The State of New Hampshire
Department of Environmental Services

Robert R. Scott, Commissioner

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September 10, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Environmental Services (NHDES) to enter into a Memorandum of Understanding (MOU) with the Department of Fish and Game (NHFG) (VC# 177911-B001) totaling $558,134 for the replacement of four (4) NHFG heavy-duty trucks, effective upon Governor and Council approval through December 31, 2026. 100% New Hampshire Volkswagen Environmental Mitigation Trust (Trust) funds.

EXPLANATION

The New Hampshire Volkswagen Beneficiary Mitigation Plan provides that 20 percent of New Hampshire's allocation of the Volkswagen Mitigation Trust (VW Trust) funds will be utilized to replace state-owned vehicles. During an open solicitation from July 7 to August 12, 2025, NHDES received nine (9) eligible vehicle replacement proposals from five (5) public entities. All proposals were selected for funding, with one (1) proposal subsequently withdrawn. Please see Attachment A for the list of proposals selected for funding.

NHDES requests approval to enter into an MOU with NHFG in an amount not to exceed $558,134 for the replacement of one (1) dump truck and three (3) fish stocking trucks. The engine model year (EMY) 2000 dump truck has been in active use for 25 years and has accumulated 75,000 miles. The engine on this truck has been exhibiting issues that restrict that maximum speed to under 20 miles per hour. Prior to that the turbocharger was losing power, resulting in repair costs of over $3,500 so far this year alone. There are other repairs that need to be addressed, primarily resulting from electrical issues with wiring that cause components to either cut out or stay on. The truck has become increasingly unreliable, and operators avoid using it on long hauls. NHFG has prioritized the replacement of this truck with a new unit that will have more horsepower and modern wiring technologies to improve operational reliability and operator retention.

The three (3) fish stocking trucks have each been in operation for 20+/- years and have accumulated nearly 400,000 miles combined. Repair costs and frequency are increasing as the impacts of age and operational exposure to the elements are taking their toll. In the last few years, the three trucks have accumulated over $17,000 in repair costs. Major issues and repairs to the trucks have included the following:

- The EMY 2002 truck has required replacement of the driveshaft bearings, drag links, rear brake springs, and steering axle pins. In addition, the truck had to be towed and placed out of service for five months in order for the fuel tank, fuel pump, muffler, exhaust pipe and windshield washer to be replaced.
- The EMY 2004 truck was experiencing fuel pressure issues and constantly stalling out. This required multiple repairs to the fuel pressure system, including new fuel pressure regulator and seals. In addition, there have been multiple repairs related to brakes, lights, springs and shocks, including replacement of brake shoes and drums, the right rear air brake can, and both front shocks.
- The EMY 2006 shad truck's frame is severely rusted, and the truck is experiencing ongoing issues with the engine causing low power output. Service technicians have not been able to diagnose the cause,

leading operators to question its operational integrity. In addition, the truck has required repairs for air leaks, tag axle instability, seals and brakes.

The new trucks would increase the fuel economy, and operational performance and reliability. Operators have their hands full transporting live fish, often in subpar weather conditions. The ability to fully trust their equipment to operate as intended would create a safer and more effective work environment.

The MOU specifies that the funds will be used to fully fund the replacement of the four (4) trucks and additionally clarifies the tasks to be completed to ensure funds are used in compliance with the terms of the VW Trust. NHDES will not be holding VW Trust funds in its accounts; all funds will be transferred directly from the trustee, Wilmington Trust, to NHFG, who will administer the projects.

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

We respectfully request your approval.

Robert R. Scott
Commissioner

State of New Hampshire

Interagency Memorandum of Understanding

Whereas, the New Hampshire Department of Environmental Services *["AGENCY 1"]* is a duly constituted agency or branch of government of the State of New Hampshire;

Whereas, the New Hampshire Fish and Game Department *["AGENCY 2"]* is a duly constituted agency or branch of government of the State of New Hampshire;

Whereas, pursuant to Chapter 21-O [***insert, for example, RSA or Chapter Law number***] ***AGENCY 1*** is responsible for: Achieving and maintaining air quality in New Hampshire that is protective of public health and our natural environment.

