



The State of New Hampshire
Department of Environmental Services

Robert R. Scott, Commissioner



March 1, 2018

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

REQUESTED ACTION

Authorize the Department of Environmental Services (NHDES) to enter into Grant Agreements with the entities listed below totaling \$68,750 for partial funding of diesel vehicle replacements, effective upon Governor and Council approval through September 30, 2018. 100% Federal Funds.

Funding is available in the account as follows:

	<u>FY 2018</u>
03-44-44-443010-2278-072-500572	\$68,750
Dept. of Environmental Services, DERA Funds, Grants Federal	

Name	Location	Vendor #	Grant Award Amount
Town of Farmington	Farmington, NH	177387-B002	\$38,750
S. & J. Transportation Services, Inc.	Lee, NH	157099-B001	\$30,000
		Total:	\$68,750

EXPLANATION

Under the Diesel Emission Reduction Act (DERA) the U.S. Environmental Protection Agency (EPA) provides funding to states for projects that reduce harmful emissions produced by older diesel engines, including replacement of vehicles. The replacement vehicles must meet more stringent emissions standards. Federal fiscal year (FFY) 2017 EPA funding provided a total of \$225,984 for the grant period October 1, 2017 to September 30, 2018. On October 1, 2017 NHDES issued a competitive Request for Proposals (RFP) for DERA eligible projects for this grant period.

Seven entities applied for federal funds for ten projects in response to the RFP. Four proposals were approved for funding (see Attachment A for the scoring results). The Town of Farmington, NH requested partial funding to replace a wheeled loader and was approved for funding. S&J Transportation Services, Inc. requested partial funding to replace three drayage trucks. The three trucks were scored separately and the 2004 Sterling drayage truck identified as truck 234 was approved for funding.

The mandatory cost share requirements of the DERA grant indicate that the funding for replacement vehicles is capped at 25 percent unless the vehicle is a drayage vehicle which is allowed funding of up to 50 percent of replacement costs. A drayage vehicle is defined as any Class 8 (Gross Vehicle Weight Rating greater than 33,000 pounds) highway vehicle operating on or transgressing through port or intermodal rail yard property for the purpose of loading, unloading, or transporting cargo, such as containerized, bulk, or break-bulk goods.

NHDES will provide a grant not to exceed \$38,750 or 25 percent, whichever is less, to the Town of Farmington, NH for the replacement of a wheeled loader. NHDES will provide a grant not to exceed \$30,000 or 50%, whichever is less, to S&J Transportation Services, Inc. to help fund the replacement of a drayage truck.

This agreement has been approved as to form, substance, and execution by the Office of the Attorney General. In the event that the Federal funds become no longer available General funds will not be requested to support this program.

We respectfully request your approval.



Robert R. Scott
Commissioner

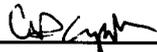
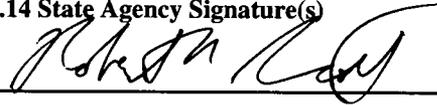
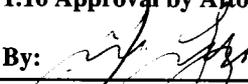
Subject: Town of Farmington, NH Wheeled Loader Replacement Project

GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATIONS

1.1 State Agency Name NH Department of Environmental Services		1.2 State Agency Address 29 Hazen Drive, Concord, NH 03302-0095	
1.3 Grantee Name: Town of Farmington, NH		1.4 Grantee Address 356 Main Street, Farmington, NH 03835	
1.5 Effective Date Upon G&C approval	1.6 Completion Date 9/30/2018	1.7 Audit Date N/A	1.8 Grant Limitation \$38,750
1.9 Grant Officer for State Agency Jessica Wilcox, Grant Manager NH Department of Environmental Services		1.10 State Agency Telephone Number (603) 271- 6751	
1.11 Grantee Signature 		1.12 Name & Title of Grantee Signor Arthur Capello, Town Administrator	
1.13 Acknowledgment: State of <u>New Hampshire</u> , County of <u>Stracford</u> On <u>1/13/2018</u> before the undersigned officer, personally appeared the person identified in block 1.12., or satisfactorily proven to be the person whose name is signed in block 1.11., and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace (Seal) 		1.13.1 Signature of Notary Public or Justice of the Peace MEGAN E. TAYLOR-FETTER, New Hampshire NOTARY PUBLIC - JUSTICE OF THE PEACE Commission Expires March 23, 2021	
1.13.2 Name & Title of Notary Public or Justice of the Peace <u>Megan Taylor - Fetter - Notary Public / J.P.</u>			
1.14 State Agency Signature(s) 		1.15 Name/Title of State Agency Signor(s) Robert R. Scott, Commissioner	
1.16 Approval by Attorney General's Office (Form, Substance and Execution) By:  Attorney, On: <u>3/14/18</u>			
1.17 Approval by the Governor and Council By:  On: <u> / /</u>			

2. SCOPE OF WORK. In exchange for grant funds provided by the state of New Hampshire, acting through the agency identified in block 1.1 (hereinafter referred to as "the State"), pursuant to RSA 21-O, the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT A (the scope of work being referred to as "the Project").

3. AREA COVERED. Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the state of New Hampshire.

4. EFFECTIVE DATE; COMPLETION OF PROJECT.

4.1 This Agreement, and all obligations of the parties hereunder, shall become effective on the date in block 1.5 or on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire whichever is later (hereinafter referred to as "the Effective Date").

4.2 Except as otherwise specifically provided for herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.6 (hereinafter referred to as "the Completion Date").

5. GRANT AMOUNT; LIMITATION ON AMOUNT; VOUCHERS; PAYMENT.

5.1 The Grant Amount is identified and more particularly described in EXHIBIT B, attached hereto.

5.2 The manner of, and schedule of payment shall be as set forth in EXHIBIT B.

5.3 In accordance with the provisions set forth in EXHIBIT B, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.

5.4 The payment by the State of the Grant amount shall be the only, and the complete, compensation to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.

5.5 Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.

6. COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS.

In connection with the performance of the Project, the Grantee shall comply with all statutes, laws, regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits.

