

EQUIPMENT RENTAL RATE GUIDELINES



Construction Administration Services Bureau
March 2008

EQUIPMENT RENTAL RATE GUIDELINES

Equipment the EPM considers necessary for the performance of force account work will be eligible for payment at the established rates only during the hours that it is operated except otherwise allowed in these guidelines. Equipment hours will be recorded to the nearest one-half hour, but will not be less than one hour per day.

The contractor will be paid the rental rates, as modified herein, set forth in the Rental Rate Blue Book for Construction Equipment which is published by the Equipment Watch, a PRISM Business Media (formerly know as PRIMEDIA Business Directories & Book Group), 1735 Technology Drive, Suite 410, San Jose, CA 951110, phone (800) 669-3282. The Rental Rate Blue Book is the only commercial equipment rate schedule tested and approved by the Federal Highway Administration (FHWA) as an acceptable guideline for reimbursement of contractor equipment costs in force account or extra work. All rate determinations will be based on the rental rate chapter revisions that are applicable at the time the equipment is being used.

The Equipment Rental Rates are available online through the subscription MDT has purchased from PRISM. Each District has one computer that can access the Equipment Rental Rates. Headquarters has the rates available both online and in the hard copy manuals: Volumes 1, 2, and 3. The equipment rental rates are updated twice a year.

A ten percent markup will be added to all equipment to allow for overhead, profit and all other costs incidental to furnishing and operating the equipment.

A) Rental Rates (without operators):

The rental rate for each item of equipment will be the sum of the bare machine rate, attachment rate and operating rate. All rates will be rounded to the nearest five cents.

The bare rate for the machine and attachment represents the major cost of equipment ownership, such as depreciation, interest, taxes, insurance, storage and major repairs.

The operating rate represents the major costs of equipment operation, such as fuel and oil, lubrication, field repairs, tires, expendable parts and supplies.

For all equipment, the hourly rate for each piece of equipment and attachment will be paid at the monthly rate for the make and model multiplied by the appropriate rate adjustment factors, divided by one hundred and seventy six, plus the operating costs per hour.

The contractor must submit serial numbers and year of manufacture for all pieces of equipment used on Force Account Work. If a year of manufacture is not supplied for an attachment, the year of manufacture will be the same as the machine.

When multiple attachments are included with the rental equipment, only the attachment having the higher rental rate will be eligible for payment, provided the attachment has been approved by the EPM as being necessary to the force account work.

Only equipment used to perform the force account work is eligible for payment. Typically, pickup trucks are not used to perform the work, and are not eligible for payment.

Rental charges will not be allowed for small tools that show a daily rate less than five dollars or for unlisted equipment that has a value of less than five hundred dollars.

Equipment that is not in good working condition or is not of proper size for efficient performance of the work may be rejected by the EPM. For any equipment not listed in the Blue Book, rental rates will be agreed to in writing prior to the use of such equipment on force account work or paid for by invoices.

B) Standby Time:

Equipment that is in operational condition and is standing by with the EPM's approval for use in force account work will be paid for at fifty percent of the appropriate bare rate as determined by the provisions set forth above. Payment for such "standby" will be limited to not more than eight hours in a twenty-four hour day or forty hours in a normal work week.

No compensation will be allowed for equipment that is inoperable due to breakdown.

No payment will be allowed for equipment that is not operating because the work has been suspended in accordance with the specifications or because the work has been suspended by the contractor for his own reasons.

C) Outside Rental Equipment:

When a piece of equipment is rented or leased by the contractor from a third party exclusively for force account work, the actual invoiced amount will be paid when such rates are reasonably in line with established rental rates for the equipment in question and approved by the EPM.

D) Owner Operated Equipment:

Rental of equipment owned and operated by persons other than the prime contractors or subcontractors will be paid at the actual invoice amount, up to the Rental Rate plus the wages required by the contract for that operator.

E) Moving of Equipment:

The time required to move needed equipment to the location of the Force Account work and to return it to its original location will be compensated. Loading and transportation costs will be allowed in lieu of moving times when equipment is moved by means other than its own power. Moving time back to the original location or loading and transportation costs will not be allowed if the equipment is used at the site of the force account work on other contract items or related work.

For use of equipment moved exclusively for force account work, the actual cost of transferring the equipment to the worksite and returning it to the original location will be allowed as specified herein as an additional item of expense.

The original location of the equipment to be hauled to the site of the work must be agreed to by the EPM in advance of the move.

Where the move of the equipment is made by common carrier, the allowance will be the invoiced amount paid for the freight. If the contractor hauls the equipment with his own forces, rental will be allowed for the hauling unit plus the driver's wages and the cost of loading and unloading the equipment.

When the contract includes line items of force account work, no payment will be allowed for loading, unloading and transportation costs of such equipment since the contractor is deemed to know what the work consists of and the type of equipment that is required to adequately perform the work.