Whereas, ***AGENCY 1*** desires to: Fund the replacement of diesel-powered vehicles, engines and equipment to reduce diesel emissions and improve air quality in New Hampshire using New Hampshire Volkswagen Environmental Mitigation Trust funds.

Whereas, pursuant to Chapter 206 [***insert, for example, RSA or Chapter Law number***]

AGENCY 2 is responsible for: conserving, protecting, and managing wildlife and marine resource populations and habitats in New Hampshire.

Whereas, ***AGENCY 2*** desires to: Obtain New Hampshire Volkswagen Environmental Mitigation Trust funds to replace one (1) diesel-powered dump truck and three (3) diesel-powered fish stocking trucks to help manage and conserve the wildlife and marine resources of New Hampshire.

NOW, THEREFORE, the parties enter into this Memorandum of Understanding to their mutual benefit, the benefit of the State and in furtherance of constitutional or statutory authority and objectives.

1. The New Hampshire Department of Environmental Services *[AGENCY 1]* agrees to *[**check all that apply**]*:

☑ **A.** Pay ***AGENCY 2*** the amount of $558,134 for the services described in the attached MOU Exhibit A, which is hereby incorporated by reference.
Execute the following if Box 1., A is checked: Payment shall be provided from *[**IDENTIFY FUND**]*:
The New Hampshire Volkswagen Environmental Mitigation Trust

Initials SS
Date 8/20/25

☐ **B.** Perform the services described in the attached MOU Exhibit A, which is hereby incorporated by reference.

2. The New Hampshire Fish and Game Department *[AGENCY 2]* agrees to *[**check all that apply**]*:

☐ **A.** Pay ***AGENCY 1*** the amount of $_____for the services described in the attached MOU Exhibit A, which is hereby incorporated by reference.

Execute the following if Box 2. A is checked: Payment shall be provided from ***[IDENTIFY FUND]***: The New Hampshire Volkswagen Environmental Mitigation Trust

☑ **B.** Perform the services described in the attached MOU Exhibit A, which is hereby incorporated by reference.

3. The method of payment and payment amount for the above-referenced services, if any is required, is described in the attached MOU Exhibit B, such exhibit being hereby incorporated by reference.

4. All obligations hereunder are contingent upon the availability and continued appropriation of funds. The agencies shall not be required to transfer funds from any other account in the event that funds are reduced or unavailable.

5. The Memorandum of Understanding is effective until December 31, 2026.

6. This Memorandum of Understanding may be amended by an instrument in writing signed by both parties. Either party may terminate this agreement by providing written notice to the other party at least 30 days prior to termination.

7. The Parties agree that the obligations, agreements and promises made under this Memorandum of Understanding are not intended to be legally binding on the Parties and are not legally enforceable.

8. Disputes arising under this Memorandum of Understanding which cannot be resolved between the agencies shall be referred to the New Hampshire Department of Justice for review and resolution.

9. This Agreement shall be construed in accordance with the laws of the State of New Hampshire.

10. The parties hereto do not intend to benefit any third parties and this Memorandum of Understanding shall not be construed to confer any such benefit.

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Date 5/20/25

11. In the event any of the provisions of this Memorandum of Understanding are held to be contrary to any state or federal law, the remaining provisions of this Memorandum of Understanding will remain in full force and effect.

12. This Memorandum of Understanding, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Memorandum of Understanding and understandings between the parties, and supersedes all prior Memoranda of Understanding and understandings relating hereto.

13. Nothing herein shall be construed as a waiver of sovereign immunity, such immunity being hereby specifically preserved.