7. RECORDS AND ACCOUNTS.

7.1 Between the Effective Date and the date seven (7) years after the Completion Date the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.

7.2 Between the Effective Date and the date seven (7) years after the Completion Date, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records or personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional,

affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these general provisions.

8. PERSONNEL.

8.1 The Grantee shall, at its own expense, provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.

8.2 The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform such Project, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.

8.3 The Grant officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.

9. DATA; RETENTION OF DATA; ACCESS.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.

9.3 No data shall be subject to copyright in the United States or any other country by anyone other than the State.

9.4 On and after the Effective Date all data, and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason, whichever shall first occur.

9.5 The State, and anyone it shall designate, shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, all data.

10. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.

11. EVENT OF DEFAULT; REMEDIES.

11.1 Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

11.1.1 failure to perform the Project satisfactorily or on schedule; or
11.1.2 failure to submit any report required hereunder; or
11.1.3 failure to maintain, or permit access to, the records required hereunder; or

11.1.4 failure to perform any of the other covenants and conditions of this Agreement.

11.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

11.2.1 give the Grantee a written notice specifying the Event of

Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and

11.2.2 give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and

11.2.3 set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and

11.2.4 treat the agreement as breached and pursue any of its remedies at law or in equity, or both.

12. TERMINATION.

12.1 In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.

12.2 In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.

12.3 In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.

12.4 Notwithstanding anything in this Agreement to the contrary, either the State or except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.

13. CONFLICT OF INTEREST. No officer, member or employee of the Grantee and no representative, officer of employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interests or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.

14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement, the Grantee, its employees, and any subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, worker's compensation or emoluments provided by the State to its employees.

15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit A without the prior written consent of the State.

16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any

person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee of Subcontractor, or subgrantee or other agent of the Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.

17. INSURANCE AND BOND.

17.1 The Grantee shall, at its sole expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:

17.1.1 statutory worker's compensation and employees liability insurance for all employees engaged in the performance of the Project, and

17.1.2 comprehensive public liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$2,000,000 for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and

17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than ten (10) days after written notice has been received by the State.

18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure or waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.

19. NOTICE. 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 by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.

20. AMENDMENT. 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, waiver or discharge by the Governor and Council of the State of New Hampshire.

21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.

22. 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.

23. 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 understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

EXHIBIT A
PROJECT SCOPE OF WORK

Grant Number: 00A00032-2017-001
Project Title: NH Clean Diesel Program Agreement with
Town of Farmington, NH – Wheeled Loader Replacement Project
Subgrant Program for Diesel Emissions Reduction Projects
Federal Award Identification Number (FAIN): 00A00032
CFDA Number and Name: 66.040, State Clean Diesel Grant Program

This Scope of Services describes activities that have been agreed to between the New Hampshire Department of Environmental Services (NHDES) and the Town of Farmington, NH (Vendor Code #177387-B001) to reduce diesel emissions in the State using funds available via the New Hampshire State Clean Diesel Grant Program funded by the U.S. Environmental Protection Agency (EPA). This grant was awarded to NHDES on September 20, 2017.

The project activities will be carried out by the Town of Farmington, NH (hereinafter referred to as Farmington), 356 Main Street, Farmington, NH 03835.

This agreement will become effective upon approval by Governor and Council. The project completion date is September 30, 2018, with additional reporting requirements through January 2022.

NHDES and Farmington will undertake under this Agreement the replacement of one loader.

For the purposes of this Agreement, NHDES and Farmington agree to the following:

1. NHDES shall assign the appropriate staff to coordinate this project with Farmington.
2. Farmington shall purchase one wheeled loader as a replacement for a model year (MY) 1999 John Deere wheeled loader.
3. The replacement loader will be powered by a MY 2017 or newer Tier 4 certified engine.
4. The horsepower rating of the replacement loader must not exceed by more than 25% the horsepower rating of the original loader and it must be operated in a similar manner over similar routes as the replaced loader.
5. NHDES shall reimburse Farmington 25 percent of the eligible expenses, or \$38,750, whichever is less.
6. Eligible expenses under this grant include the cost of the loader only.

7. Other expenses including, but not limited to “optional” components or “add-ons” to the vehicle, vehicle registration, scrappage of replaced vehicle, engineering, project management, and personnel costs are not eligible.
8. Farmington shall provide NHDES with the following information on the loader to be replaced prior to purchasing the new vehicle:
 - a. Annual hours operated
 - b. Annual fuel use and fuel type
 - c. Annual idling hours
 - d. Vehicle Identification Number (VIN)
 - e. Engine Model Year
 - f. Gross Vehicle Weight Rating (GVWR)
 - g. Horsepower
 - h. Engine Manufacturer
 - i. Engine Serial Number
 - j. Description of routes or typical use
9. The replaced loader shall be taken out of service no later than 15 days following the placement into service of the replacement vehicle.
10. The replaced loader will be scrapped within 90 days from the date the replacement is put in to service.
11. Farmington shall use the replacement loader in normal service for a period of no less than five (5) years. In the event that Farmington sells or surpluses the replacement truck within five years of the effective date of this contract Farmington shall follow the guidelines set forth in Title 2 Code of Federal Regulations, Subtitle A, Section 200.313, and shall reimburse the State of New Hampshire in accordance with the depreciation table below.

Project: Farmington Wheeled Loader Replacement Grant

	Percent Value Remaining	Total Grant	Value to be Returned to NHDES
Year 1 value	20	\$38,750.00	\$7,750.00
Year 2 value	16	\$38,750.00	\$6,200.00
Year 3 value	12.8	\$38,750.00	\$4,960.00
Year 4 value	10.2	\$38,750.00	\$3,952.50
Year 5 value	7.6	\$38,750.00	\$2,945.00

Note: Depreciation of grant is calculated based on a grant of \$38,750.00.

