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January 20, 2026

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

REQUESTED ACTION

Authorize the Department of Business and Economic Affairs (BEA), Division of Economic Development to enter into a **Sole Source** amendment to an existing contract with ADG-Arnett Development Group LLC (VC#171299), Concord, NH to provide specialized capacity building support to communities aimed at identifying potential projects and funding sources that will improve the economic opportunities in New Hampshire's Northern Border Regional Commission (NBRC) communities, in compliance with a grant awarded by the NBRC by increasing the price limitation by \$68,000 from \$410,000 to \$478,000 and extending the completion date from March 31, 2026 to June 30, 2026 effective upon Governor and Executive Council approval. The original contract was approved by Governor and Council on March 13, 2024, item #55. **100% Federal Funds.**

Funding is available in Capacity Grant as follows:

	<u>FY 2026</u>
03-22-022-220510-26440000-102-500731, Contracts for Program Services	\$68,000

EXPLANATION

This request seeks approval for a price increase exceeding 10% of the original price limitation without exercising a renewal option; therefore, in accordance with MOP 150, it must be designated as a **Sole Source** request.

The Northern Border Regional Commission (NBRC), a federal-state partnership for economic and community development in New Hampshire, Maine, Vermont, and New York, was created by federal legislation in 2008. New Hampshire has willingly participated because this partnership provides access to funds and opportunities that benefit the state and businesses in key regions and industries as the NBRC provides federal funds for critical economic and community development projects for many of our rural communities each year. The authorizing statute (40 U.S.C. Subtitle V) not only dictates what states shall comprise the NBRC, it also determines what communities in New Hampshire can participate in NBRC programming (seven counties).

The NBRC is an entity unlike other partnerships or programs in which the State participates. Federal statute concribes participants, operations, and costs. As part of NBRC programming, BEA lead award rounds, hosts workshops and webinars, conducts significant outreach, advocates for, and works with awardees to advance their projects, and assists awardees in meeting regulatory requirements associated with their awards. To meet the NBRC funding round application deadlines, capacity building technical assistance for municipalities and non-profit NBRC candidates is essential.

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The Department of Business and Economic Affairs (BEA) administers NBRC funding allocated to the State for grant programs. In 2025 alone, BEA facilitated the award of NBRC grants totaling \$14.6 million in funding, to projects in New Hampshire counties that comprise the State's Northern Border Region (Coos, Grafton, Carroll, Belknap, Merrimack, Sullivan, and Cheshire).

BEA issued a Request for Proposals (RFP) for a Rural Economic Development Capacity Contractor, and two vendors submitted formal written proposals. A selection committee comprised of BEA staff reviewed and scored the proposals, which resulted in Arnett Development Group, LCC (ADG), being awarded the contract with BEA.

The purpose of this contract is to provide specialized capacity building support to municipalities and non-profit entities in rural parts of New Hampshire, aimed at identifying potential projects and funding sources that will advance the ecosystem that leads to job creation and retention, and in general, improve economic opportunities. The contractor provides customized technical assistance with pre-development strategies such as conducting feasibility research, developing project plans and budgets, identifying funding opportunities, and curating data to form a strong case for support, whether in application to the NBRC or other federal and state funding sources. ADG, based in Concord, NH, has a strong background in providing technical assistance for communities and non-profits in rural New Hampshire for over 17 years, helping them obtain funding and create smart planning and development solutions. Alongside this general experience, ADG demonstrated in-depth knowledge of the NBRC and other federal and state funding resources, as well as deep local knowledge.

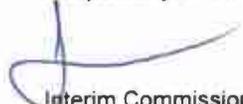
This contract extension will align technical assistance programming with the state fiscal year. Additionally, subsequent to the approval of the contract by Governor & Council, the NBRC added a second competition round per year, resulting in both Spring and Fall application deadlines. Due to this change, the current contract will end in the Spring 2026 round, after pre-application submission and before the application deadline, ensuring continuity of service. Improvements to the technical assistance structure are planned for between rounds in the summer, with a new RFP issued and fulfilled prior to the Fall 2026 round.

In the event that Federal Funds are no longer available, General Funds will not be requested.

BEA has determined that the vendor is in good standing with the Secretary of State's Office, has secured the required levels of insurance, and has provided evidence of authority to execute and be bound by the contract. Documents supporting these assertions are available at the agency, for review upon request.

The Attorney General's Office has approved this contract agreement as to form, substance, and execution.