14. ***FOR AGENCY 1*** ***[Name of Agency]:*** New Hampshire Department of Environmental Services

[***Agency Commissioner signature***] 9/11/25 Date

Robert R. Scott
[***Agency Commissioner name in print]***

15. ***FOR AGENCY 2*** ***[Name of Agency]:*** New Hampshire Fish and Game Department

[***Agency Executive Director signature***] 20 AUG 2025 Date

Stephanie L. Simek, PhD
[***Agency Executive Director name in print***]

Initials SS
Date 8/20/25

Approved by the New Hampshire Department of Justice for form, substance, and execution:

By: _____ On: 9/12/2025

[Name of Assistant Attorney General] Joshua C. Harrison

Approved by the Governor and Executive Council:

By: _____ On: _____

Initials SS
Date 8/20/25

EXHIBIT A

SCOPE OF SERVICES

This Scope of Services describes activities that have been agreed to between the New Hampshire Department of Environmental Services (hereinafter NHDES) and the New Hampshire Fish and Game Department (hereinafter NHFG) regarding the use of Volkswagen Mitigation Trust Funds to replace four (4) NHFG vehicles.

The purpose of this MOU is to fully fund the replacement of four (4) NHFG diesel vehicles to reduce air pollution. Funds are available via New Hampshire's Volkswagen Mitigation Trust Agreement for State Beneficiaries (VW Trust). Total funding shall not exceed $558,134 or 100 percent of the project cost, whichever is less. Funds shall be available to NHFG upon approval by the Governor and Executive Council through December 31, 2026.

For the purposes of this MOU, NHDES and NHFG agree to the following:

1. NHDES shall assign the appropriate staff to coordinate this project with NHFG.
2. The Scope of Services consists of the replacement of:
   a. One (1) engine model year (EMY) 2000 International 4000 diesel dump truck ("existing vehicle") with one (1) EMY 2026 Mack 42FR diesel dump truck ("replacement vehicle");
   b. One (1) EMY 2002 Chevrolet C7500 ("existing vehicle") diesel fish stocking truck with one (1) EMY 2025 Ford F-750 diesel fish stocking truck ("replacement vehicle");
   c. One (1) EMY 2004 Freightliner Platform ("existing vehicle") diesel fish stocking truck with one (1) EMY 2025 Ford F-750 diesel fish stocking truck ("replacement vehicle"); and
   d. One (1) EMY 2006 Kenworth T300 ("existing vehicle") diesel fish stocking truck with one (1) EMY 2025 Ford F-750 diesel fish stocking truck ("replacement vehicle").
3. With the prior written approval of NHDES, the existing vehicles may be replaced with comparable makes/models other than those specified in Section 2 of the Scope of Services.
4. VW Trust shall reimburse NHFG up to 100 percent of eligible expenses, or $558,134, whichever is less.
5. Eligible expenses shall include:
   a. Cost of replacement vehicles (including cab, chassis and body);
   b. Cost of the direct replacement of vehicle accessories that are necessary for the function of the vehicles for their intended use and that existed on the vehicles being replaced (e.g., plow frames, wings and blades on a plow truck, hydraulic systems, load cover).
6. Ineligible expenses shall include, but are not limited to:
   a. Optional vehicle components or add-ons (e.g., racks, lights, toolboxes, etc.);
   b. Vehicle registrations;

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c. Scrappage of existing vehicles, engineering or project management; and
d. Personnel costs.

7. NHFG shall provide the following information on the existing vehicles to be replaced to NHDES:

a. Annual miles drive
b. Annual fuel use and fuel types
c. Annual idling hours
d. Vehicle Identification Numbers (VINs)
e. Engine Model Years
f. Gross Vehicle Weight Ratings (GVWR)
g. Vehicle Classes
h. Engine Manufacturers
i. Engine Models
j. Engine Serial Numbers
k. Description of routes or typical use

8. NHFG shall not take delivery of the replacement vehicles prior to written approval from NHDES that the proposed vehicle replacements are eligible under the terms of this MOU and the terms of the VW Trust requirements.