12. Farmington shall:
 - a. Register the replacement loader in accordance with New Hampshire law;
 - b. Maintain the replacement loader in accordance with manufacturer recommendations;
 - c. Not make modifications of the emission controls system on the replacement loader or engine; and,

Grantee initials Q
Date 11/1/8

- d. Make the loader and related documents (including maintenance records) available for follow-up inspection for five years from date of grant approval, if requested by EPA or NHDES.
13. Farmington shall scrap the loader being replaced or render it permanently disabled. NHDES shall be allowed the opportunity to witness the destruction of the engine and the chassis with a two week (minimum) advance notice of the event. The replaced loader may be permanently disabled by:
- a. Drilling a minimum 3” diameter hole completely through the engine block; and
 - b. Cutting the chassis rail in half.
14. Farmington shall supply documentation confirming the scrappage requirements have been met for the loader. The document must be signed by the authorized representative listed on the grant application form. The documentation must include:
- a. The date the loader was scrapped;
 - b. The engine model year, engine family name, engine serial number, and VIN; and
 - c. The name and contact information for the entity that scrapped the loader, if other than the grantee.
 - d. Photographic images of the following:
 - a. Side profile of the loader;
 - b. Vehicle Identification Number (VIN);
 - c. The engine tag that includes the engine serial number and engine family number (if available);
 - d. Chassis rail cut in half;
 - e. Engine block prior to holes being drilled; and
 - f. Engine block after holes have been drilled.

Scrapage may be completed by Farmington or by a salvage yard or similar service, provided all scrappage requirements have been met and all necessary documentation provided.

15. Farmington shall submit **Quarterly Project Status Reports** to NHDES within 15 days after the end of the each calendar quarter, beginning the Effective Date of the Agreement for a period of one year following vehicles acquisition. Quarterly Project Status Reports shall include sufficient information for NHDES to estimate the emissions reductions attributable to the loader’s replacement, including:
- a. The amount of fuel used during the preceding quarter;
 - b. The number of hours the vehicle was used in the preceding quarter; and
 - c. The estimated amount of idling experienced in the preceding quarter.
16. Farmington shall submit **Annual Project Status Reports** to NHDES by January 15th of each year, beginning one year from the last quarterly report, for a period of three years including, but not limited to:
- a. The amount of fuel used during the preceding year;
 - b. The number of hours the vehicle was used in the preceding year; and
 - c. The estimated amount of idling the vehicle experienced in the preceding year.

17. Farmington shall not use grant funds for any costs not specified in this Exhibit A, Scope of Services. Farmington shall complete all activities, reports, and work products specified herein.
18. This Agreement may be terminated for good cause by any one of the parties or for convenience if all parties agree, with the provision for orderly termination of the project. Termination of the Agreement shall not occur until thirty (30) days after a "notice of termination" has been received by the other party. Said notice shall specify the cause for termination.
19. Should Farmington terminate this Agreement for other than good cause prior to completion of all obligations specified in Exhibit A, Farmington will reimburse the State of New Hampshire for any funds received.

**EXHIBIT B
PAYMENT SCHEDULE**

- 1) Payments under this agreement are not to exceed \$38,750.00 or 25 percent of eligible project costs, whichever is less.
- 2) NHDES will reimburse Farmington for eligible expenses provided Farmington is in compliance with all recordkeeping and reporting requirements in Exhibit A.
- 3) Invoices may be submitted for reimbursement upon payment and shall include the following:
 - a) Payment request on Farmington letterhead with the following information for the replacement vehicle:
 - i) Vehicle Identification Number (VIN);
 - ii) Engine and vehicle model year;
 - iii) Engine and vehicle manufacturer;
 - iv) Engine serial number;
 - v) Horsepower;
 - vi) Fuel type; and
 - vii) Cost.
 - b) A copy of all vendor invoices;
 - c) A copy of cancelled checks or other documents verifying payment;
 - d) A copy of the new loader registration;
 - e) Proof of scrappage as per Exhibit A; Sections 13-14; and
 - f) Contact information for any questions related to reimbursement requests.
- 4) NHDES will process complete invoices within 30 days of receipt.
- 5) Any invoices must be submitted by September 15, 2018. Requests submitted after this date may be denied.
- 6) All obligations of NHDES and the State of New Hampshire are contingent upon availability and continued appropriation of funds for the services.

**EXHIBIT C
SPECIAL REQUIREMENTS**

Federal Funds paid under this agreement are from a Grant/Contract/Cooperative Agreement to the State from United States Environmental Protection Agency, New Hampshire State Clean Diesel Grant Program under CFDA # 66.040. All applicable requirements, regulations, provisions, terms and conditions of this Federal Grant/Contract/Cooperative Agreement are hereby adopted in full force and effect to the relationship between this Department and the grantee. Additionally, the Grantee shall comply with the terms of the Federal Funding Accountability and Transparency Act (FFATA) by providing DES with their Data Universal Numbering System (DUNS) number.

Town of Farmington

Name of Town

Certificate of Authorization

The Town of Farmington certifies that Arthur Capello is
Name of Town *Authorized Person*

authorized to enter into an agreement between the State of New Hampshire and the Town of Farmington pertaining to the DES DERA Grant.
Name of Town

In witness whereof, I hereby sign the Certificate of Authorization

Kathy L Seaver
Signature

Kathy L Seaver Town Clerk
Name, Title

Notarization

State of New Hampshire, County of Strafford. On 11/3/18
County *Date*

Before me, Megan Taylor-Fetter, the undersigned officer, personally
Name of Notary or Justice of the Peace

appeared Kathy Seaver who acknowledged themselves to be the Town Clerk of the
Name of authorized person

Town of Farmington, New Hampshire, and that ~~she~~he, Town Clerk being
Name of Town

authorized to do so, executed the foregoing instrument for the purposes therein contained.

In witness hereof, I hereunto set my hand and official seal.

[affix seal]

[Signature]
Notary Public or Justice of the Peace

Commission Expires: _____

Date **MEGAN E. TAYLOR-FETTER, New Hampshire**
NOTARY PUBLIC - JUSTICE OF THE PEACE
My Commission Expires March 23, 2021



New Hampshire Public Risk Management Exchange

PUBLIC ENTITY PROPERTY COVERAGE DECLARATIONS

This page along with the General Conditions and Coverage Document provisions and amendments, if any, issued to form a part thereof, completes the below numbered Coverage Document.

