

Highway Maintenance Manual

Chapter 02 Administration Section 20 Eligible Costs

Charging Policy

Subject 65

Bureau of Highway Maintenance January 2010

1.0 Authority

This policy has been developed to ensure equity through consistent application of the policies regarding equipment charging.

2.0 Application

- Uniform Reporting: A key element in the fair application of the rate setting process is uniformity in both reporting costs and determining chargeable (revenue generating) hours. Rates established, accounting methods, and charging policies under this agreement shall be used consistently by the county for all covered equipment to determine equipment revenues, hours, and job costing.
- 2. Actual Hours of Use: Under this agreement, projects shall be charged only for the actual hours (or other appropriate units) of productive equipment operation. A unit of equipment shall only be charged to a project for time the unit is actually being operated in the performance of work to which the equipment is assigned. Actual hours of use is defined as "key is on, engine is running."
- 3. Intermittent Use: Equipment used to transport crews to job sites shall only be charged when transporting. Equipment used intermittently in the course of work shall be charged out for the aggregate hours of the intermittent periods. For example, a tractor/loader shall be charged only for time spent loading material.
- 4. Attachments: Attachments shall be charged for actual hours of operation (with the exception of the optional program for winter maintenance attachments described in the following section). Attachments are units mounted on a motive equipment unit for its power source. Travel time shall not be charged for attachments. Typically, time charged to an attachment would not coincide with the time shown for the motive unit (a motive unit operates from its own power). Equipment being towed or hauled by another vehicle and not performing work shall not be charged out.
- 5. Transport Equipment: Equipment used to transport other units of equipment to or from a job shall be charged for actual hours of operation. The charge shall be to the job requiring the transported units. When the transported units are used on more than one job in one day, the transport cost shall be prorated to the jobs served. When a unit must be transported for repairs, the cost shall be charged to the unit requiring repair.
- 6. Policy Questions: Questions involving the interpretation or application of this charging policy shall be referred to the department. The Bureau of Highway Maintenance shall be the authority in resolving such questions.

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