



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



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William Cass, P.E.
Commissioner

David Rodrigue, P.E.
Assistant Commissioner

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

Bureau of Rail and Transit
June 20, 2025

REQUESTED ACTION

Authorize the Department of Transportation to enter into a **retroactive** Interstate Coordination Agreement with the State of Vermont Agency of Transportation (VTrans), for the management of a transportation project known as the Tri-State Regional Rail Upgrade CRISI(24), effective upon Governor and Council approval from May 9, 2024 through October 31, 2027. This agreement assigns responsibility between the states for a Federal Railroad Administration (FRA) Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant that VTrans is the grant recipient for and will fund track improvements on the privately-owned St. Lawrence & Atlantic railroad that runs from Danville Junction, ME through Coos County, NH to Norton, VT.

EXPLANATION

This **retroactive** agreement pertains to the roles and responsibilities of the Department's Bureau of Rail & Transit and the State of Vermont Agency of Transportation (VTrans) as they work cooperatively to oversee the implementation of FRA CRISI funds for NH-only projects. VTrans, in interstate coordination with Maine and New Hampshire, is taking the lead on grant management for a Tri-State FRA CRISI grant (\$19.5M overall CRISI funds, \$6.6M NH CRISI funds) whereby the St. Lawrence & Atlantic Railroad Company (SLR) is making improvements to the NH section of their privately-owned line. The FRA provided pre-award authority to VTrans, and the SLR, to incur costs back to May 9, 2024 and this subject agreement seeks to align its start date with the FRA grant agreement start date.

The total cost for the NH-only portion of the CRISI project is \$7,610,690 and is comprised of the \$500,000 of NH state capital match, \$500,000 of SLR funding, and \$6,610,690 of FRA CRISI funds.

The agreement spells out VTrans and Department responsibilities relative to oversight and reimbursement of NH-only project costs and will help guide both agencies as they work with the SLR throughout the project and as the Department manages the separate, companion, state capital match agreement directly with the SLR.

This agreement has been approved by the Attorney General's Office as to form, substance, and execution. Copies of the fully executed Agreement are on file at the Secretary of State's Office and the

Department of Administrative Service's Office, and subsequent to Governor and Council approval will be on file at the Department of Transportation.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Cass".

William J. Cass, P.E.
Commissioner

Attachments

AGREEMENT
BETWEEN
VERMONT AGENCY OF TRANSPORTATION
AND
NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION

PROJECT: TRI-STATE REGIONAL RAIL UPGRADE CRISI(24)

CONTRACT: RA0410

1. *Parties.* This is an agreement between the State of Vermont, Agency of Transportation (hereinafter called "VTrans"), and the State of New Hampshire, Department of Transportation with a principal place of business at John O. Morton Building, 7 Hazen Drive (PO Box 483), Concord, NH 03302-0483, (hereinafter called "NHDOT").
2. *Subject Matter.* The subject matter of this agreement is interstate coordination for a transportation project known as Tri-State Regional Rail Upgrade CRISI(24) ("the Project"), a Federal Railroad Administration ("FRA") grant for upgrades to the St. Lawrence & Atlantic Railroad ("SLR"), which runs from Danville Junction, ME to Norton, VT, through the states of Maine, New Hampshire, and Vermont. Details of the role to be performed by NHDOT are set forth in Attachments A-1 and A-2.
3. *Maximum Amount.* NHDOT per the terms of Special Agreement, Coos Rail Improvements, State Capital Funds (Laws of 2023 L23:1XV4-Coos Rail Improvement) NHDOT PROJECT #44461, MP 99.35 to MP 102.65 and MP 127.48 to MP 133.40 between the State of New Hampshire and the St. Lawrence & Atlantic Railroad Company will contribute part of the non-Federal share of eligible Project costs, in accordance with the payment provisions specified in Attachment B, up to a maximum amount of Five Hundred Thousand and no/100 Dollars (\$500,000.00).
4. *Agreement Term.* The agreement term shall begin retroactively on May 9, 2024, and end on October 31, 2027.
5. *Prior Approvals.* This Agreement shall become effective on the date the New Hampshire Governor and Council approve this Agreement.
6. *Amendment.* No changes, modifications, or amendments in the terms and conditions of this agreement shall be effective unless reduced to writing, numbered and signed by the duly authorized representatives of the parties.
7. *Tort Liability.* To the extent permitted by its respective laws, each party will be responsible for its negligent acts and omissions, including those of its respective officials, employees, and agents.
8. *Termination for Convenience.* Either party may terminate this agreement at any time by giving written notice at least thirty (30) days in advance to the other party. In such event, each party shall be responsible for payment of obligations incurred prior to the effective date of termination.
9. *Primary Contacts.* The parties will keep and maintain current at all times a primary point of contact for this agreement, which are presently as follows:

