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The State of New Hampshire
Department of Transportation

David Rodrigue, P.E.
Commissioner

Susan M. Klasen, P.E.
Assistant Commissioner

Michelle L. Winters
Deputy Commissioner

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

Bureau of Planning &
Community Assistance
October 21, 2026

Requested Action

Authorize the Department of Transportation to enter into agreements totaling $2,250,000.00 with the included list of sub-recipients to provide funding and services under the 2026 Congressionally Designated Spending (CDS) Programs through a local project administration process, effective upon Governor and Council approval, through September 30, 2034. **100% Federal Funds.**

Funding is available as follows for FY 2026.

	FY 2026
04-96-96-962515-2945 Municipal Aid - Federal 072-500574 Grants to Local Govt - Federal	$2,250,000

Explanation

These agreements, between the State and sub-recipients receiving funds, are intended to delineate responsibilities for providing services necessary to plan, layout, design, acquire right-of-way, contract for construction, and/or provide oversight supervision for the Federal Aid Program projects approved as part of the 2026 Congressionally Designated Spending (CDS) Program.

The federally approved Consolidated Appropriations Act, 2026 appropriates a total of $2,250,000 for two CDS projects in New Hampshire. These funds are intended to be pass-through funds from FHWA through NH Department of Transportation (NHDOT) to the communities/organizations receiving the funds. Funds must be committed and obligated to projects by September 30, 2029, and spent by September 30, 2034. Project descriptions, as identified in the legislation, are identified below. Funds must be used in accordance with Title 23 United States Code, which are the federal requirements that oversee FHWA funds for NHDOT and locally managed projects.

Funds will pass through the Department as 100% Federal Funds.

Federal FY	Community	Project Description (from Legislation)	Amount
2026	Lebanon	Lebanon Mechanic Street Sidewalks Project	$250,000
2026	Londonderry	Pettengill Road Traffic Improvements and Widening Project	$2,000,000

Authorization is requested to allow the Department to enter into these agreements with the sub-recipients to ensure compliance with Federal Aid Program requirements and to permit State personnel to supervise the projects and the Department to expend Federal Funds.

Expenses incurred will be charged against the designated state project number and reimbursement of costs shall be made from the Municipal Aid – Federal account in the total amount of $2,250,000.

Individual project funding is 80% Federal Funds and 20% Local Funds.

The Department of Transportation will prepare an annual update of all federally funded, locally administered projects in the Transportation Alternatives Program (TAP) and other federal funded programs, including but not limited to Congestion Mitigation and Air Quality (CMAQ), Safe Routes to School (SRTS), and Highway Safety Improvement Program (HSIP), by December 31st of each year as approved in Governor and Council on March 2, 2022, Item #47. These Congressionally Designated Spending projects will be included in that report.

Your approval of this submission is respectfully requested.

Sincerely,



David M. Rodrigue, P.E.
Commissioner

DR/lbw

Attachments

{NAME OF FEDERAL PROGRAM}
PROJECT AGREEMENT
FOR

{PROJECT SPONSOR NAME}

STATE PROJECT #: _____
FEDERAL PROJECT #: _____
STATE VENDOR #: _____
UNIQUE ENTITY IDENTIFIER #: _____

THIS AGREEMENT, is made and entered into this {___} day of {_____}, 20__, between the State of New Hampshire, acting through its Department of Transportation, hereinafter called the "DEPARTMENT", and the {PROJECT SPONSOR NAME}, hereinafter called the "PROJECT SPONSOR".

WHEREAS, the DEPARTMENT and the PROJECT SPONSOR have determined that a project to {ProMIS Project Description} in the City/Town of {_____} is an eligible project for funding under the Federal Aid { } Program created under the Consolidated Appropriations Act of 2026, Congressionally Designated Spending; and

WHEREAS, the DEPARTMENT has established Project # {_____} (the "Project") for the aforesaid project, with the project funding and target ad year as represented in the table below; and

Programmed Year of Advertisement	**Participating Federal Share _____%**	**Participating Local Share _____%**	**Additional Non-Participating Funds**	***Total Budget**
{year}	**$**	**$**	**$**	***$**

***The Total Budget shown is the latest approved estimated cost year of FY{ }, inflated at 4.4% per year for {#}years

Additional Administrative Documentation Information: If this information is not available at the time of the Agreement signing, documentation will be sent to the PROJECT SPONSOR by the DEPARTMENT as soon as the information is available:

