



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

January 16, 2026

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 grant agreement with the Town of Newport, NH (VC# 177450-B001) totaling \$126,098 for partial funding for the replacement of one (1) engine model year (EMY) 1989 backhoe, one (1) EMY 2001 backhoe, one (1) EMY 2012 trackless sidewalk tractor, and one (1) EMY 2005 wheel loader, effective upon Governor and Council approval through September 30, 2026. 55% Federal funds, 45% New Hampshire Volkswagen Environmental Mitigation Trust funds.

Funding is available in the account as follows:

	<u>FY 2026</u>
03-44-44-443010-2278-072-500572	\$126,098
Dept. of Environmental Services, DERA Funds, Grants Federal	

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 the replacement of backhoes, trackless sidewalk tractors, and wheel loaders. The new engines must meet more stringent emissions standards. Utilizing federal EPA funds, NHDES has made approximately \$315,000 available for grants. NHDES is conducting a rolling Request for Proposals (RFP) termed the "New Hampshire Clean Diesel Program", which is open to public entities and is available until September 2026, with projects due on the 20th of each month. In response to this RFP, NHDES received three (3) qualifying proposals from one (1) applicant for the month of October. All proposals received were selected for funding. Please refer to Attachment A for ranking and scores.

Under this Agreement, the Town of Newport will replace two (2) backhoes, one (1) trackless sidewalk tractor, and one (1) wheel loader with one (1) new backhoe, one (1) new trackless sidewalk tractor, and one (1) new wheel loader. According to the Town, all four units are important pieces of equipment used to maintain and improve the Town's infrastructure and transportation network. Due to age and heavy use, the Town reports that all four units are exhibiting signs of decreased performance, and that unit

downtime, repair costs and fuel consumption have been increasing. The Town states that recent and future repairs needed for the units include:

- For the EMY 1989 backhoe: engine block heater repairs will be needed. Repair costs on this 36-year-old backhoe have totaled \$5,716 in the last five years, and the unit has already far exceeded its useful life according to the Town.
- For the EMY 2001 backhoe: a new transmission, hydraulic cylinders, and hydraulic pump are expected to be needed soon, which the Town reports will cost approximately \$25,000. Total repair costs in the last five years have approached \$5,700.
- For the EMY 2012 trackless sidewalk tractor: recent repairs include replacing an axle, cross bearings, yokes, and drive shafts, along with the joystick controller. The Town states that due to heavy use this unit often breaks down, and that expected repair costs approach \$22,000. This is in addition to the \$28,234 in repair and maintenance costs expended on this unit in the last five years.
- For the EMY 2005 wheel loader: recent repairs include a full engine replacement. Necessary future repairs, according to the Town, include hydraulic cylinder and dump bucket replacements, which is expected to cost approximately \$32,000. Repair costs from the last five years total \$47,619.

In order to reduce fuel and maintenance costs, improve operational reliability and performance, and reduce diesel emissions in the Newport area, the Town of Newport has prioritized the replacement of these four (4) units with one (1) new EMY 2025 backhoe, one (1) new EMY 2026 trackless sidewalk tractor, and one (1) new EMY 2025 wheel loader.

The DERA program has a mandatory minimum cost share requirement for backhoe, trackless sidewalk tractor, and wheel loader replacement projects of 75 percent. NHDES will provide a grant of \$126,098 or 25 percent, whichever is less, of the total replacement cost (estimated at \$504,395) to the Town of Newport for the replacement of the backhoes, trackless sidewalk tractor, and wheel loader.

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

We respectfully request your approval.