ITEM 1. Covered Entities	New Hampshire Public Risk Management Exchange and its Members and approved Not-for-Profit Corporations. See Schedule of Members and Schedule of Not-for-Profit Corporations.
ITEM 2. Document Number	P070116
ITEM 3. Coverage Period	<p>For Members with a July 1 effective date: From 12:01 A.M. Standard Time on July 1, 2016 or the date on which the entity becomes a Member of the New Hampshire Public Risk Management Exchange, whichever is later, and expires at 12:01 A.M. on July 1, 2017.</p> <p>For Members with a January 1 effective date: From 12:01 A.M. Standard Time on January 1, 2017 or the date on which the entity becomes a Member of the New Hampshire Public Risk Management Exchange, whichever is later, and expires at 12:01 A.M. on January 1, 2018.</p>
ITEM 4. Description and Location of Property	<p>ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE INCLUDING FLOOD AND EARTHQUAKE ON REAL AND PERSONAL PROPERTY, RENTAL INCOME INCLUDING BOND REVENUE PAYMENTS, BUSINESS INTERRUPTION, ACCOUNTS RECEIVABLE, DEBRIS REMOVAL, ELECTRONIC DATA PROCESSING - MEDIA AND EXTRA EXPENSE, INCREASED COST OF CONSTRUCTION AND DEMOLITION, PROPERTY IN TRANSIT, FINE ARTS, SERVICE INTERRUPTION, VEHICLES AND EQUIPMENT, LANDSCAPING, TEES AND GREENS, ANIMALS, PIERS, DOCKS AND WHARVES, VALUABLE PAPERS, AND EXTRA EXPENSE AND/OR AS MORE FULLY DEFINED IN THE FORMS ATTACHED.</p> <p>SITUATED AT: AS PER SCHEDULE AND VALUES ON FILE WITH THE NEW HAMPSHIRE PUBLIC RISK MANAGEMENT EXCHANGE</p>

ITEM 5. Coverage Limits The limits and sub-limits apply per Occurrence, per Schedule on File with the New Hampshire Public Risk Management Exchange, All Covered Causes of Loss, Coverages and Members Combined unless otherwise stated.	
Blanket Limit Per Occurrence	\$1,000,000,000
Sub-Limits	
Accounts Receivable	\$500,000
Automobiles and Mobile Equipment - newly acquired	Included Included
Animals - death	\$50,000 aggregate for the Coverage Period
Working Dogs and Horses – discretionary for veterinary care	\$2,000 per work related accident

Sub-Limits	
Bridges – Scheduled, approved and not listed on the State of New Hampshire Department of Transportation Municipal Redlist (excluding coverage for the peril of Earthquake and excluding Federal Emergency Management Agency (F.E.M.A.) and/or New Hampshire Department of Safety, Bureau of Emergency Management (BEM) declared disasters)	\$150,000
Builders Risk – Property in Course of Construction, Remodeling	\$25,000,000 Projects values between \$25,000,001 to \$50,000,000 can be added with underwriting approval
Unscheduled Business Interruption, Rental Income and Tax Interruption Combined and Extra Expense	\$500,000
Extra Expense	\$5,000,000
Contingent Business Interruption, Contingent Rental Values and Contingent Extra Expense	\$500,000
Debris Removal	25% of the amount we pay for direct loss plus the deductible
Demolition and Increased Cost of Construction due to building code enforcement	\$5,000,000
Earthquake Shock	\$50,000,000 per Occurrence and annual aggregate
Electrical Power Fluctuations causing Damage to Property in the Open as defined	\$50,000/Occurrence and aggregate for the Coverage Period
Expediting Expense	Included
Fine Arts	Unscheduled: \$1,000 per item and \$10,000 aggregate for the Coverage Period Scheduled: Agreed amount per Schedule
Fire Department Service Charges and Replacement of Fire Extinguishing Materials	\$1,000
Flood	\$100,000,000 per Occurrence and aggregate for the Coverage Period all flood zones except A and V which are \$50,000,000 per Occurrence and aggregate for the Coverage Period. The sublimit for A and V does not increase the \$100,000,000 Aggregate
Jewelry, Furs, Precious Metals and Precious Stones	\$500,000
Landscaping, Golf Course Tees, Greens and Sand Traps and Natural Athletic Fields	\$10,000 per Occurrence and \$50,000 aggregate for the Coverage Period
Money and Securities	\$50,000
Pollutant Clean-Up and Removal	\$10,000

Sub-Limits							
Property in Transit	\$250,000						
Roadways as defined herein, and paved sidewalks, (Excluding coverage for the peril of Earthquake and excluding Federal Emergency Management Agency (F.E.M.A.) and/or New Hampshire Department of Safety, Bureau of Emergency Management (BEM) declared disasters)	\$50,000						
Unscheduled Street Lights and Traffic Signals	\$500,000						
Service Interruption – Off Premises	\$50,000						
Personal Property outside of USA	\$500,000						
Terrorism	Foreign and Domestic \$5,000,000 per Occurrence and annual aggregate						
Towing and Labor Expense and Rental car	\$75 per disablement \$100/day and \$3,000 maximum for comparable vehicle						
Unscheduled Power Transmission Lines	\$200,000						
Personal automobile deductible for Volunteer/Employee on official duty	Amount of their auto deductible up to \$500, when the loss occurs in the course of employment or Volunteer activity for the Member						
Electronic Data	\$10,000 Per Occurrence, \$50,000 Annual Aggregate						
Valuable Papers	\$100,000						
Watercraft	Under 26': included Over 26': per Schedule on file						
Windstorm	\$250,000,000 per Occurrence and annual aggregate for Tier 1 and Tier 2						
ITEM 6. Other Conditions	<p>\$10,000,000 Miscellaneous Unnamed Locations for existing Members</p> <p>\$25,000,000 Automatic Acquisition for new locations for existing Members; automatic coverage for new locations greater than \$25,000,000 and up to \$100,000,000 for 90 days from date of acquisition. If values are not reported by the Member within 90 days, a maximum sublimit of \$25,000,000 applies.</p> <p>\$40,000,000 Errors and Omissions in the Reporting of Property or Property Values</p>						
ITEM 7. Valuation	<ul style="list-style-type: none"> ▪ Repair or Replacement Cost ▪ Actual Loss Sustained for Time Element Coverages ▪ Actual Cash Value for Automobiles, Unmanned Aircraft, Mobile Equipment and mobile command centers ▪ Replacement Cost for In Service Fire Apparatus and equipment permanently installed thereon and ambulances 						
ITEM 8. Member Deductible	<table> <tr> <td>\$1,000</td> <td>Per occurrence</td> </tr> <tr> <td>24 hour waiting period</td> <td>Business Interruption and Service Interruption</td> </tr> <tr> <td>2.5% of annual tax value per location</td> <td>Tax Interruption</td> </tr> </table>	\$1,000	Per occurrence	24 hour waiting period	Business Interruption and Service Interruption	2.5% of annual tax value per location	Tax Interruption
\$1,000	Per occurrence						
24 hour waiting period	Business Interruption and Service Interruption						
2.5% of annual tax value per location	Tax Interruption						