FEDERAL FAIN #: {Not yet available}

CFDA #20.205 and DESCRIPTION Highway Planning and Construction

SUBAWARD Period of performance start date: {Not yet available}

SUBAWARD Period of performance end date: {Not yet available}

NHDOT Managed: Yes_____ No__x___

{If Yes, include description of funding with percentage federal funds and source of funds here}

NHDOT Indirect Cost Rate: N/A __x__ 10%_____

Is award Research & Development: Yes_____ No__x___

WHEREAS, the PROJECT SPONSOR has submitted an Application {xx-xxxx} to sponsor the Project (the "Application") and the DEPARTMENT has accepted the Application; and

WHEREAS, the Application, by reference, is hereby incorporated and made a part of this AGREEMENT; and

WHEREAS, the PROJECT SPONSOR desires to act as Sponsor and Manager of the Project; and

WHEREAS, the DEPARTMENT desires to cooperate with the PROJECT SPONSOR in accomplishing the Project;

NOW, THEREFORE, in consideration of the above premises and in further consideration of the agreement herein set forth by and between the parties hereto, it is mutually agreed as follows:

I. DUTIES AND RESPONSIBILITIES OF THE PROJECT SPONSOR:

A. The PROJECT SPONSOR shall comply with all Federal and State of New Hampshire laws and rules, regulations, and policies as applicable under the Federal-aid Highway Program for Federal Aid Construction Contracts.

B. The PROJECT SPONSOR shall manage the design, environmental study, right-of-way acquisition and construction of the Project. This management is described in the current version of the DEPARTMENT's document titled "Local Public Agency Manual for the Development of Projects", as it may be amended from time to time, and, by reference, is hereby made a part of this AGREEMENT.

C. The PROJECT SPONSOR shall provide or cause to provide for both the maintenance of the Project during construction and subsequent maintenance of all Project elements together with the maintenance of sidewalks, which includes winter snow and ice removal in accordance with the requirements of 23 CFR 1.27 and 28 CFR 35.133, once the work under this AGREEMENT is completed. **Unless agreed otherwise at Project completion, the DEPARTMENT's maintenance responsibility shall be no greater than that which exists within the proposed Project limits on state maintained New Hampshire Route {____} prior to the start of construction. {**Above sentence only needed if State has current maintenance responsibility**} Should operational adjustments be necessary, the PROJECT SPONSOR agrees that no changes will be made without prior approval of the DEPARTMENT and the Federal Highway Administration.

D. The PROJECT SPONSOR shall submit monthly progress reports and invoices to the DEPARTMENT for reimbursement of its share of the amounts paid to engineering, environmental and/or right-of-way consultants and construction contractors for the performance of the work set forth in the Application or agreed upon at the scoping meeting. The invoice structure shall include details of work completed consistent with the Scope of Work as defined in the Application, as well as backup information to support the charges. The PROJECT SPONSOR shall certify that the invoices properly represent payment for work that has been completed and paid for by the PROJECT SPONSOR.

E. The PROJECT SPONSOR is required to maintain all project and financial records pertinent to the development of the Project for three (3) years beyond the date of the DEPARTMENT's final voucher. The DEPARTMENT will send a letter to the PROJECT SPONSOR with the date of this approval. If there is a failure to maintain this documentation, NHDOT and/or Federal Highway Administration could take an action up to and including requesting a refund of all reimbursed project costs. Any and all of these project and financial records must be made available to the DEPARTMENT and Federal Highway Administration at their request.

F. The PROJECT SPONSOR shall defend, indemnify and hold harmless the DEPARTMENT and its officials, agents and employees from and against any and all claims, liabilities or suits arising from (or which may be claimed to arise from) any act or omission of the PROJECT SPONSOR

or its subcontractors in the performance of this AGREEMENT. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State of New Hampshire or the DEPARTMENT, which immunity is hereby reserved. This covenant shall survive the termination of this AGREEMENT.