a. For VTrans:

Name: Sasa Dejan

Phone: (802) 249-6098

Email: sasa.dejan@vermont.gov

RA0410 Tri-State Regional Rail Upgrade CRISI(24)

b. For NHDOT:

Name: Lou Barker

Phone: 603-271-2425

Email: louis.a.barker@dot.nh.gov

10. *Attachments.* This agreement consists of 12 pages including the following attachments which are incorporated herein:

Attachment A-1 - Statement of Work

Attachment A-2 – Detailed Project Description

Attachment B - Payment Provisions

11. *Order of Precedence.* Any ambiguity, conflict or inconsistency between the documents comprising this contract shall be resolved according to the following order of precedence:

(1) Standard Contract

(2) Attachment A-1

(3) Attachment A-2

(4) Attachment B

Signature Page Follows

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS AGREEMENT

By VTrans :
Date: 6/23/2025
Signature: Joe Flynn
Name: Joe Flynn
Title: Secretary of Transportation

By NHDOT
Date: 6/25/2025
Signature: Michelle L. Winters
Name: Michelle L. Winters
Title: Director of Aeronautics, Rail and Transit

APPROVED AS TO FORM:

DATE: 6/23/2025
DocuSigned by:
Jeffrey Sokolik
ASSISTANT ATTORNEY GENERAL

This is to certify that the Agreement shown above has been reviewed by this office, and is approved as to form and execution on June 23, 2025.

OFFICE OF ATTORNEY GENERAL

BY: [Signature]
Attorney

APPROVED by Governor and Executive Council on _____, 2025,

ITEM # _____.

ATTEST: _____
Secretary of State

ATTACHMENT A-1 – STATEMENT OF WORK

1. *The FRA Grant.* On September 25, 2023, the U.S. Department of Transportation, Federal Railroad Administration (“FRA”) selected the Tri-State Regional Rail Upgrade Project (“the Project”) for grant assistance under the FY 2022 Consolidated Rail Infrastructure and Safety Improvement (“CRISI”) program. The Project is described as follows:

Vermont – Tri-State Regional Rail Upgrade Project (Up to \$9,654,789)
State of Vermont Agency of Transportation

The proposed project involves project development, final design, and construction activities for various track-related improvements and upgrades to certain grade crossings. The project aligns with the selection criteria by improving ability to meet existing and anticipated demand as it will improve sections of St. Lawrence & Atlantic Railroad’s 162-mile corridor in Vermont, New Hampshire, and Maine, resulting in increased safety and railcar load capacity from 263,000 pounds to the current industry standard of 286,000 pounds. A combination of funding from the St. Lawrence & Atlantic Railroad, Maine Department of Transportation, and New Hampshire Department of Transportation will contribute a 50.5 percent non-Federal match. This project qualifies for the statutory set-aside for projects in Rural Areas.

2. *Summary of Project Funding.* The following is a summary of total Project funding, including allocation of the non-Federal shares:

<i>Source</i>	<i>Share Percentage</i>	<i>Maximum Dollar Amount</i>
FRA CRISI Grant	49.5%	\$9,654,789.00
Maine DOT	9.7%	\$1,900,000.00
NHDOT	2.6%	\$500,000.00
Scrap Credit	3.3%	\$650,000.00
SLR	34.9%	\$6,799,835.00

3. *VTrans’ Role.* VTrans is the Grantee responsible for administering the FRA grant, including review of and payment of the Federal share of invoices received from SLR for purchasing materials and construction of the Project. SLR will invoice VTrans for the Federal share as the Project work is completed. VTrans will be responsible for checking invoices and verifying that the invoiced amounts qualify as eligible expenses under the CRISI grant. VTrans will reimburse SLR for the Federal share and provide NHDOT with copies of the invoices received from SLR, along with confirmation of payments that VTrans has made to SLR.

