

765—5.8(327H,327I) Eligible and ineligible project costs.

5.8(1) *Eligible costs.* Activities or items eligible for funding include, but are not limited to, the following:

- a.* Modernization, upgrading or reconstruction of existing rail facilities.
- b.* Construction of new rail facilities.
- c.* Railroad bridge and culvert modernization, replacement or removal.
- d.* Right-of-way acquisition costs.

5.8(2) *Ineligible costs.* The following activities or items are ineligible for funding:

- a.* Contract administration.
- b.* Freight car or locomotive lease, purchase or repair.
- c.* Feasibility studies, environmental studies or major investment studies related to a railroad improvement project.
- d.* Refinancing of a completed project that would have otherwise qualified under this chapter.