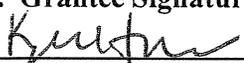
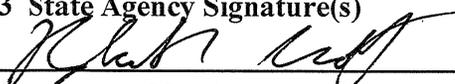


Robert R. Scott
Commissioner

GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby
Mutually agree as follows:
GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name Department of Environmental Services		1.2. State Agency Address 29 Hazen Drive Concord, NH 03301	
1.3. Grantee Name Town of Newport, New Hampshire		1.4. Grantee Address 15 Sunapee Street, Newport, NH 03773	
1.5. Grantee Phone # 603-863-1360	1.6. Account Number 03-44-44-443010-2278-072	1.7. Completion Date 09/30/26	1.8. Grant Limitation \$126,098
1.9. Grant Officer for State Agency Samantha Bevier, Grants Coordinator		1.10. State Agency Telephone Number 603-271-8330	
If Grantee is a municipality or village district: "By signing this form we certify that we have complied with any public meeting requirement for acceptance of this grant, including if applicable RSA 31:95-b."			
1.11. Grantee Signature 1 		1.12. Name & Title of Grantee Signor 1 Kyle Harris Town Manager	
Grantee Signature 2		Name & Title of Grantee Signor 2	
Grantee Signature 3		Name & Title of Grantee Signor 3	
1.13. State Agency Signature(s) 		1.14. Name & Title of State Agency Signor(s) Robert R. Scott, Commissioner	
1.15. Approval by Attorney General (Form, Substance and Execution) (if G & C approval required)			
By:  Assistant Attorney General, On: 2/17/2026			
1.16. Approval by Governor and Council (if applicable)			
By: _____ On: / /			

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"), 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 B (the scope of work being hereinafter 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 on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire if required (block 1.16), or upon signature by the State Agency as shown in block 1.14 ("the Effective Date").
- 4.2. Except as otherwise specifically provided herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.7 (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 C, attached hereto.
- 5.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT C.
- 5.3. In accordance with the provisions set forth in EXHIBIT C, 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 payment 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 and RSA 31-95-b.
7. RECORDS and ACCOUNTS.
- 7.1. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency, 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, unless otherwise required by the grant terms or the Agency pursuant to subparagraph 7.1, 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 of 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 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 the 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 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, paper, 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 OR 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 of employee of the Grantee, and no representative, officer or 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 interest 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, workmen'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 subcontracted by the Grantee other than as set forth in Exhibit B 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 or 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.
 - 17.1 The Grantee shall, at its own 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 workers' compensation and employees liability insurance for all employees engaged in the performance of the Project, and
 - 17.1.2 General liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$1,000,000 per occurrence and \$2,000,000 aggregate 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. Grantee shall furnish to the State, certificates of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy.
 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 of 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, if required or by the signing State Agency.
 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.
 24. SPECIAL PROVISIONS. The additional or modifying provisions set forth in Exhibit A hereto are incorporated as part of this agreement.

EXHIBIT A

SPECIAL PROVISIONS

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 NHDES with their Unique Entity Identifier (UEI) Number.

Grantee Initials KH
Date 12/3/25

EXHIBIT B

SCOPE OF SERVICES

Grant Number: 00A00175-2025-001

Project Title: NH Clean Diesel Grant Program Agreement with
Town of Newport– Backhoe, Wheel Loader, and Sidewalk Tractor Replacement Projects

Subgrant Program for Diesel Emissions Reduction Projects

Federal Award Identification Number (FAIN): 00A00175

(Awarded to NHDES August 9, 2019)

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 Newport (Vendor Code #177450-B001) for a backhoe, wheel loader, and sidewalk tractor that operate in Newport, New Hampshire to reduce diesel emissions in the State using funds available via the New Hampshire Clean Diesel Grant Program funded by the U.S. Environmental Protection Agency (EPA).

The project activities will be carried out in Newport, New Hampshire by the Town of Newport– (hereinafter referred to as “the Recipient”).

This Agreement will become effective upon approval by Governor and Council. The project completion date is September 30, 2026, with additional reporting requirements.

NHDES and the Recipient will undertake under this Agreement the replacement of two (2) diesel-powered backhoes, one (1) diesel-powered wheel loader, and one (1) diesel-powered sidewalk tractor.