ATTACHMENT A-2

DETAILED PROJECT DESCRIPTION

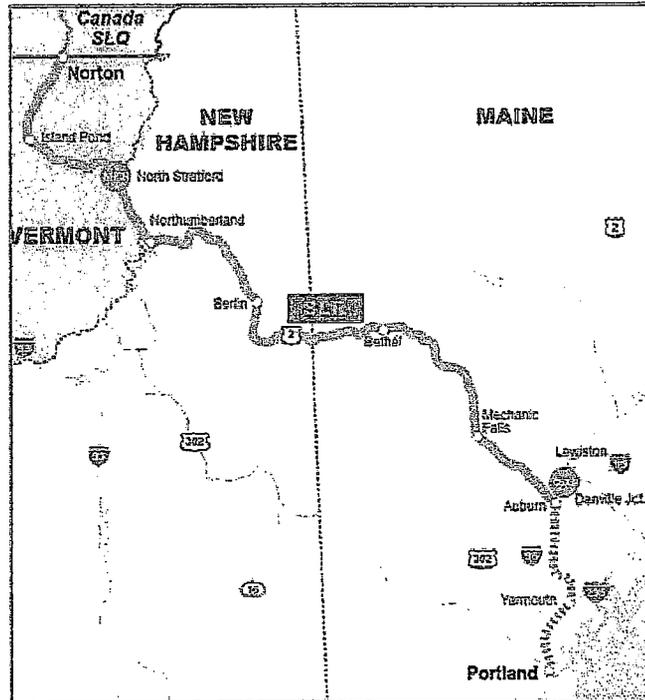
Vermont Agency of Transportation
 Tri-State Regional Rail Upgrade Project
 Consolidated Rail Infrastructure and Safety Improvements Program 2022

I. AUTHORITY

Authorization	49 U.S.C. 22907
Funding Authority/Appropriation	Consolidated Appropriations Act, 2022, Division L, Title I (Pub. L. 117-103 (2022 Appropriation)) Infrastructure Investment and Jobs Act, Division J, Title II, Pub. L. 117-58 (2021)
Notice of Funding Opportunity	Consolidated Rail Infrastructure and Safety Improvements Program for Fiscal Year 2022, 87 FR 54278 [09/02/2022]

II. BACKGROUND

The Applicant/Grantee, Vermont Agency of Transportation (VTrans), provides the Statement of Work herein as a part of its application to the NOFO for the CRISI program. It is intended to provide the general structure for the core of the procurement package for materials and works of the project. The project qualifies as Track 3 under the CRISI program; thus, engineering and design is expected to be completed prior to the signing of the grant agreement. As well, the project is anticipated to qualify for a Categorical Exclusion (CE). VTrans has included the CE worksheet as part of its application to the FRA.



The SLR has 162 miles of track in the United States, with 34 miles in Vermont, 58 miles in New Hampshire, and 70 miles in Maine (Figure 1). The SLR crosses the United States-Canada border at Norton, Vermont, where it operationally connects with its “sister railroad”, the St. Lawrence & Atlantic (Quebec), Inc. (SLQ) in Quebec. Interchanges are with CSXT in Danville Jct., ME, CP in Sherbrooke, PQ, CN in St. Lambert PQ, and NHCR in North Stratford, NH.

III. OBJECTIVE

The main objective of the Tri-State Regional Rail Upgrade Project (Project) is to provide the final piece of SLR’s efforts to increase capacity, attain a state of good repair, and improve railroad safety by upgrading the remaining segments of track across Vermont, New Hampshire, and Maine. Current components have reached the end of their useful life and are outdated in comparison with modern 115# continuous welded rail (CWR). The upgrades will increase railcar capacity of the entire line from 263,000 pounds (lbs.) to the modern standard of 286,000 lbs. used throughout the United States, Canada, and Mexico, thereby lowering shipping costs and allowing businesses to remain competitive. The Project will ensure sustainable operations for the railway, maintain business for major employers of the region, and help attract new businesses.

