successful applicants.***

Contractor's Initials TC

## B. Training/Services Obligation

This grant will be used to pay for those services outlined in Company's application dated May 23, 2018.

1. Specifically, training/services shall address Kaizen Training, MOST Certification Program and NDT Level I X-Ray. **Any changes to the training/services as outlined in the referenced document must be requested and approved in writing by the State prior to making the change. Failure to do so may result in forfeiture of reimbursement.**
2. Training/services shall commence within 90 days from G&C approval of this agreement, as required by the Administrative Rules (Res 2704.05). If the first training course has not commenced within this 90-day timeframe, Company risks losing this funding pursuant to the applicable rules. All training/services must be **completed by October 10, 2019, with final invoices and evaluation to the State no later than December 30, 2019.**
3. Company 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. Company 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 97.
2. To meet the reporting requirements of this funding source, Company 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, Jacqueline Heuser, whose contact information is [Jacqueline.Heuser@livefree.nh.gov](mailto:Jacqueline.Heuser@livefree.nh.gov) or 603-271-0337.
4. The final evaluation shall be due to the State with the final invoice, within 30 days of the completion of training and can be completed online at <https://www.surveymonkey.com/r/NH-JTF>
5. Failure to submit the final evaluation code with the final reimbursement request 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 \$84,750.00.**
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 survey 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 applicable OMB Circular (useful life of greater than 1 year and unit cost of \$5,000 or more).

4. Company's training costs shall be compared to the budget line items submitted in their grant application. Material deviation ( $\geq 15\%$ ) from the projected budget line items shall require approval by the 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):

	Company's Share	Grant Share
Kaizen Training Model Cells	66,000.00	66,000.00
MOST Certification Program	14,250.00	14,250.00
NDT Level I X-Ray Classroom	4,500.00	4,500.00
<b>Total Cost of Training</b>	<b>\$84,750.00</b>	<b>\$84,750.00</b>

Company agrees to match the total training cost on a 1:1 basis, up to the amount awarded in the grant of **\$84,750.00**. 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 NOT qualify as match for this grant. *Company invoices for reimbursement shall be summarized on the invoice form attached hereto as Reimbursement Request Form, 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. Company warrants that it is authorized to conduct business in the State of New Hampshire and is in good standing with the New Hampshire Secretary of State's Office.
3. No assignment or subcontracting of any of the Company'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, Company shall only be entitled to payments accrued or earned up until the close of business on the scheduled termination date.

8. Company 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 Company' officials, employees, subcontractors, and/or agents. During the term of the agreement, Company shall, at its own expense, carry general liability insurance providing a limit of not less than One Million Dollars (\$1,000,000) per occurrence. 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. Company shall maintain appropriate levels of workers' compensation insurance in accordance with New Hampshire law.
9. Upon the termination of the agreement for any reason, all data and all reports or any other work products prepared by Company in the course of operating the program, shall become the property of the State. (Note: this does not include actual course curriculum)
10. Company shall maintain records of attendance, costs, and other project-related materials for a period of three (3) years after the completion of the training. Company 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, Company is in all respects an independent contractor and is neither an agent nor employee of the State. Neither Company 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\*\*\*

For Business and Economic Affairs, Office of Workforce Opportunity:

*[Handwritten Signature]*

6/4/18

Taylor Caswell, Commissioner

Date

(leg)

Hitchiner Manufacturing Company, Inc.:

*[Handwritten Signature]*

JUNE 4, 2018

TIMOTHY C. SULLIVAN, ESQ., V.P., CORP. AFFAIRS & SERVICES Date  
Print signer's name & title  
Duly Authorized

STATE OF New Hampshire  
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 4 day of June 2018, by Timothy Sullivan, known to me or satisfactorily proven, in his/her capacity as VP Corp Affairs & Services of Hitchiner Manufacturing.

Paula Moore  
NOTARY PUBLIC/JUSTICE OF PEACE  
My Commission expires: \_\_\_\_\_

PAULA MOORE, Notary Public  
State of New Hampshire  
My Commission Expires September 3, 2019



Approved as to form, substance, and execution:

*[Handwritten Signature]*

6/22/18

Office of the Attorney General

Date

# State of New Hampshire

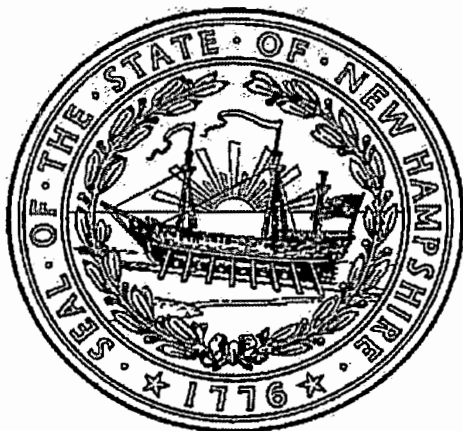
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that HITCHINER MANUFACTURING CO., INC. is a New Hampshire Profit Corporation registered to transact business in New Hampshire on October 30, 1946. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 12614

Certificate Number: 0004107888



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 June A.D. 2018.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

**Corporate Resolution**

I, JOHN H. MORRISON, III, hereby certify that I am duly elected CHAIRMAN & CEO of  
(Name) (Officer Title)

HITCHINER MANUFACTURING CO., INC. I hereby certify the following is a true copy of a vote taken at  
(Name of Corporation or LLC)

a meeting of the Board of Directors/shareholders, duly called and held on APRIL 26, 2018

at which a quorum of the Directors/shareholders were present and voting.

**VOTED:** That TIMOTHY C. SULLIVAN, ESQ.  
VP., CORP. AFFAIRS & SERVICES (may list more than one person) is  
(Name and Title)

duly authorized to enter into contracts or agreements on behalf of

HITCHINER MANUFACTURING CO., INC. with the State of New Hampshire and any of  
(Name of Corporation or LLC)

its agencies or departments and further is authorized to execute any documents which  
may in his/her judgment be desirable or necessary to effect the purpose of this vote.

**I hereby certify** that said vote has not been amended or repealed and remains in full  
force and effect as of the date of the contract to which this certificate is attached. I further  
certify that it is understood that the State of New Hampshire will rely on this certificate as  
evidence that the person(s) listed above currently occupy the position(s) indicated and that  
they have full authority to bind the corporation. To the extent that there are any limits on the  
authority of any listed individual to bind the corporation in contracts with the State of New  
Hampshire, all such limitations are expressly stated herein.

**DATED:** JUNE 4, 2018

**ATTEST:** John H. Morrison, III  
(Name and Title)  
CHAIRMAN & CEO.





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
6/4/2018

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).

<b>PRODUCER</b> <b>Hays Companies</b> 133 Federal Street, 4th Floor  Boston MA 02110	<b>CONTACT NAME:</b> John Foley <b>PHONE (A/C, No, Ext):</b> (617) 723-7775 <b>E-MAIL ADDRESS:</b>	<b>FAX (A/C, No):</b>
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> <b>Hitchiner Manufacturing Co., Inc.</b> 594 Elm Street Milford NH 03055	<b>INSURER A:</b> AIG Specialty Insurance Co.	
	<b>INSURER B:</b> Sentry Insurance A Mutual Co.	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES**                      **CERTIFICATE NUMBER:** 17-18 GL WC                      **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.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			14165793	12/31/2017	12/31/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N N/A	901812701	12/31/2017	12/31/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Insurance

<b>CERTIFICATE HOLDER</b>  The State of New Hampshire/DBEA-OWO 172 Pembroke Rd Concord, NH 03301	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b>  James Hays/CDOHER