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

1. NHDES shall assign the appropriate staff to coordinate this project with the Recipient.
2. The Recipient shall purchase and operate the following units as identified in their proposal to the Request for Proposals:
 - a. One (1) engine model year (EMY) 2025 Caterpillar 305 backhoe (“replacement unit”) as a replacement for the EMY 2001 Case 580 backhoe (“existing unit”)
 - b. One (1) EMY 2025 Caterpillar 926 wheel loader (“replacement unit”) as a replacement for the EMY 2005 John Deere 544J wheel loader (“existing unit”)
 - c. One (1) EMY 2026 Trackless MT-7 sidewalk tractor (“replacement unit”) as a replacement for the EMY 2012 Trackless MT-6 sidewalk tractor and the EMY 1989 Case 480E backhoe (“existing units”)

With the prior written approval from NHDES, the existing units may be replaced with comparable makes/models other than those specified in the original proposal. The Request for Proposals and the Recipient’s proposal are incorporated into the Agreement by reference.

Grantee Initials KH
Date 12/3/25

3. The replacement units will be EMY 2025 or newer as specified in the project proposal.
4. NHDES shall reimburse the Recipient 25 percent of the eligible expenses, or \$126,098, whichever is less for the replacement of the existing units. The maximum reimbursement amounts for each unit replacement are as follows:
 - a. EMY 2001 backhoe: \$21,475, or 25% of eligible expenses, whichever is less.
 - b. EMY 2005 wheel loader: \$57,475, or 25% of eligible expenses, whichever is less.
 - c. EMY 2012 sidewalk tractor and EMY 1989 backhoe: \$47,148, or 25% of eligible expenses, whichever is less.
5. Eligible expenses under this grant include the cost of only: the replacement units and attachments, accessories, modifications, or auxiliary apparatuses necessary to make the replacement units usable for the purpose for which they are acquired.
6. Ineligible expenses include, but are not limited to: "optional" components or "add-ons" to the units, scrappages of existing units, engineering, project management, and personnel costs.
7. The Recipient shall provide NHDES with the following information on the existing units prior to purchasing the replacement units:

a. Annual hours driven	d. Product Identification	g. Engine Manufacturers
b. Annual fuel use and fuel type	Numbers (PINs)	h. Engine Serial Numbers
c. Annual idling hours	e. Engine Model Years	i. Engine Family Numbers
	f. Engine Tiers	j. Description of routes or typical use
8. The existing units shall be taken out of service no later than 15 days following the placement into service of the replacement units.
9. The existing units will be scrapped within 90 days from the date the replacements are put into service.
10. The Recipient shall use the replacement units in normal service for a period of no less than five (5) years. In the event that the Recipient sells or surpluses the replacement units within five years of the effective date of this contract, the Recipient 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 tables below.

Project: Town of Newport– Backhoe Replacement

	Percent Value Remaining	Value to be Returned to NHDES
Year 1 value	20	\$4,295
Year 2 value	16	\$3,436
Year 3 value	12.8	\$2,749
Year 4 value	10.2	\$2,190
Year 5 value	7.6	\$1,632

Grantee Initials KH
Date 12/3/25

Note: calculation is based on a maximum reimbursement value of \$21,475. If total reimbursements are less than \$21,475, the value to be returned to NHDES will be reduced proportionately.

Project: Town of Newport– Wheel Loader Replacement

	Percent Value Remaining	Value to be Returned to NHDES
Year 1 value	20	\$11,495
Year 2 value	16	\$9,196
Year 3 value	12.8	\$7,357
Year 4 value	10.2	\$5,862
Year 5 value	7.6	\$4,368

Note: calculation is based on a maximum reimbursement value of \$57,475. If total reimbursements are less than \$57,475, the value to be returned to NHDES will be reduced proportionately.