ITEM 9. New Hampshire Public Risk Management Exchange Self- Insured Retention	\$200,000 Per occurrence \$1,200,000 Annual aggregate, all losses do not erode the aggregate for the Coverage Period \$10,000 Maintenance deductible after aggregate is exhausted (\$25,000 for APD) \$250,000 Per occurrence flood zones A and V \$200,000 Per occurrence all other flood zones \$200,000 Per occurrence earthquake shock \$200,000 Auto physical damage and contractor's equipment
ITEM 10. Subject to Form(s) Attached	Primex ³ Public Entity Property Coverage Document

In witness whereof, the New Hampshire Public Risk Management Exchange has caused this declaration to be signed by its duly authorized representative.

By:



Chief Executive Officer

ATTACHMENT A
2017 New Hampshire Clean Diesel Grant Program
Applications and Funding Amounts

Grant Applicant	Location/Town	Funding Amount	Score
Town of Farmington	Farmington, NH	\$38,750.00	77
NHDOT – Tractor Trailer	Concord, NH	\$37,500.00	75
NHDOT - Crane	Concord, NH	\$68,750.00	70
S&J – Vehicle 234	Lee, NH	\$30,000.00	70
Town of Tuftonboro	Tuftonboro, NH	Not Funded	69
S&J – Vehicle 235	Lee, NH	Not Funded	69
Town of Northwood	Northwood, NH	Not Funded	69
S&J – Vehicle 247	Lee, NH	Not Funded	68.5
Taylor Phillips	Rye, NH	Not Funded	59
Town of Hancock	Hancock, NH	Not Funded	58

Criteria	Possible Points	Farmington	NHDOT - Trailer	NHDOT - Crane	S&J – 234
% operate in NH	15	15	15	15	5
Proximity to populated areas and sensitive receptors	20	15	15	15	20
Miles/Hours per year	10	4	4.5	3	10
Prior project experience or demonstrated ability to complete grant	5	4	5	5	5
Percent reduction in emissions	15	14.5	14	14.5	12
Total reduction in emissions	12	3.5	3.5	3	4.5
Cost Effectiveness	13	11	11	7.5	12.5
Other benefit*	10	10	7	7	1
Total	100	77	75	70	70

*Other benefits include: Tax payer savings; additional environmental benefits; small business; etc.

ATTACHMENT A (CON'T)

Criteria	Possible Points	Tuftonboro	S&J -235	Northwood
% operate in NH	15	15	5	15
Proximity to populated areas and sensitive receptors	20	15	20	10
Miles/Hours per year	10	2.5	9	4.5
Prior project experience or demonstrated ability to complete grant	5	4	5	4
Percent reduction in emissions	15	14.5	12	14
Total reduction in emissions	12	3	4.5	2.5
Cost Effectiveness	13	8	12.5	9
Other benefit*	10	7	1	10
Total	100	69	69	69

*Other benefits include: Tax payer savings; additional environmental benefits; small business; etc.

Criteria	Possible Points	S&J-247	Taylor Phillips	Hancock
% operate in NH	15	5	10	15
Proximity to populated areas and sensitive receptors	20	20	5	12
Miles/Hours per year	10	9	5	2
Prior project experience or demonstrated ability to complete grant	5	5	4	4
Percent reduction in emissions	15	12	6	15
Total reduction in emissions	12	4	12	2
Cost Effectiveness	13	12.5	13	1
Other benefit*	10	1	4	7
Total	100	68.5	59	58

*Other benefits include: Tax payer savings; additional environmental benefits; small business; etc.

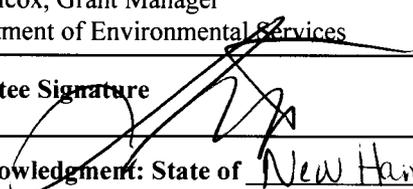
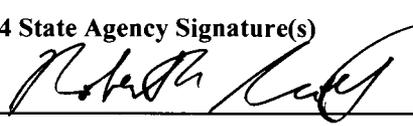
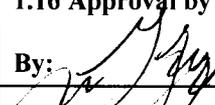
Subject: S&J Transportation Services, Inc. Drayage Truck Replacement Project

GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATIONS

1.1 State Agency Name NH Department of Environmental Services		1.2 State Agency Address 29 Hazen Drive, Concord, NH 03302-0095	
1.3 Grantee Name: S&J Transportation Services, Inc.		1.4 Grantee Address 251 Calef Highway, Lee, NH 03861	
1.5 Effective Date Upon G&C approval	1.6 Completion Date 9/30/2018	1.7 Audit Date N/A	1.8 Grant Limitation \$30,000
1.9 Grant Officer for State Agency Jessica Wilcox, Grant Manager NH Department of Environmental Services		1.10 State Agency Telephone Number (603) 271- 6751	
1.11 Grantee Signature 		1.12 Name & Title of Grantee Signor James P. Daley III, President	
1.13 Acknowledgment: State of <u>New Hampshire</u> , County of <u>Strafford</u> On <u>02/27/2018</u> , before the undersigned officer, personally appeared the person identified in block 1.12., or satisfactorily proven to be the person whose name is signed in block 1.11., and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace (Seal) <u>Sarah Beth Wheeler</u> SARAH BETH WHEELER Notary Public - New Hampshire My Commission Expires September 16, 2022			
1.13.2 Name & Title of Notary Public or Justice of the Peace <u>Sarah Beth Wheeler, Notary Public</u>			
1.14 State Agency Signature(s) 		1.15 Name/Title of State Agency Signor(s) Robert R. Scott, Commissioner	
1.16 Approval by Attorney General's Office (Form, Substance and Execution) By:  Attorney, On: <u>3/14/18</u>			
1.17 Approval by the Governor and Council By: _____ On: <u> / /</u>			

2. **SCOPE OF WORK.** In exchange for grant funds provided by the state of New Hampshire, acting through the agency identified in block 1.1 (hereinafter referred to as "the State"), pursuant to RSA 21-O, the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT A (the scope of work being referred to as "the Project").

3. **AREA COVERED.** Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the state of New Hampshire.

4. **EFFECTIVE DATE; COMPLETION OF PROJECT.**

4.1 This Agreement, and all obligations of the parties hereunder, shall become effective on the date in block 1.5 or on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire whichever is later (hereinafter referred to as "the Effective Date").

4.2 Except as otherwise specifically provided for herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.6 (hereinafter referred to as "the Completion Date").

5. **GRANT AMOUNT; LIMITATION ON AMOUNT; VOUCHERS; PAYMENT.**

5.1 The Grant Amount is identified and more particularly described in EXHIBIT B, attached hereto.

5.2 The manner of, and schedule of payment shall be as set forth in EXHIBIT B.

5.3 In accordance with the provisions set forth in EXHIBIT B, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.

5.4 The payment by the State of the Grant amount shall be the only, and the complete, compensation to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.

5.5 Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.

6. **COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS.**

In connection with the performance of the Project, the Grantee shall comply with all statutes, laws, regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits.

7. **RECORDS AND ACCOUNTS.**

7.1 Between the Effective Date and the date seven (7) years after the Completion Date the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.

7.2 Between the Effective Date and the date seven (7) years after the Completion Date, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records or personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional,

affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these general provisions.

8. **PERSONNEL.**

8.1 The Grantee shall, at its own expense, provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.

8.2 The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform such Project, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.

8.3 The Grant officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.

9. **DATA; RETENTION OF DATA; ACCESS.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.

9.3 No data shall be subject to copyright in the United States or any other country by anyone other than the State.

9.4 On and after the Effective Date all data, and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason, whichever shall first occur.

9.5 The State, and anyone it shall designate, shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, all data.

10. **CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.

11. **EVENT OF DEFAULT; REMEDIES.**

11.1 Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

11.1.1 failure to perform the Project satisfactorily or on schedule; or
11.1.2 failure to submit any report required hereunder; or
11.1.3 failure to maintain, or permit access to, the records required hereunder; or

11.1.4 failure to perform any of the other covenants and conditions of this Agreement.

11.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

11.2.1 give the Grantee a written notice specifying the Event of

Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and

11.2.2 give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and

11.2.3 set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and

11.2.4 treat the agreement as breached and pursue any of its remedies at law or in equity, or both.

12. TERMINATION.

12.1 In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.

12.2 In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.

12.3 In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.

12.4 Notwithstanding anything in this Agreement to the contrary, either the State or except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.

13. CONFLICT OF INTEREST. No officer, member or employee of the Grantee and no representative, officer of employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interests or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.

14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement, the Grantee, its employees, and any subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, worker's compensation or emoluments provided by the State to its employees.

15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit A without the prior written consent of the State.

16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any

person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee of Subcontractor, or subgrantee or other agent of the Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.

17. INSURANCE AND BOND.

17.1 The Grantee shall, at its sole expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:

17.1.1 statutory worker's compensation and employees liability insurance for all employees engaged in the performance of the Project, and

17.1.2 comprehensive public liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$2,000,000 for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and

17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than ten (10) days after written notice has been received by the State.

18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure or waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.

19. NOTICE. 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 by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.

20. AMENDMENT. 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, waiver or discharge by the Governor and Council of the State of New Hampshire.

21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.

22. 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.

23. 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 understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

EXHIBIT A
PROJECT SCOPE OF WORK

Grant Number: 00A00032-2017-003

Project Title: NH Clean Diesel Program Agreement with
S&J Transportation Services, Inc. – Drayage Truck Replacement Project
Subgrant Program for Diesel Emissions Reduction Projects
Federal Award Identification Number (FAIN): 00A00032
CFDA Number and Name: 66.040, State Clean Diesel Grant Program

This Scope of Services describes activities that have been agreed to between the New Hampshire Department of Environmental Services (NHDES) and S&J Transportation Services, Inc. in Lee, NH (Vendor Code #157099-B001) to reduce diesel emissions in the State using funds available via the New Hampshire State Clean Diesel Grant Program funded by the U.S. Environmental Protection Agency (EPA). This grant was awarded to NHDES on September 20, 2017.

The project activities will be carried out by the S&J Transportation Services, Inc. (hereinafter referred to as S&J), 251 Calef Highway, Lee, NH 03861.

This agreement will become effective upon approval by Governor and Council. The project completion date is September 30, 2018, with additional reporting requirements through January 2022.

NHDES and S&J will undertake under this Agreement the replacement of one drayage truck.

For the purposes of this Agreement, NHDES and S&J agree to the requirements to the following:

1. NHDES shall assign the appropriate staff to coordinate this project with S&J.
2. S&J shall purchase one drayage truck as a replacement for a model year (MY) 2004 Sterling drayage truck identified on the application as Truck 234.
3. The replacement truck will be powered by a MY 2012 or newer EPA certified heavy-duty diesel engine.
4. The replacement truck must be of the same vehicle class as the original truck and operate in the same manner over similar routes as the replaced truck.
5. NHDES shall reimburse S&J 50 percent of the eligible expenses, or \$30,000, whichever is less.
6. Eligible expenses under this grant include the cost of the drayage truck only.