EQUIPMENT RENTAL RATE FORM – EQUIPMENT INFORMATION

PROJECT NUMBER & NAME _____

CONTRACTOR _____

DATE _____ REQUESTED BY: _____

EQUIPMENT:

Manufacturer (Cat, Deere, Komatsu, etc.) _____

Type (Excavator, Backhoe, Dump Truck, Generator, etc.) _____

Model # _____ Year of Manufacture _____ Serial # _____

SPECIFICS: Please fill in all related fields.

Fuel Type _____ Horse Power _____ Bucket capacity (CY) _____

4x2 / 4x4 / 6x4 / etc. _____ Articulated / Extendable Hoe / Fixed _____

Operating Weight / GVW _____

Grader moldboard size (FT) _____ Dozer Blade (straight / U / Power angle / Angle) _____

Compactor Drum Width _____ Pad foot / Smooth _____

Cranes / Man Lifts : Telescoping / Lattice / etc. _____ Lift Capacity _____

Boom Length _____

Motors & Generators: RPM _____ Voltage _____ Watts _____ Amps _____ HP _____

Open / Enclosed _____ Current (AC / DC, etc.) _____

Mounting (Skid / Trailer) _____

Pickups: Crew Cab / Regular Cab _____ Capacity (½ ton / ¾ Ton / 1 Ton) _____

Trucks: Max GVW _____ Struck Capacity (CY) _____ Rear or bottom dump _____

Trailers: Bed Type (Tilt / Non tilt / Drop) _____ Length _____

Hitch type _____ Number of Tires _____ Number of Axles _____

Load capacity _____

Other Information not listed:

EQUIPMENT RENTAL RATE FORM – MANUAL CALCULATION

Federal-Aid Project Number: _____

LTG Name : _____

EQUIPMENT DATA

Manufacturer _____ Year __ Model/Type _____

Rated Capacity or Size _____ Serial No. _____

Engine Type (gas/diesel/etc.) _____ Horsepower _____

Transmission (ie. 4 spd) _____ Attachments/Accessories _____

Remarks _____

Date submitted _____ By _____

RATE DETERMINATION

<u>BLUE BOOK VOL#</u>	<u>MACHINE</u>	<u>ATTACHMENT</u>
Section, Page	_____	_____
Current Monthly Rate	(A) _____	(A) _____
Regional Adj. Factor	(B) _____	(B) _____
Adj Factor for Year of Manufacture <u>200</u>	(C) _____	(C) _____
<u>IF DISCONTINUED ONLY</u>	(C/D) _____	(C/D) _____
Adj. Factor for last Year of Manufacture <u>200</u>	(D) _____	(D) _____
Adjusted Bare Rate	\$ _____	\$ _____
Hourly Operating Rate	\$ _____	\$ _____
TOTALS	\$ _____	\$ _____

TOTAL ADJUSTED BARE RATES \$
 TOTAL HOURLY OPERATING RATES \$
TOTAL HOURLY RATE \$

a) $A/176 \times B \times C =$ _____ or b) $A/176 \times B \times [C/D] =$ _____

LTG-CB 60 form

EQUIPMENTAL RENTAL RATE FORM – ONLINE CALCULATION

DEPARTMENT OF TRANSPORTATION EQUIPMENT RENTAL RATE DETERMINATION

PROJECT: _____ EROSION CNT _____ MISC WORK _____ JOB # _____ EWO# _____
 CONTRACTOR: _____ DATE: _____ RATE REQUESTED BY: _____

EQUIPMENT DATA

TYPE EQUIPMENT: _____ MANUFACTURER: _____ MODEL: _____ YEAR: _____ SERIAL # _____
 SIZE, CAPACITY OR GVW: _____ ENGINE TYPE: _____ HP: _____ AXLE CONFIG: _____ CAB TYPE : _____
 ADDITIONAL INFORMATION: _____
 ATTACHMENTS/ACCESSORIES: _____

RATE DETERMINATION

	<u>MACHINE</u>	<u>ATTACHMENT</u>
	SECT-PAGE DATE	SECT-PAGE DATE
BLUEBOOK REVISION DATE _____	A	A
CURRENT MONTHLY RATE	B	B
REGIONAL ADJUSTMENT FACTOR	C	C
ADJUSTMENT FACTOR YEAR _____	C÷D	C÷D
<u>IF DISCONTINUED ONLY</u>	D	D
ADJUSTMENT FACTOR LAST YEAR _____		

ADJUSTED BARE RATE
 HOURLY OPERATING RATE

TOTALS

TOTAL ADJUSTED BARE RATES
 TOTAL HOURLY OPERATING RATES

TOTAL HOURLY RATE
 STANDBY RATE

FORMULA $A \div 176 \times B \times C =$ OR $A \div 176 \times B \times (C \div D) =$

RATES COMPUTED BY: DATE: January 2, 2007