Project: Town of Newport– Sidewalk Tractor Replacement

	Percent Value Remaining	Value to be Returned to NHDES
Year 1 value	20	\$9,430
Year 2 value	16	\$7,544
Year 3 value	12.8	\$6,035
Year 4 value	10.2	\$4,809
Year 5 value	7.6	\$3,583

Note: calculation is based on a maximum reimbursement value of \$47,148. If total reimbursements are less than \$47,148, the value to be returned to NHDES will be reduced proportionately.

11. The Recipient shall:
 - a. Maintain the replacement units in accordance with manufacturer recommendations;
 - b. Not make modifications to the replacement units including their engines; and,
 - c. Make the replacement units 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.

12. The Recipient shall scrap the existing units or render them permanently disabled. NHDES shall be allowed the opportunity to witness the destruction of the engines and chassis (if applicable) with a two-week (minimum) advance notice of the event(s). The existing units shall be permanently disabled by:
 - a. Creating a minimum 3-inch diameter hole completely through the engine blocks; and
 - b. Cutting the chassis rails in half (if applicable).

Grantee Initials KH
 Date 12/3/25

13. The Recipient shall supply documentation to NHDES confirming the scrappage requirements have been met for the existing units within two weeks of the event(s). The documentation must be signed by the authorized representative listed on the grant application form or other duly authorized representative. The documentation must include:
- a. The date the existing units were scrapped;
 - b. The engine model years, engine family names, engine serial numbers, and Product Identification Numbers (PINs) for the existing units;
 - c. The name and contact information for the entity that scrapped the existing units; and
 - d. The following photographic images of the existing units, clearly labeled:
 - i. Side profiles of the units;
 - ii. PINs;
 - iii. The engine tags that includes the engine serial numbers and engine family numbers (if available);
 - iv. Chassis rails cut in half;
 - v. Engine blocks prior to destruction; and
 - vi. Engine blocks after destruction.

Scrappage may be completed by the Recipient or by a salvage yard or similar service, provided all scrappage requirements have been met and all necessary documentation provided to NHDES.

14. The Recipient shall submit **Quarterly Project Status Reports** ("Quarterly Reports") to NHDES, the first of which is due upon completion of the first calendar quarter following the Effective Date of the Agreement and the last of which is due two years after acquisition of the replacement units. 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 include sufficient information for NHDES to know the status of the unit replacements and destruction of the existing units, to know if the replacement units are in service, and to estimate the emissions reductions attributable to the project, including:
- a. The status of the replacement units' order and delivery, with estimates of delivery and in-use dates of the replacement units not yet procured and put in service;
 - b. A description of each unit'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 unit (existing and replacement, as applicable) during the preceding calendar quarter;
 - d. The number of hours each unit (existing and replacement, as applicable) was used in the preceding calendar quarter; and
 - e. The estimated amount of idling experienced by each existing unit in the preceding calendar quarter.
15. The Recipient shall submit three **Annual Project Status Reports** ("Annual Reports") to NHDES by January 15th beginning the January following the last quarterly report. Annual Reports shall include sufficient information for NHDES to estimate the emissions reductions attributable to the project, including:
- a. The amount of fuel (diesel gallons) used by each unit during the preceding calendar year;
 - b. A description of the units' service status and maintenance (scheduled and unscheduled) during the preceding calendar year;
 - c. The number of hours the units were used in the preceding calendar year; and

Grantee Initials CJ
Date 12/3/25

- d. The estimated amount of idling each unit experienced in the preceding calendar year.
16. The Recipient shall not use grant funds for any costs not specified in this Exhibit B, Scope of Services. The Recipient shall complete all activities, reports, and work products specified herein.