7. Other expenses including, but not limited to “optional” components or “add-ons” to the vehicle, vehicle registration, scrappage of replaced vehicle, engineering, project management, and personnel costs are not eligible expenses.
8. S&J shall provide NHDES with the following information on the truck to be replaced prior to purchasing the new vehicle:

a. Annual miles driven	d. Vehicle Identification Number (VIN)	g. Vehicle Class
b. Annual fuel use and fuel type	e. Engine Model Year	h. Engine Manufacturer
c. Annual idling hours	f. Gross Vehicle Weight Rating (GVWR)	i. Engine Serial Number
		j. Description of routes or typical use
9. The replaced truck shall be taken out of service no later than 15 days following the placement into service of the replacement vehicle.
10. The replaced truck will be scrapped within 90 days from the date the replacement is put in to service.
11. S&J shall use the replacement truck in normal service for a period of no less than five (5) years. In the event that S&J sells or surpluses the replacement truck within five years of the effective date of this contract S&J shall follow the guidelines set forth in Title 2 Code of Federal Regulations, Subtitle A, Section 200.313, and shall reimburse the State of New Hampshire in accordance with the depreciation table below.

Project: S&J Truck Replacement Grant

	Percent Value Remaining	Total Grant	Value to be Returned to NHDES
Year 1 value	20	\$30,000.00	\$6,000.00
Year 2 value	16	\$30,000.00	\$4,800.00
Year 3 value	12.8	\$30,000.00	\$3,840.00
Year 4 value	10.2	\$30,000.00	\$3,060.00
Year 5 value	7.6	\$30,000.00	\$2,280.00

Note: Depreciation of grant is calculated based on a grant of \$30,000.00.

12. S&J shall:
 - a. Register the replacement truck in accordance with New Hampshire law;
 - b. Maintain the replacement truck in accordance with manufacturer recommendations;
 - c. Not make modifications of the emission controls system on the replacement truck or engine; and,
 - d. Make the truck and related documents (including maintenance records) available for follow-up inspection for five years from date of grant approval, if requested by EPA or NHDES.

Grantee initials JPD
Date 2/27/18

13. S&J shall scrap the truck being replaced or render it permanently disabled. NHDES shall be allowed the opportunity to witness the destruction of the engine and the chassis with a two week (minimum) advance notice of the event. The replaced truck may be permanently disabled by:
 - a. Drilling a minimum 3” diameter hole completely through the engine block; and
 - b. Cutting the chassis rail in half.

14. S&J shall supply documentation confirming the scrappage requirements have been met for the truck. The documentation must be signed by the authorized representative listed on the grant application form. The documentation must include:
 - a. The date the truck was scrapped;
 - b. The engine model year, engine family name, engine serial number, and VIN; and
 - c. The name and contact information for the entity that scrapped the truck, if other than the grantee.
 - d. Photographic images of the following:
 - i. Side profile of the truck;
 - ii. Vehicle Identification Number (VIN);
 - iii. The engine tag that includes the engine serial number and engine family number (if available);
 - iv. Chassis rail cut in half;
 - v. Engine block prior to holes being drilled; and
 - vi. Engine block after holes have been drilled.

Scrappage may be completed by S&J or by a salvage yard or similar service, provided all scrappage requirements have been met and all necessary documentation provided.

15. S&J shall submit **Quarterly Project Status Reports** to NHDES within 15 days after the end of the each calendar quarter, beginning the Effective Date of the Agreement for a period of one year following vehicles acquisition. Quarterly Project Status Reports shall include sufficient information for NHDES to estimate the emissions reductions attributable to the truck’s replacement, including:
 - a. The amount of fuel used during the preceding quarter;
 - b. The number of miles the vehicle was used in the preceding quarter; and
 - c. The estimated amount of idling experienced in the preceding quarter.

16. S&J shall submit **Annual Project Status Reports** to NHDES by January 15th of each year, beginning one year from the last quarterly report, for a period of three years including, but not limited to:
 - a. The amount of fuel used during the preceding year;
 - b. The number of miles the vehicle was used in the preceding year; and
 - c. The estimated amount of idling the vehicle experienced in the preceding year.

17. S&J shall not use grant funds for any costs not specified in this Exhibit A, Scope of Services. S&J shall complete all activities, reports, and work products specified herein.

18. This Agreement may be terminated for good cause by any one of the parties or for convenience if all parties agree, with the provision for orderly termination of the

project. Termination of the Agreement shall not occur until thirty (30) days after a “notice of termination” has been received by the other party. Said notice shall specify the cause for termination.

19. Should S&J terminate this Agreement for other than good cause prior to completion of all obligations specified in Exhibit A, S&J will reimburse the State of New Hampshire for any funds received.

EXHIBIT B
PAYMENT SCHEDULE

- 1) Payments under this agreement are not to exceed \$30,000.00 or 50 percent of eligible project costs, whichever is less.
- 2) NHDES will reimburse S&J for eligible expenses provided S&J is in compliance with all recordkeeping and reporting requirements in Exhibit A.
- 3) Invoices may be submitted for reimbursement upon payment and shall include the following:
 - a) Payment request on S&J letterhead with the following information for the replacement vehicle:
 - i) Vehicle Identification Number (VIN);
 - ii) Engine and vehicle model year;
 - iii) Engine and vehicle manufacturer;
 - iv) Engine serial number;
 - v) Vehicle's class;
 - vi) Fuel type; and
 - vii) Cost.
 - b) A copy of all vendor invoices;
 - c) A copy of cancelled checks or other documents verifying payment;
 - d) A copy of the new truck registration;
 - e) Proof of scrappage as per Exhibit A; Sections 13-14; and
 - f) Contact information for any questions related to reimbursement requests.
- 4) NHDES will process complete invoices within 30 days of receipt.
- 5) Invoices must be submitted by September 15, 2018. Requests submitted after this date may be denied.
- 6) All obligations of NHDES and the State of New Hampshire are contingent upon availability and continued appropriation of funds for the services.