Key components of the Project include 1) installing approximately 201758 feet of 115# continuous welded rail (CWR), 2) replacing approximately 3,575 ties over 12 miles along with ballast and surfacing, 3) rehabilitating 4 grade crossings, and 4) upgrading 10 turnouts to 115# rail. The majority (93%) of the infrastructure targeted in the Project’s scope is in rural areas, demonstrating the importance of modernizing the infrastructure to allow businesses along the line to be competitive and to support economic growth.

IV. PROJECT LOCATION

The Project will take place in selected sections in Androscoggin and Oxford Counties in Maine, Coos Country in New Hampshire, and Essex County in Vermont (Figure 2). Specific locations of key Project components are as follows:

1. Rail Replacement – approximately 201758 feet of 115# CWR are to be installed at the following locations:
 1. Berlin Subdivision, MP 35.84-36.71, ME – approximately 8,464 linear feet
 2. Berlin Subdivision, MP 40.60-40.84, ME – approximately 1,564 linear feet
 3. Berlin Subdivision, MP 41.30-45.60, ME – approximately 45,296 linear feet
 4. Berlin Subdivision, MP 46.10-46.83, ME – approximately 7,708 linear feet
 5. Berlin Subdivision, MP 47.22-47.84, ME – approximately 6,230 linear feet
 6. Berlin Subdivision, MP 55-56, ME – approximately 3,200 linear feet
 7. Berlin Subdivision, MP 99.35-100.70, NH – approximately 14,256 linear feet
 8. Berlin Subdivision, MP 100.70-102.65, NH – approximately 20,600 linear feet
 9. Berlin Subdivision, MP 127.48-133.40, NH – approximately 61,400 linear feet
 10. Sherbrooke Subdivision, MP 0.26-1.33, VT – approximately 11,000 linear feet
 11. Sherbrooke Subdivision, MP 2.00-3.25, VT – approximately 13,200 linear feet
 12. Sherbrooke Subdivision, MP 15.00-15.80, VT – approximately 8,840 linear feet
2. Tie Replacement – approximately 3,575 ties are to be installed over 12 miles along with ballast and surfacing at the following locations:

1. Berlin Subdivision, MP 35.84-36.71, ME – approximately 460 ties
 2. Berlin Subdivision, MP 40.60-40.84, ME – approximately 127 ties
 3. Berlin Subdivision, MP 41.30-45.60, ME – approximately 2,274 ties
 4. Berlin Subdivision, MP 46.10-46.83, ME – approximately 386 ties
 5. Berlin Subdivision, MP 47.22-47.84, ME – approximately 328 ties
3. Crossing Rehabilitation – welding, saw cutting, HMA installation/disposal and more are to be performed at the following locations:
1. Berlin Subdivision, MP 41.65, ME – Number Six Road – 38 track feet
 2. Lewiston Branch, MP 1.83, ME – Hotel Road – approximately 150 track feet
 3. Lewiston Branch, MP 3.05, ME – Rodman Road – approximately 40 track feet
 4. Berlin Subdivision, MP 35.84, ME – Park Street – approximately 32 track feet
4. Turnout Replacement – upgrade to 115# turnout will take place at the following locations:
1. Berlin Subdivision, MP 149.00-150.00, Vermont – 5 turnouts
 2. Berlin Subdivision, MP 35.86.00-46.53, Maine – 5 turnouts