Grantee Initials CK
Date 12/3/25

EXHIBIT C
METHOD OF PAYMENT

1. Payments under this Agreement are not to exceed \$126,098 or 25 percent of eligible project costs, whichever is less. The maximum reimbursement amounts for each unit replacement are as follows:
 - a. EMY 2001 backhoe: \$21,475, or 25% of eligible expenses, whichever is less.
 - b. EMY 2005 wheel loader: \$57,475, or 25% of eligible expenses, whichever is less.
 - c. EMY 2012 sidewalk tractor and EMY 1989 backhoe: \$47,148, or 25% of eligible expenses, whichever is less.
2. NHDES will reimburse the Recipient for eligible expenses provided the Recipient is in compliance with all provisions of this Grant Agreement, including the recordkeeping and reporting requirements in Exhibit B.
3. Invoices may be submitted for reimbursement upon payment. No more than 90 percent of the grant amount shall be reimbursed prior to scrappage of the existing units. The final reimbursement request shall include the following:
 - a. Payment request on the Recipient's letterhead with the following information for each unit (existing and replacement):
 - i. Product Identification Numbers (PINs);
 - ii. Engine and unit model years;
 - iii. Engine and unit manufacturers;
 - iv. Engine serial numbers;
 - v. Engine family numbers;
 - vi. Units' class;
 - vii. Fuel types; and
 - viii. Cost of unit replacements.
 - b. A copy of all vendor invoices;
 - c. A copy of cancelled checks or other documents verifying payment;
 - d. Proof of scrappage as per Exhibit B; Sections 12-13; and
 - e. 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 the Completion Date in Section 1.7 of this Grant Agreement. Invoices 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.

Grantee Initials

Date

KH
12/3/20

Certificate of Authority

(Board of Selectman Vote - Municipality))

Board of Selectman Vote

Certificate of Vote of Authorization

Grant Recipient: The municipality of The Town of Newport,
15 Sunapee Street, Newport, NH 03773

I, Rachel Dilger, Chairman of the Board of Selectmen of the Town of Newport, do hereby certify that at a Board of Selectmen vote held on December 1, 2025, granted The Town of Newport the authority to enter into a New Hampshire Clean Diesel Grant Agreement with the New Hampshire Department of Environmental Services, Air Resources Division, which is a reimbursement project only, and voted that Kyle M. Harris, Town Manager is duly authorized to enter into said agreement on behalf of the Town of Newport, NH and is further authorized to execute any documents which may, in their judgement, be desirable or necessary to effect the purpose of this vote.

IN WITNESS WHEREOF, I have hereunto set my hand as Chairman of the Board of Selectmen of and for the Town of Newport, NH.



(Signature)

12-1-25
(Date of signature)

Rachel Dilger, Chairman of the Board of Selectmen

STATE OF NEW HAMPSHIRE



CERTIFICATE OF COVERAGE

The New Hampshire Public Risk Management Exchange (Primex³) is organized under the New Hampshire Revised Statutes Annotated, Chapter 5-B, Pooled Risk Management Programs. In accordance with those statutes, its Trust Agreement and bylaws, Primex³ is authorized to provide pooled risk management programs established for the benefit of political subdivisions in the State of New Hampshire.

Each member of Primex³ is entitled to the categories of coverage set forth below. In addition, Primex³ may extend the same coverage to non-members. However, any coverage extended to a non-member is subject to all of the terms, conditions, exclusions, amendments, rules, policies and procedures that are applicable to the members of Primex³, including but not limited to the final and binding resolution of all claims and coverage disputes before the Primex³ Board of Trustees. The Additional Covered Party's per occurrence limit shall be deemed included in the Member's per occurrence limit, and therefore shall reduce the Member's limit of liability as set forth by the Coverage Documents and Declarations. The limit shown may have been reduced by claims paid on behalf of the member. General Liability coverage is limited to Coverage A (Personal Injury Liability) and Coverage B (Property Damage Liability) only, Coverage's C (Public Officials Errors and Omissions), D (Unfair Employment Practices), E (Employee Benefit Liability) and F (Educator's Legal Liability Claims-Made Coverage) are excluded from this provision of coverage.