9. The existing vehicles shall be taken out of service no later than 30 days from the replacement vehicles being placed into service.

10. NHFG shall use the replacement vehicles in normal service for a period of no less than five (5) years. In the event that NHFG sells or surpluses the replacement vehicles within five years of the effective date of this MOU, NHFG shall follow the guidelines set forth in Title 2 Code of Federal Regulations, Subtitle A, Section 200.313, and shall reimburse NHDES in accordance with the depreciation table below.

Project: NHFG Vehicle Replacements

	Percent Value Remaining	Value to be Returned to NHDES
Year 1 value	20	$111,627
Year 2 value	16	$89,301
Year 3 value	12.8	$71,441
Year 4 value	10.2	$56,930
Year 5 value	7.6	$42,418

Note: calculation is based on a maximum reimbursement value of $558,134 for four (4) vehicles. If the total reimbursement is less than $558,134, the value to be returned to NHDES will be reduced proportionately.

This section shall not apply in the case of a total loss due to collision, fire or other accident.

11. NHFG shall:

a. Register the replacement vehicles in accordance with New Hampshire law;
b. Maintain the replacement vehicles in accordance with manufacturer recommendations;
c. Make no modifications to the emission controls systems on the replacement vehicles or engines; and
d. Make the vehicles and any operation and service documents (including maintenance records) available for follow-up inspection for five years from date of their placement in service, if requested by NHDES.

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12. The replaced vehicles shall be scrapped as defined in Attachment 1 to this MOU within 90 days from the date the replacements are put into service. Scrappage may be completed by NHFG or by a salvage yard or similar service, provided all scrappage requirements have been met and all necessary NHFG documentation provided. NHDES shall be allowed the opportunity to witness the destruction of the vehicle engines and chassis by NHFG providing a two-week (minimum) advance notice of the event to NHDES.

13. NHFG shall submit to NHDES documentation confirming the scrappage requirements have been met including:

    a. The date(s) the vehicles were disabled/scrapped;
    b. Confirmation of the engine model years, engine family names, engine serial numbers, and VINs;
    c. The name and contact information for the entity that scrapped the vehicles, if other than NHFG; and
    d. Photographic images of the following:
        1. Side profile of the vehicles;
        2. VINs;
        3. The engine tags that includes the engine serial numbers and engine family numbers (if available);
        4. Chassis rails cut in half;
        5. Engine blocks prior to 3" hole being made; and
        6. Engine blocks after 3" hole has been made.

14. NHFG shall submit **Quarterly Project Status Reports** to NHDES within 15 days after the end of each calendar quarter, beginning from the Effective Date of the MOU for a period of two years following vehicle acquisition. Quarterly Reports are due January 15th, April 15th, July 15th, and October 15th (e.g., if the Effective Date were in August, then the first report would cover activities through September, as part of the July-September calendar quarter, and would be due October 15th). Quarterly Reports shall be made utilizing a template provided by NHDES, and include sufficient information for NHDES to know the status of the vehicle replacements and destruction of the existing vehicles, to know if the replacement vehicles are in service, and to estimate the emissions reductions attributable to the project, including:

    a. The status of the replacement vehicles' order and delivery, with estimates of delivery and in-use dates of the replacement vehicles not yet procured and put in service;
    b. A description of each vehicle's (existing and replacement, as applicable) service status and maintenance (scheduled and unscheduled) during the preceding calendar quarter;
    c. The amount of fuel (diesel gallons) used by each vehicle (existing and replacement, as applicable) during the preceding calendar quarter;
    d. The number of hours each vehicle (existing and replacement, as applicable) was used in the preceding calendar quarter; and
    e. The estimated amount of idling experienced by each vehicle in the preceding calendar quarter.

15. NHFG 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, the following:

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a. A description of the vehicles' service status and maintenance (scheduled and unscheduled) during the preceding year;
b. The amount of fuel used during the preceding calendar year;
c. The number of miles or hours the vehicles were used in the preceding calendar year; and
d. The estimated hours of idling the vehicles experienced in the preceding calendar year.

