WEST VIRGINIA CODE: §17-16F-13

§17-16F-13. Additional powers and duties of division related to railroad projects.

(a) The secretary shall appoint necessary staff to oversee and manage the facilities and operations of the state rail section. Staff are covered by the Department of Transportation merit- based personnel system and the Classification and Compensation Career Plan. The division shall facilitate railroad transportation and commerce within the state by exercising those powers of the state necessary to qualify for rail services continuation subsidies pursuant to the provisions of the federal Fixing America's Surface Transportation Act of 2015 and any future amendments and regulations from the federal government.

(b) The division shall carry out railroad projects or direct railroad projects to be carried out pursuant to a lease, sublease, or agreement with any person or governmental agency; shall make loans and grants to or with governmental agencies or to persons for railroad projects; and shall issue bonds of this state, payable solely from revenues, to pay the cost of such projects. The division will not undertake a railroad project unless it is consistent with any applicable development plans for railroad projects previously approved.

(c) The division shall establish, fund, construct, reconstruct, acquire, repair, replace, operate, and maintain railroads and railroad projects.

(d) The division shall make available the use of services of any railroad project to one or more persons, one or more governmental agencies or any combination.

(e) The division shall engage in research and development with respect to railroads.

(f) The division shall make and enter into contracts and agreements to acquire rolling stock or equipment with a value of $1 million or less exempt from the provisions of §5A-3-1 *et seq*. of this code. The secretary may propose rules for promulgation for adoption by the Legislature in accordance with the provisions of §29A-3-1 *et seq*. of this code which set forth the methods for determining value of rolling stock or equipment to be purchased and any other rules as may be needed.

(1) Where rolling stock, equipment or trackage of the division is in need of immediate maintenance, repair, or reconstruction to avoid a cessation of its operations, economic loss, the inability to provide essential service to customers, or would otherwise be a danger to rail personnel or the public, the following requirements and procedures for entering into the contract or agreement to remedy the condition shall be in lieu of those provided in §5A-3-1 *et seq*. of this code or any pursuant promulgated legislative rule:

(A) If the cost under the contract or agreement involves an expenditure of more than $1,000, but $50,000 or less, the division shall award the contract to or enter into the agreement with the lowest responsible bidder based upon at least three oral bids made pursuant to the

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requirements of the contract or agreement; or

(B) If the cost under the contract or agreement, other than one for compensation for personal services, involves an expenditure of more than $50,000, but $150,000 or less, the division shall award the contract to or enter into the agreement with the lowest responsible bidder based upon at least three bids, submitted to the division in writing on letterhead stationery, made pursuant to the requirements of the contract or agreement.

(2) Notwithstanding any provision of this code to the contrary, a contract or lease for the operation of a railroad project constructed and owned by the division or an agreement for cooperation in the acquisition or construction of a railroad project authorized by this article is not subject to the provisions of §5A- 3-1 *et seq*. of this code or any promulgated legislative rule and the division shall enter into the contract or lease or the agreement pursuant to negotiation and upon such terms and conditions and for a period of time as it finds to be reasonable and proper under the circumstances and in the best interests of proper operation or of efficient acquisition or construction of the railroad project.

(3) The division may reject any bids. A bond with good and sufficient surety, approved by the division, is required of all contractors in an amount equal to at least 50 percent of the contract price, conditioned upon the faithful performance of the contract.

(g) The division shall purchase fire and extended coverage and liability insurance for any railroad project, and for any offices of the division insurance protecting the division, officers and employees against liability, if any, for damage to property or injury to or death of persons arising from its operations and be a member of, and to participate in, the state workers' compensation insurance.

(h) The division shall charge, alter, and collect rates, rentals and other charges for the use or services of any railroad project as provided in this article.

(i) The division may purchase railroad tracks being abandoned by any common carrier.

(j) The division shall acquire rail properties both within and not within the jurisdiction of the Surface Transportation Board and rail properties within the purview of the federal Fixing America's Surface Transportation Act of 2015, any amendments to it, and any other relevant federal legislation.

(k) The division shall assume the agreements and contracts currently in effect for the State Rail Authority and may enter into agreements with owners of rail properties for the acquisition of rail properties or use, or both, of rail properties upon the terms, conditions, rates, or rentals that can best effectuate the purposes of this article.

(l) The division shall acquire rail properties and other property of a railroad in concert with another state or states as is necessary to ensure continued rail service in this state.

(m) The division shall provide in the state plan for the equitable distribution of federal rail

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service continuation subsidies among state, local, and regional transportation authorities.

(n) The division shall maintain adequate programs of investigation, research, promotion, and development in connection with the purposes of the division and to provide for public participation.

(o) The division shall provide satisfactory assurances on behalf of the state that fiscal control and fund accounting procedures will be adopted by the state necessary to assure proper disbursement of and accounting for federal funds paid to the state as rail service continuation subsidies.

(p) The division shall comply with the regulations of the Secretary of Transportation of the United States Department of Transportation affecting federal rail service continuation programs.

(q) The division shall maximize federal assistance to the state under Title IV of the federal Regional Rail Reorganization Act of 1973 or any current or future federal statutes and to qualify for rail service continuation subsidies pursuant to the federal Fixing America's Surface Transportation Act of 2015 or any future federal statutes.

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