Respectfully submitted,



Interim Commissioner
James Key-Wallace

State of New Hampshire
Department of Business and Economic Affairs
Amendment #1 of P-37 Contract Agreement

This 1st Amendment ("Amendment") is entered into between the State of New Hampshire, acting by and through the New Hampshire Department of Business and Economic Affairs, 100 N. Main Street, Suite 100, Concord, NH, 03301 (hereinafter referred to as "the State") and Arnett Development Group, 10 Fisk Road Unit B, Concord, NH 03301, (hereinafter referred to as "Contractor"), collectively referred to as ("the Parties").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on March 13, 2024, Item #55 the Contractor agreed to perform certain services based upon the terms and conditions specified in the contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 17, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council;

WHEREAS the parties agree to increase the price limitation; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Agreement, General Provisions, section 1.7 of the Agreement is hereby deleted and replaced with the following: **June 30, 2026.**
2. Agreement, General Provisions, section 1.8 of the Agreement "\$410,000" is hereby deleted and replaced with the following: **\$478,000.**
3. Agreement, General Provisions, section 1.9 of the Agreement is hereby deleted and replaced with the following: **NBRC State Program Manager.**
4. Agreement, General Provisions, Exhibit C of the Agreement – Contract Price, Total contract shall not exceed "\$205,000.00 in Year Two (April 1, 2025-March 31, 2026" – is hereby deleted and replaced with the following: **\$273,000 in Year Two (April 1, 2025-June 30th, 2026)**
5. Agreement, General Provisions, Exhibit C of the Agreement – Term, "March 31, 2026" – is hereby deleted and replaced with the following: **June 30th, 2026.**
6. Agreement, General Provisions, Exhibit E of the Agreement – Contract Period: "Upon Governor & Council Approval through June 30, 2025" – is hereby deleted and replaced with the following: **Upon Governor & Council Approval through June 30th, 2026.**

Contractor Initials: 

Date: 

- 7. This Amendment shall become effective upon its approval by the Governor and Executive Council of the State of New Hampshire.

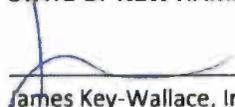
- 8. Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligations of the Parties thereunder shall remain in full force and effect in accordance with the terms and conditions as set forth therein.

IN WITNESS WHEREOF, the Parties hereto have set their hands as of the day and year first above written.

Arnett Development Group

By:  date 01/09/2026
Stuart Arnett, CEO
Arnett Development Group

STATE OF NEW HAMPSHIRE:

 date 1-9-26
James Key-Wallace, Interim Commissioner
Department of Business and Economic Affairs
State of New Hampshire

Approval by the Attorney General of the State of New Hampshire (Form, Substance, and Execution):

Signature /s/ Mike Grandy
Name Michael Grandy, Assistant Attorney General
Date 1/27/2026

Approval by Governor and Council of the State of New Hampshire:

Signature _____
Name _____
Date _____

State of New Hampshire
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that ARNETT DEVELOPMENT GROUP, LLC is a New Hampshire Limited Liability Company registered to transact business in New Hampshire on October 23, 2006. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 566268

Certificate Number: 0007366264



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 5th day of January A.D. 2026.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan
Secretary of State

(Limited partnership, Limited liability professional partnership or LLC)

Certificate of Authority # 3

Limited Partnership or LLC Certification of Authority

I, Stuart T. Arnett **hereby certify** that I am the sole Partner, Member or
(Name)

Manager and the sole officer of Arnett Development Group LLC a limited liability partnership
(Name of Partnership or LLC)

under RSA 304-B, a limited liability professional partnership under RSA 304-D, or a limited liability company under RSA 304-C.

I certify that I am authorized to bind the partnership or LLC. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person listed above currently occupies the position indicated and that they have full authority to bind the partnership or LLC and that this authorization **shall remain valid for thirty (30) days from the date of this Corporate Resolution.**

DATED: January 5, 2026

ATTEST: Stuart T. Arnett

STA

Stuart T. Arnett, Managing Member and Owner

Arnett Development Group @ LLC



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/09/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USAA INSURANCE AGENCY INC/PHS 65812846 The Hartford Business Service Center 3600 Wiseman Blvd San Antonio, TX 78251	CONTACT NAME:	
	PHONE (888) 242-1430 (A/C, No, Ext):	FAX (A/C, No):
E-MAIL ADDRESS:		
INSURED ARNETT DEVELOPMENT GROUP LLC 10 FISK RD CONCORD NH 03301-6211		INSURER(S) AFFORDING COVERAGE
INSURER A: Sentinel Insurance Company Ltd.		NAIC# 11000
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> General Liability			65 SBA IN5350	08/22/2025	08/22/2026	EACH OCCURRENCE \$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			65 SBA IN5350	08/22/2025	08/22/2026	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000
							BODILY INJURY (Per person)
	UMBRELLA LIAB EXCESS LIAB <input type="checkbox"/> OCCUR CLAIMS-MADE <input type="checkbox"/>						BODILY INJURY (Per accident)
	DED RETENTION \$						PROPERTY DAMAGE (Per accident)
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE OTH-ER
A	EMPLOYMENT PRACTICES LIABILITY			65 SBA IN5350	08/22/2025	08/22/2026	E.L. EACH ACCIDENT E.L. DISEASE -EA EMPLOYEE E.L. DISEASE - POLICY LIMIT
	Each Claim Limit \$10,000 Aggregate Limit \$10,000						

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations.

CERTIFICATE HOLDER
 State of New Hampshire
 Department of Business and Economic Aff
 100 N MAIN ST STE 100
 CONCORD NH 03301
CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Susan S. Castaneda

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