16. NHFG shall not use grant funds for any costs not specified in this scope of services. NHFG shall complete all activities, reports, and work products specified herein.

Initials BS
Date 8/20/15

EXHIBIT B

PAYMENT SCHEDULE

1. Requests for payment shall be submitted on NHFG letterhead to NHDES and shall include:
    a. The following information for both the existing and replacement vehicles:
        i. VINs;
        ii. Engine and vehicle model years;
        iii. Engine and vehicle manufacturers;
        iv. Engine serial numbers;
        v. Vehicle classes; and
        vi. Fuel types;
    b. A copy of all vendor invoices;
    c. Documentation verifying payment to the vendor;
    d. Contact information for any questions related to reimbursement requests.
2. A copy of the replacement vehicles' registration and proofs of scrappage of the existing vehicles shall be submitted to NHDES within 90 days of the replacement vehicles being put into service.
3. NHDES will submit appropriate forms to the Trustee of the VW Trust requesting release of funds to NHFG within 45 days of receiving a request for payment, provided NHFG is in compliance with all recordkeeping and reporting requirements in the Scope of Services.
4. All obligations of NHDES and the State of New Hampshire are contingent upon availability and continued appropriation of funds for the services.
5. This MOU may be terminated for good cause, or by agreement of the parties, with the provision for orderly termination of the project. Termination of the MOU 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.

This MOU will become effective upon approval by Governor and Executive Council through December 31, 2026, with reporting requirements to continue as specified herein.

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ATTACHMENT 1

Projects shall conform to all relevant requirements of the VW Trust including the following:

"Class 4-7 Local Freight Trucks (Medium Trucks)" shall mean trucks, including commercial trucks, used to deliver cargo and freight (e.g., courier services, delivery trucks, box trucks moving freight, waste haulers, dump trucks, concrete mixers) with a Gross Vehicle Weight Rating (GVWR) between 14,001 and 33,000 lbs.

"Class 8 Local Freight, and Port Drayage Trucks (Eligible Large Trucks)" shall mean trucks with a Gross Vehicle Weight Rating (GVWR) greater than 33,000 lbs. used for port drayage and/or freight/cargo delivery (including waste haulers, dump trucks, concrete mixers).

"Scrapped" shall mean to render inoperable and available for recycle, and, at a minimum, to specifically cut a 3-inch hole in the engine block for all engines. If any eligible vehicle will be replaced as part of an eligible project, scrapped shall also include the disabling of the chassis by cutting the vehicle's frame rails completely in half.

Eligible Large Trucks include 1992-2009 engine model year Class 8 Local Freight or Drayage.

Eligible Medium Trucks include 1992-2009 engine model year class 4-7 Local Freight trucks

All replaced trucks must be scrapped.

Eligible Medium and Large Trucks may be Repowered with any new diesel or Alternate Fueled or All-Electric engine, or may be replaced with any new diesel or Alternate Fueled or All-Electric vehicle, with the engine model year in which the Eligible Mitigation Action occurs or one engine model year prior.

The replacement trucks must be of the same vehicle class as the original trucks and operate in the same manner over similar routes as the replaced trucks.

Initials SS
Date 8/29/25

ATTACHMENT A

New Hampshire Volkswagen Environmental Mitigation Trust
Summer 2025 State Vehicles Replacement Program

List and Funding Amounts of Eligible Proposals

Public Entity	Project Description	Funding Amount
NH Department of Safety	Replace one (1) tow truck	$149,906
NH Fish & Game Department	Replace one (1) dump truck and three (3) stocking trucks	$558,134
NH Judicial Branch	Replace one (1) box truck	$117,000
NH Department of Environmental Services	Replace one (1) dump truck	$219,031
White Mountains Community College	Replace one (1) CDL training truck	$123,574
NH Department of Safety	Replace one (1) mobile command center	Withdrawn