G. Non-Discrimination:

1. The PROJECT SPONSOR agrees, for itself, its assignees and successors in interest, that it will comply with Title VI of the Civil Rights Act of 1964, (referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Part 21, (referred to as the "REGULATIONS"), the Federal-aid Highway Act of 1973, and other pertinent directives, to the end that no person shall on the grounds of race, color, religion, national origin, sex, age, sexual orientation, disability or handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which the PROJECT SPONSOR receives Federal financial assistance extended by the State of New Hampshire. The ACT and the REGULATIONS are herein incorporated by reference and made a part of this AGREEMENT. This AGREEMENT obligates the PROJECT SPONSOR for the period during which Federal financial assistance is extended.

2. The PROJECT SPONSOR hereby gives assurance as required by subsection 21.7(a)(1) of the REGULATIONS that it will promptly take any measures necessary to effectuate this AGREEMENT, including but not limited to the following specific assurances:

    a. That each "program" and each "facility" as defined in subsections 21.23(e) and 21.23(b) of the REGULATIONS will be conducted or operated in compliance with all requirements of the REGULATIONS.

    b. That the PROJECT SPONSOR shall insert the following notification in all solicitations for negotiated agreements or bids for work or material made in connection with this Project: *The PROJECT SPONSOR hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, religion, national origin, sex, age, sexual orientation, disability or handicap in consideration for an award.*

    c. That the PROJECT SPONSOR shall not discriminate on the basis of race, color, religion, national origin, sex, age, sexual orientation, disability or handicap in the award and performance of any DEPARTMENT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The PROJECT SPONSOR shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DEPARTMENT-assisted contracts. The DEPARTMENT's DBE program, as required by 49 CFR part 26 and as approved by the United States Department of Transportation, is incorporated by reference in this AGREEMENT. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this AGREEMENT. Upon notification to the PROJECT SPONSOR of its failure to carry out its approved program, the DEPARTMENT may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 *et seq.*

    d. That the PROJECT SPONSOR shall include the following assurance in each contract signed with a contractor and each subcontract the prime contractor signs with a

subcontractor: *The contractor or subcontractor shall not discriminate on the basis of race, color, religion, national origin, sex, age, sexual orientation, disability or handicap in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of* DEPARTMENT-*assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of the contract or such other remedy, as the recipient deems appropriate.*

3. The PROJECT SPONSOR shall insert a copy of the required provisions of Federally-assisted construction contracts in accordance with Executive Order 11246, Equal Employment Opportunity, and 41 CFR Part 60-4, Affirmative Action Requirements, in each contract entered into pursuant to this AGREEMENT. Required Federal contract provisions can be obtained through the DEPARTMENT's Labor Compliance Office (271-6612) or Online at: http://www.nh.gov/dot/org/administration/ofc/documents.htm

H. The PROJECT SPONSOR certifies by entering into this Agreement that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Agreement by any federal agency or by any department, agency or political subdivision of the State of New Hampshire. The term "principal" for purposes of this Agreement means an officer, director, key employee or other person with primary management or supervisory responsibilities, or a person who has critical influence on or substantive control over the operations of the PROJECT SPONSOR. The PROJECT SPONSOR also certifies that it will verify the state and federal suspension and debarment status for all parties (consultant/vendor/contractor, etc.) receiving funds under this Agreement as a sub-Agreement and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred party. The PROJECT SPONSOR shall immediately notify the Department if any sub-Agreement party is debarred or suspended, and shall, at the DEPARTMENT'S request, take all steps required by the State to terminate its sub-Agreement relationship with the party for work to be performed under this Agreement.

I. If the PROJECT SPONSOR defaults or fails to fulfill any part of this AGREEMENT, the PROJECT SPONSOR shall be required to reimburse the DEPARTMENT and/or the Federal Highway Trust Fund for all funds expended under this Project.

J. All external Project web content created under this AGREEMENT shall meet the accessibility requirements of the Americans with Disabilities Act (ADA) Title II: web content accessibility guidelines (WCAG) 2.1, level AA or Higher, as stated in the New Hampshire Information Technology Accessibility Policy. Web content means the information and sensory experience to be communicated to the user: websites and pages, web apps, videos, documents, social media, etc., and mobile applications.

II. DUTIES AND RESPONSIBILITIES OF THE DEPARTMENT:

A. The DEPARTMENT shall review the Project engineering plans, environmental documents and contract documents applicable to the Federal Highway Administration and State of New Hampshire requirements for a Federally-funded project and submit appropriate documentation to the Federal Highway Administration to receive Federal approval.