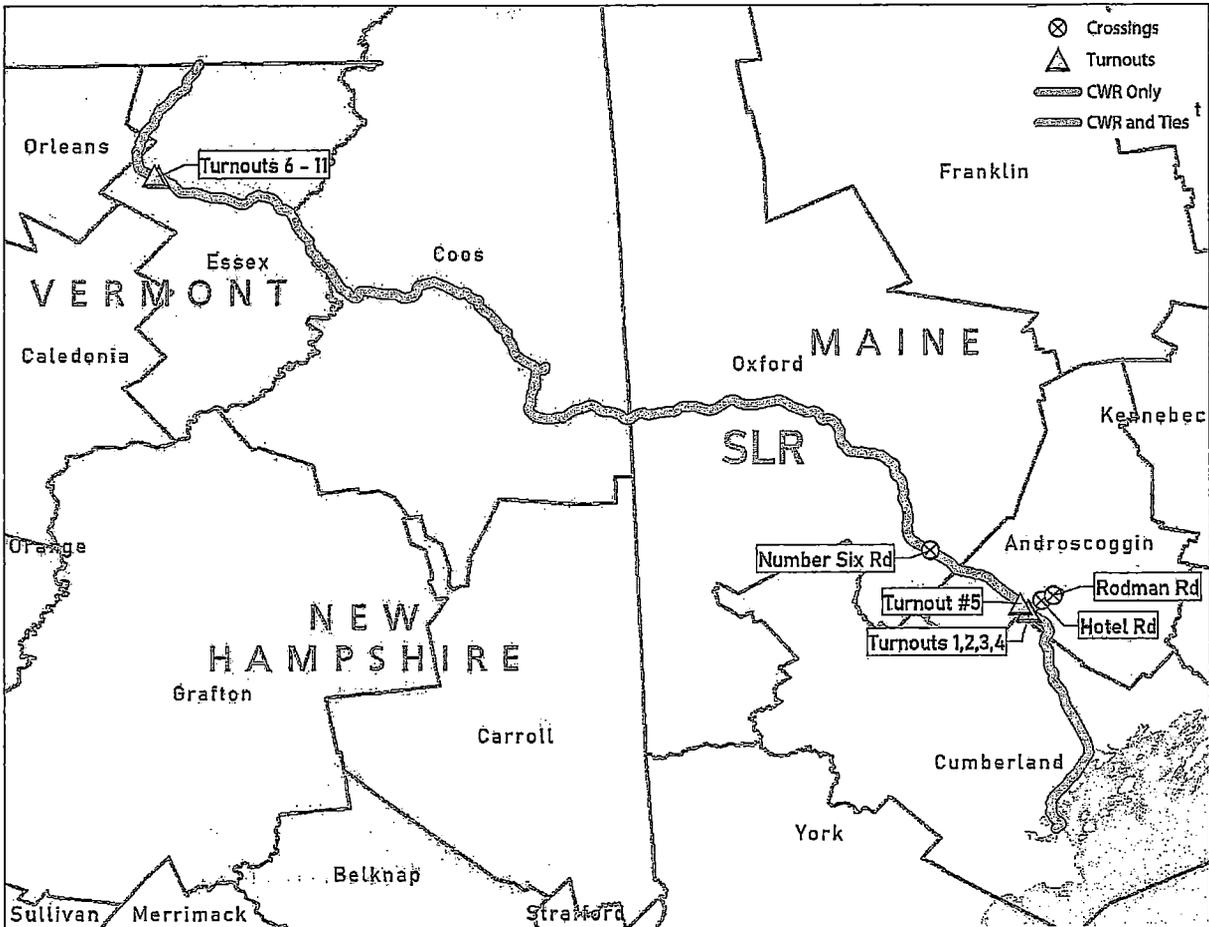


Figure 2. Locations of the Project Improvements

IV. DESCRIPTION OF WORK

The completion of the Project has been divided into five tasks (Table 1).

Table 1. Project Tasks

Task	Task Name
1	Administration (Detailed Project Work Plan, Budget, Schedule)
2	Engineering Design
3	Environmental Compliance
4	Construction (CWR, tie replacements, turnouts, crossings)
5	Final Performance Report

Task 1: Administration (Detailed Project Work Plan, Budget, Schedule)

SLR, with oversight from VTrans, will prepare a Detailed Project Work Plan, Budget, and Schedule for the following tasks, which may result in amendments to the executed agreement. The Detailed Project Budget will be consistent with the Approved Project Budget but will provide a greater level of detail. The Detailed Project Work Plan will describe, in detail, the activities and steps necessary to complete the tasks outlined in this Statement of Work. The Detailed Project Work Plan will also include information about the project management approach (including team organization, team decision-making, roles and responsibilities and interaction with FRA), as well as address quality assurance and quality control procedures. In addition, the Detailed Project Work Plan will include the Project Schedule (with VTrans and agency review durations), a detailed Project Budget, and confirmation of CE. Similarly, agreements governing the construction, operation and maintenance of the project should also be included. The Detailed Project Work Plan, Budget, and Schedule will be reviewed and approved by the FRA.