The below named entity is a member in good standing of the New Hampshire Public Risk Management Exchange. The coverage provided may, however, be revised at any time by the actions of Primex³. As of the date this certificate is issued, the information set out below accurately reflects the categories of coverage established for the current coverage year.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage afforded by the coverage categories listed below.

<i>Participating Member:</i> Town of Newport 15 Sunapee Street Newport, NH 03773		<i>Member Number:</i> 256	<i>Company Affording Coverage:</i> NH Public Risk Management Exchange - Primex ³ PO Box 23 Hooksett, NH 03106-9716		
Type of Coverage		Effective Date (mm/dd/yyyy)	Expiration Date (mm/dd/yyyy)	Limits - NH Statutory Limits May Apply, If Not:	
<input checked="" type="checkbox"/>	General Liability (Occurrence Form)	7/1/2025	7/1/2026	Each Occurrence	\$ 2,000,000
	Professional Liability (describe)			General Aggregate	\$ 10,000,000
	<input type="checkbox"/> Claims Made <input type="checkbox"/> Occurrence			Fire Damage (Any one fire)	
				Med Exp (Any one person)	
<input checked="" type="checkbox"/>	Automobile Liability	7/1/2025	7/1/2026	Combined Single Limit (Each Accident)	\$ 2,000,000
	Deductible Comp and Coll: \$1,000 <input type="checkbox"/> Any auto			Aggregate	\$ 10,000,000
<input checked="" type="checkbox"/>	Workers' Compensation & Employers' Liability	1/1/2026	1/1/2027	<input checked="" type="checkbox"/> Statutory	
				Each Accident	\$ 2,000,000
				Disease – Each Employee	\$ 2,000,000
				Disease – Policy Limit	
<input checked="" type="checkbox"/>	Property (Special Risk includes Fire and Theft)	7/1/2025	7/1/2026	Blanket Limit, Replacement Cost (unless otherwise stated)	Deductible: \$1,000
Description: Proof of Primex Member coverage only. Pollution and hazardous waste related liabilities, expenses and claims are excluded from coverage in the coverage document.					

CERTIFICATE HOLDER:	Additional Covered Party	Loss Payee	Primex³ – NH Public Risk Management Exchange
State of NH, Department of Environmental Services 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095			By: <i>Mary Beth Purcell</i>
			Date: 12/10/2025 mpurcell@nhprimex.org
			Please direct inquiries to: Primex³ Claims/Coverage Services 603-225-2841 phone 603-228-3833 fax

ATTACHMENT A

NH Clean Diesel Program Rolling 2025 Request for Proposals Scoring Results and Funding Amounts of Eligible Proposals in the Month of October

Grant Applicant	Project Location	Funding Amount	Score
Town of Newport - Backhoe	Newport	\$21,475	101
Town of Newport – Wheel Loader	Newport	\$57,475	97
Town of Newport – Trackless Sidewalk Tractor	Newport	\$47,148	96

Detailed Scoring Results

Applicant	Proposal Clarity & Project Readiness	Cost Eff. NOx Reductions	Cost Eff. PM2.5 Reductions	Cost Eff. CO2 Reductions	Additional Benefits	Total Base Score	Alternative Fuel Bonus	Priority NH Comm. Bonus	Final Score
Maximum	40	20	20	10	10	100	15	10	125
Town of Newport - Backhoe	32	20	20	10	9	91	0	10	101
Town of Newport – Wheel Loader	32	20	16	10	9	87	0	10	97
Town of Newport – Trackless Sidewalk Tractor	32	18	18	10	8	86	0	10	96

Reviewers

Reviewer	Title	Years of Experience
Jessica Wilcox	Technical Services Bureau Administrator, NHDES	8
Jack Wade	Mobile Sources Section Supervisor, NHDES	2
Samantha Bevier	Grants Program Coordinator, NHDES	1