**EXHIBIT C
SPECIAL REQUIREMENTS**

Subparagraph 17.1.2 shall be amended to read as follows:
Comprehensive public liability insurance against all claims of bodily injury, death or property damage, in amounts no less than \$1,000,000 for bodily injury or death any one incident and \$500,000 for property damage in any one incident.

Federal Funds paid under this agreement are from a Grant/Contract/Cooperative Agreement to the State from United States Environmental Protection Agency, New Hampshire State Clean Diesel Grant Program under CFDA # 66.040. All applicable requirements, regulations, provisions, terms and conditions of this Federal Grant/Contract/Cooperative Agreement are hereby adopted in full force and effect to the relationship between this Department and the grantee. Additionally, the Grantee shall comply with the terms of the Federal Funding Accountability and Transparency Act (FFATA) by providing DES with their Data Universal Numbering System (DUNS) number.

Grantee initials JPR
Date 2/27/15

CERTIFICATE OF AUTHORITY

I, Lizabeth M. MacDonald, Assistant Secretary of S. & J. Transportation Services, Inc., do hereby certify that James P. Daley, III, President, is authorized to execute any documents that may be necessary to enter into a contract with the State of New Hampshire.

IN WITNESS WHEREOF, I have hereunto set my hand as the Assistant Secretary of S. & J. Transportation Services, Inc., this 20th day of November, 2017.

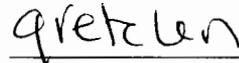

Lizabeth M. MacDonald, Assistant Secretary

NOTARIZATION

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On November 20th, 2017, before me, Gretchen S. Hayes, the undersigned officer, personally appeared Lizabeth M. MacDonald, who acknowledged herself to be the Assistant Secretary of S. & J. Transportation Services, Inc., and that she, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Notary Public

Print Name: _____

My Commission Expires: _____



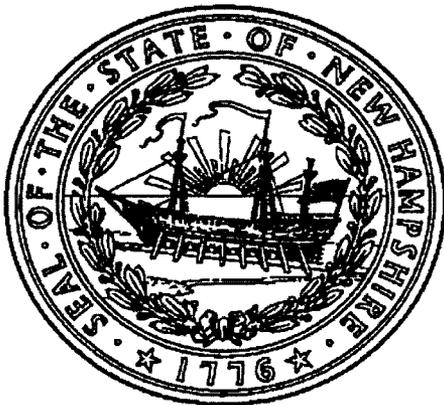
State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that S. & J. TRANSPORTATION SERVICES, INC. is a New Hampshire Profit Corporation registered to transact business in New Hampshire on September 17, 1991. 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: 157893



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 4th day of December A.D. 2017.

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

William M. Gardner
Secretary of State

ATTACHMENT A
2017 New Hampshire Clean Diesel Grant Program
Applications and Funding Amounts

Grant Applicant	Location/Town	Funding Amount	Score
Town of Farmington	Farmington, NH	\$38,750.00	77
NHDOT – Tractor Trailer	Concord, NH	\$37,500.00	75
NHDOT - Crane	Concord, NH	\$68,750.00	70
S&J – Vehicle 234	Lee, NH	\$30,000.00	70
Town of Tuftonboro	Tuftonboro, NH	Not Funded	69
S&J – Vehicle 235	Lee, NH	Not Funded	69
Town of Northwood	Northwood, NH	Not Funded	69
S&J – Vehicle 247	Lee, NH	Not Funded	68.5
Taylor Phillips	Rye, NH	Not Funded	59
Town of Hancock	Hancock, NH	Not Funded	58

Criteria	Possible Points	Farmington	NHDOT - Trailer	NHDOT - Crane	S&J – 234
% operate in NH	15	15	15	15	5
Proximity to populated areas and sensitive receptors	20	15	15	15	20
Miles/Hours per year	10	4	4.5	3	10
Prior project experience or demonstrated ability to complete grant	5	4	5	5	5
Percent reduction in emissions	15	14.5	14	14.5	12
Total reduction in emissions	12	3.5	3.5	3	4.5
Cost Effectiveness	13	11	11	7.5	12.5
Other benefit*	10	10	7	7	1
Total	100	77	75	70	70

*Other benefits include: Tax payer savings; additional environmental benefits; small business; etc.

ATTACHMENT A (CON'T)

Criteria	Possible Points	Tuftonboro	S&J -235	Northwood
% operate in NH	15	15	5	15
Proximity to populated areas and sensitive receptors	20	15	20	10
Miles/Hours per year	10	2.5	9	4.5
Prior project experience or demonstrated ability to complete grant	5	4	5	4
Percent reduction in emissions	15	14.5	12	14
Total reduction in emissions	12	3	4.5	2.5
Cost Effectiveness	13	8	12.5	9
Other benefit*	10	7	1	10
Total	100	69	69	69

*Other benefits include: Tax payer savings; additional environmental benefits; small business; etc.

Criteria	Possible Points	S&J-247	Taylor Phillips	Hancock
% operate in NH	15	5	10	15
Proximity to populated areas and sensitive receptors	20	20	5	12
Miles/Hours per year	10	9	5	2
Prior project experience or demonstrated ability to complete grant	5	5	4	4
Percent reduction in emissions	15	12	6	15
Total reduction in emissions	12	4	12	2
Cost Effectiveness	13	12.5	13	1
Other benefit*	10	1	4	7
Total	100	68.5	59	58

*Other benefits include: Tax payer savings; additional environmental benefits; small business; etc.

Reviewer/Selector

Name	Agency/Organization	Title	Years of Experience
Elizabeth Strachan	NHDES Air Resources Division Technical Services Bureau Mobile Source Section	Transportation Analyst	1
Timothy White	NHDES Air Resources Division Technical Services Bureau Mobile Sources Section	Supervisor of Mobile Sources Section	2
Rebecca Ohler	NHDES Air Resources Division Technical Services Bureau Mobile Sources Section	Administrator of Technical Services Bureau	29