Work on subsequent tasks will not commence until the Detailed Project Work Plan, Budget, and Schedule has been completed, submitted to FRA, and VTrans has received approval in writing from FRA, unless such work is permitted by pre-award authority provided by FRA. The FRA will not reimburse VTrans for costs incurred in contravention of this requirement.

Task 1 Deliverables:

- Detailed Project Work Plan, Budget, and Schedule
- Project Agreements

Task 2: Engineering Design

SLR, with oversight from VTrans, will work to develop and execute a construction agreement for the Project. This agreement will define and designate the financial commitment between VTrans and SLR, specifically with regards to the 50.5% non-Federal contribution. The agreement will designate SLR to develop project plans and specifications to be included in a Bill of Material (BOM) package for the proposed Project. The BOM will contain project specific details required for bidding, including quantities, specifications, and other project specific requirements.

Preliminary Engineering has been completed to a level sufficient to advance the project to Final Design upon grant obligation. Any additional design or engineering requested by the FRA to satisfy Final Engineering approval or environmental clearance is a part of this Task. A Final Engineering Design and Bill of Materials (BOM) package will be prepared.

Once the BOM has been completed and reviewed and approved by VTrans, SLR will be responsible for submitting and awarding a Request for Quotation (RFQ) for the Project.

Task 2 Deliverables:

- Engineering Design & BOM Package for RFQ

Task 3: Environmental Compliance

SLR, with oversight from VTrans, will complete FRA-approved environmental clearance documentation for the Construction Project. The determination of the appropriate class of action and/or level of documentation and the Construction Project's environmental impact will be made by FRA. If SLR, with oversight from VTrans, concludes that the Construction Project might qualify for a Categorical Exclusion (CE) in accordance with FRA's *Procedures for the Consideration of Environmental Impacts* (effective May 26, 1999) (Environmental Procedures), SLR, with oversight from VTrans, will complete the FRA CE worksheet including providing the current project description, appropriate project maps, and any other relevant background information and submit it to assist FRA in making a class of action and/or level of documentation determination. SLR, with oversight from VTrans, will evaluate the Construction Project with the use of qualified environmental professionals to determine its impact, including conducting a review of existing literature, contacting relevant agencies, and performing field reconnaissance.

If FRA determines the appropriate class of action is a CE, SLR, with oversight from VTrans, will complete any additional studies and documentation for the FRA CE in accordance with the Environmental Procedures. SLR, with oversight from VTrans, will then compile the documented findings, prepare a cover letter, and submit the final CE worksheet with supporting documentation for FRA review and approval.

If FRA does not concur that a CE is appropriate for this Construction Project, SLR, with oversight from VTrans, will work to undertake an Environmental Assessment (EA) in accordance with FRA's Environmental Procedures, and as further described below.

SLR, with oversight from VTrans, will work conduct Construction Project scoping to determine the key issues, needed studies in accordance with FRA's Environmental Procedures and potential effects of the action and if determined appropriate in consultation with FRA, develop a public involvement plan that identifies key contacts within agencies, the news media, public officials, the general public, civic and business groups, relevant interest groups, present and potential riders/users, and private service providers/shippers. This plan will also identify how public involvement activities will be linked to key milestones in the planning/engineering and environmental process.

SLR, with oversight from VTrans and in coordination with the FRA, shall prepare an EA to include, but is not limited to, the following: definition of the Construction Project and existing

conditions, identification of the purpose of and need for the Construction Project, identification and analysis of project build alternatives and a no-action alternative, and an analysis of existing conditions in comparison to the impacts of the proposed action. SLR, with oversight from VTrans, will submit a Draft Environmental Assessment to the FRA for review and comment. SLR, with oversight from VTrans, will work to address FRA comments and produce a Final Environmental Assessment for FRA for review and approval. If determined appropriate in consultation with FRA, SLR, with oversight from VTrans, will circulate the draft EA for public and agency review and comment. Through consultation with the FRA and confirmation that no significant impacts are anticipated, SLR, with oversight from VTrans, will work to produce a draft Finding of No Significant Impact (FONSI) (along with a response to comment document if the EA is publicly circulated) and submit it to the FRA for review and completion.