B. The DEPARTMENT shall reimburse its share to the PROJECT SPONSOR after receipt and approval of properly documented invoices that have been certified by the PROJECT SPONSOR as properly representing work that has been completed and paid for by the PROJECT SPONSOR.

C. The DEPARTMENT shall use its best efforts to obtain authorization of the Project from the Federal Highway Administration.

III. IT IS FURTHER UNDERSTOOD AND AGREED BETWEEN THE DEPARTMENT AND THE PROJECT SPONSOR:

A. That the PROJECT SPONSOR will not incur any Project costs nor enter into any agreement with any third party, including but not limited to consultants, contractors, or engineers until such time that it receives a written notice to proceed from the DEPARTMENT to do so.

B. That the maximum amount of funds available for this Project for reimbursement under this AGREEMENT from the DEPARTMENT shall be as set forth in the Table on page 1. As the scope of the Project is finalized, should the costs for the Project exceed the amount budgeted, the DEPARTMENT agrees to review Project costs for consideration of additional funding. Neither the DEPARTMENT nor the Federal Highway Administration will be responsible for any expenses or costs incurred by the PROJECT SPONSOR under this AGREEMENT in excess of the above amounts unless the DEPARTMENT expressly authorizes additional funding prior to the work being performed.

C. That the PROJECT SPONSOR shall invoice the DEPARTMENT for incurred costs on a monthly basis and the DEPARTMENT will process these invoices for payment in an expeditious manner.

D. That the PROJECT SPONSOR agrees to commence the PROJECT within 6 months of AGREEMENT execution date noted in the first paragraph of page 1. The PROJECT SPONSOR agrees to complete the Preliminary Engineering (PE) Phase of the PROJECT on or BEFORE December 31st of the Programmed Year of Advertisement date noted in the table on page 1, unless earlier terminated as provided herein. The PROJECT SPONSOR may apply to the DEPARTMENT for an extension to either the START or END date. Such application for extension must be made in writing, providing an explanation of the reasons for the delay, and proposing a revised schedule. Failure to meet any deadline without good cause or failure to submit an extension request may cause the DEPARTMENT to cancel its participation in this Project at its sole discretion, in which case any remaining funds will be forfeited. The PROJECT SPONSOR is responsible for informing and coordinating a new Project completion date that will need to be approved by the DEPARTMENT if any condition arises that may result in either deadline being unattainable.

E. That the PROJECT SPONSOR will attend a meeting with the DEPARTMENT's representative after signing this AGREEMENT to discuss the Project's scope, budget and schedule. The PROJECT SPONSOR will subsequently provide a schedule showing project milestones with dates. Failure to meet these dates could delay funding for construction.

F. This AGREEMENT may be amended to incorporate changes in project scope, schedule, and/or budget that may arise through the development and design stages of the project, pursuant to approval by the Governor and the Executive Council as Item No. 47 on March 23, 2022. Such amendments will be effective upon execution of an instrument in writing signed by both parties hereto. Otherwise, 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 of discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule, or policy.

G. That this AGREEMENT is contingent upon the appropriation of sufficient funds from the State of New Hampshire Legislature and/or the Federal Highway Administration. If sufficient funds

are not appropriated, the DEPARTMENT may terminate this AGREEMENT upon thirty (30) days' written notice to the PROJECT SPONSOR. Such termination shall relieve the DEPARTMENT and the PROJECT SPONSOR from obligations under this AGREEMENT after the termination date.

H. Pursuant to authorization by the Governor and Executive Council, as Item No._____ on _____, this AGREEMENT is effective upon the date shown on page one of this AGREEMENT. The DEPARTMENT will include this AGREEMENT in its annual report to the Governor and the Executive Council on the status of all active Federal Local Public Agency (LPA) projects.

I. The DEPARTMENT and the PROJECT SPONSOR acknowledge that RSA Chapter 21-I and Executive Order 14173 of January 21, 2025, place prohibitions on DEI initiatives and activities. To the extent any provision in this Agreement conflicts with any applicable state or federal law, such provision is null and void.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT on the date first written above.

NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION	**PROJECT SPONSOR**
By: _____	Signature: _____
David Rodrigue, P.E. Commissioner State of New Hampshire Department of Transportation	Name (typed): _____ Title: _____ Date: _____