

**WEST VIRGINIA
SECRETARY OF STATE
JOE MANCHIN, III
ADMINISTRATIVE LAW DIVISION**

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2001 JUN 19 P 2:49

Form #2

OFFICE WEST VIRGINIA
SECRETARY OF STATE

NOTICE OF A COMMENT PERIOD ON A PROPOSED RULE

AGENCY: Department of Transportation, State Rail Authority TITLE NUMBER: 172

RULE TYPE: Legislative ; CITE AUTHORITY §29-18-6-11(B)

AMENDMENT TO AN EXISTING RULE: YES NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: 2

TITLE OF RULE BEING PROPOSED: Valuation of Used Rolling Stock and Equipment

IN LIEU OF A PUBLIC HEARING, A COMMENT PERIOD HAS BEEN ESTABLISHED DURING WHICH ANY INTERESTED PERSON MAY SEND COMMENTS CONCERNING THESE PROPOSED RULES. THIS COMMENT PERIOD WILL END ON July 22, 2001 AT 12:00 P.M. ONLY WRITTEN COMMENTS WILL BE ACCEPTED AND ARE TO BE MAILED TO THE FOLLOWING ADDRESS.

William Hartman

WV State Rail Authority

120 Water Plant Drive

Moorefield, WV 26836

THE ISSUES TO BE HEARD SHALL BE LIMITED TO THIS PROPOSED RULE.



Fred Van Kirk, P.E.
Secretary/Commissioner of Highways

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

State Rail Authority, Series 2
Valuation of Used Rolling Stock and Equipment
Legislative Rule
June 19, 2001

SUMMARY OF PROPOSED RULE:

Series 2 addresses the method by which the West Virginia State Rail Authority will determine the value of used rolling stock or equipment it anticipates purchasing.

STATEMENT OF CIRCUMSTANCES:

This rule filing is necessary to comply with changes to W. Va. Code §29-18-6-11(B) as a result of H.B. 3015, passed April 14, 2001 and signed by the Governor on May 15, 2001.

FISCAL NOTE FOR PROPOSED RULES
June 19, 2001

Rule Title: Series 2, Valuation of Used Rolling Stock and Equipment

Type of Rule: Legislative Interpretive Procedural

Agency State Rail Authority
Address 120 Water Plant Drive
Moorefield, WV 26836

1. Effect of Proposed Rule	ANNUAL		FISCAL YEAR		
	Increase	Decrease	Current	Next	Thereafter
Personal Services	0.00	0.00			
Current Expense	0.00	0.00			
Repairs & Alterations	0.00	0.00			
Equipment	0.00	0.00			
Other	0.00	0.00			
Estimated Total Cost	0.00	0.00	0.00	0.00	0.00

2. Explanation of above estimates:

These rule changes do not impact any annual or fiscal year costs.

3. Objectives of this rule:

This new legislative rule is being filed to address changes to W. Va. Code §29-18-6-11(B) as a result of H.B. 3015, passed April 14, 2001 and signed by the Governor on May 15, 2001. This rule documents the method by which the West Virginia State Rail Authority will determine the value of used rolling stock or equipment it anticipates purchasing.

4. Explanation of Overall Economic Impact of Proposed Rule.
- A. Economic Impact on State Government
- No economic impact.
- B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of citizens:
- No economic impact.
- C. Economic Impact on Citizens/Public at Large.
- No economic impact.
5. Contact Person and Telephone Number.
- Ms. Cindy K. Butler
Phone - 538-2305

June 19, 2001



Fred VanKirk, P.E.
Secretary/Commissioner of Highways

TITLE 172
LEGISLATIVE RULE
DEPARTMENT OF TRANSPORTATION
STATE RAIL AUTHORITY

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SERIES 2
VALUATION OF USED ROLLING STOCK AND EQUIPMENT

OFFICE WEST VIRGINIA
SECRETARY OF STATE**§172-2-1. General.**

1.1. Scope. -- This rule sets forth the methods for determining value of used rolling stock or equipment to be purchased by the West Virginia State Rail Authority

1.2. Authority. -- W. Va. Code §29-18-6-11(B).

1.3. Filing Date. --

1.4. Effective Date. --

Executive Director will submit a verification of the current market value of like equipment. This verification is to be submitted to the Executive Director in writing. The Executive Director will document these findings and have authority to purchase said equipment if the Executive Director determines that the equipment/rolling stock is a valuable asset at a fair price.

2.2.c. A signed price quote from the vendor, the Executive Director's justification and the statements of value from the independent third parties will be on file at the office of the State Rail Authority.

§172-2-2. Valuation of Used Rolling Stock and Equipment.

2.1. In accordance with W. Va. Code §29-18-6-11(B), the State Rail Authority may acquire used rolling stock and equipment with a value of one hundred thousand dollars or less without following the provisions of W. Va. Code §5A-3. With exception of used rolling stock or equipment, all other purchases will be conducted in accordance with the provisions of W. Va. Code §5A-3 and §29-18.

2.2. The procedure for determining the value of said equipment/rolling stock is as follows:

2.2.a. Two qualified State Rail Authority employees will inspect the proposed equipment/rolling stock. They will report the condition of the equipment/rolling stock to the Executive Director of the State Rail Authority.

2.2.b. The Executive Director will verify the current market value with railroad equipment dealers, brokers or other railroads. Where practicable, the Executive Director will obtain a verification of current market value from at least two dealers, brokers or other railroads. The third party contacted by the