If there is an indication of potential for significant impact that cannot be mitigated and FRA determines that a draft Environmental Impact Statement (EIS) is required, SLR, with oversight from VTrans, will work to establish scopes and costs for the preparation of an EIS as well as concomitant additional public outreach activities.

In addition, SLR, with oversight from VTrans, is responsible for identifying all necessary permits required for the Construction Project's implementation.

Task 3 Deliverables:

- Environmental Clearance

Task 4: Construction

As per the above stated construction agreement, SLR will be responsible for procuring all necessary materials and contractors to construct the Project as described in the Project Location section above. Once material and contractors are secure, a preconstruction meeting be held with all appropriate parties (VTrans, SLR, contractors, utilities, state, and local officials including police departments, fire departments, school busing coordinators and other local emergency services). After the preconstruction meeting is held and official start date has been given, construction will commence. SLR will hold bi-weekly meetings to prioritize and coordinate the work being performed. SLR will perform field inspections of the work and submit Inspection Reports to document work. Once construction is completed a final inspection review will be performed by VTrans, SLR and its contractor(s) to ensure that all phases of the Project are completed without exception.

Task 4 Deliverables:

- Construction (Work, Inspection & Project Administration): Start
- Construction (Work, Inspection & Project Administration): Completion

Task 5: Final Performance Report

Upon completion of the Project, SLR, with oversight from VTrans, will develop and submit the Final Performance Report to FRA. The Final Performance Report will be submitted within 90 days of the end of the grant's period of performance and will describe the cumulative activities of the Project, including

a complete description of VTrans' achievements with respect to the Project's objectives and milestones.

Task 5 Deliverables:

- Final Performance Report

V. PROJECT COORDINATION

SLR, with oversight from VTrans, shall perform all tasks required for the Project through a coordinated process, which will involve affected railroad owners, operators, and funding partners, including:

- Federal Railroad Administration (FRA)
- Vermont Agency of Transportation (VTrans)
- New Hampshire Department of Transportation (NHDOT)
- Maine Department of Transportation (Maine DOT)

VI. PROJECT MANAGEMENT

VTrans and SLR are responsible for facilitating the coordination of all activities necessary for the implementation of the Project. SLR, with oversight from VTrans, will monitor and evaluate progress through regular meetings scheduled throughout the Project Performance Period. SLR, with oversight from VTrans, will:

- Participate in a project kickoff meeting with FRA
- Complete necessary steps to hire a qualified consultant/contractor to perform specialized tasks in the required project work
- Hold regularly scheduled project meetings with FRA
- Inspect and approve work as it is completed
- Each state DOT may inspect its respective sections of the Project however SLR is responsible for inspections of the work and putting the line back in service
- Review and approve invoices as appropriate for completed work
- Perform project close-out audit to ensure contractual compliance and issue close-out report
- Submit to FRA all required project deliverables and documentation on-time and according to schedule, including periodic receipts and invoices
- Comply with all FRA Project reporting requirements, including, but not limited to: Status of project by task breakdown and percent complete
- Changes and reason for changes in and updated versions of Detailed Project Work Plan, Budget, and Schedule
- Description of unanticipated problems and any resolution since the immediately preceding progress report
- Summary of work scheduled for the next progress period
- Read and understand the Terms and Conditions of the executed agreement
- Notify FRA of changes that require written approval or modification to the exe

ATTACHMENT B – PAYMENT PROVISIONS

NHDOT, upon notification from VTrans of VTrans concurrence of amounts and quantities expended in New Hampshire as request in the invoices received from SLR, will directly reimburse for NHDOT's allocation (2.6%) of the non-Federal share, up to a Maximum Dollar Amount of \$500,000.00.