

CSGA



THE STATE OF NEW HAMPSHIRE

DEPARTMENT OF TRANSPORTATION



William Cass, P.E.
Commissioner

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David Rodrigue, P.E.
Assistant Commissioner

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

Bureau of Rail & Transit
August 11, 2025

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

REQUESTED ACTION

Pursuant to RSA 228:69 I (b), authorize the Department of Transportation to enter into Retroactive agreements with Railroad Operators for an amount not to exceed \$1,420,000 from the Special Railroad Fund for the maintenance and repair of State-owned railroad lines for the period July 1, 2025, through June 30, 2027, effective upon Fiscal Committee and approval by Governor and Council. 100% Other Funds (Special Railroad Funds).

Funding for this agreement is available in Fiscal Year 2026 and Fiscal Year 2027, with the authority to adjust encumbrances between fiscal years within the price limitation through the Budget Office, if needed and justified:

Table with 3 columns: Item Description, FY 2026, FY 2027. Row 1: 04-96-96-964010-2991 Special Railroad Fund. Row 2: 400-500871 Construction Repair Materials \$710,000 \$710,000

EXPLANATION

This item is retroactive primarily due to needing to wait for funding availability in the newly approved biennium budget.

The Department's Special Railroad Fund is established by RSA 228:68 for the deposit of revenues produced on the state-owned railroad corridors through user fees paid by railroads, leases and fees paid by other landowners, and other revenues. This dedicated fund is required to comply with Federal regulations that require lease or other income on property acquired with Federal funds to be used to maintain those properties. Typical maintenance and repair activities of State-owned railroad lines include track, minor bridge and drainage projects as well as the cost of engineering and construction administration.

The Department, in accordance with RSA 228:69 I (b), has existing railroad operating agreements with the railroads that operate on the State-owned railroad lines that include provisions to maintain and repair the State-owned railroad lines on which they operate for State fiscal years 2026 and 2027. The Department's Bureau of Rail

and Transit will reimburse the railroads operating on the State-owned rail lines, and other responsible parties, for their infrastructure construction, maintenance, and engineering and construction administration expenses on the

State-owned rail lines and bridges. The operating railroads on the State-owned rail corridors and the estimated construction funds (400 500871) to be encumbered and expended on their operating lines are:

| Legal Vendor Name | DBA railroad name | Vendor # | SFY 26 | SFY 27 | Total |
|---------------------------------|-------------------------|----------|-----------|-----------|-------------|
| Department of Transportation | | 177927 | \$65,000 | \$65,000 | \$130,000 |
| Plymouth & Lincoln Railroad | Plymouth & Lincoln RR | 157711 | \$180,000 | \$180,000 | \$360,000 |
| Merrimack & Grafton Railroad | NH Central RR | 336981 | \$91,000 | \$91,000 | \$182,000 |
| Profile Mountain Holdings Corp. | Conway Scenic RR | 289704 | \$180,000 | \$180,000 | \$360,000 |
| Merrimack & Grafton Railroad | New England Southern RR | 336981 | \$82,000 | \$82,000 | \$164,000 |
| Milford-Bennington Railroad | Milford-Bennington RR | 156441 | \$82,000 | \$82,000 | \$164,000 |
| New England Central Railroad | New England Central RR | 160565 | \$30,000 | \$30,000 | \$60,000 |
| TOTAL | | | \$710,000 | \$710,000 | \$1,420,000 |

To resolve unanticipated events and circumstances on the State-owned rail lines, the estimated amounts listed above are subject to adjustment by the Administrator of the Bureau of Rail & Transit. Should funds not become available, no General Funds will be used.

Your approval of this resolution is respectfully requested.

Sincerely,



William J. Cass, P.E.
Commissioner