



Highway Maintenance Manual
Chapter 02 Administration
Section 30 Cost Documentation
Subject 10 Machinery Cost Data

Bureau of Highway Maintenance
May 2015

1.0 Authority

The formula for machinery rental rates is found in Policy 02-25-40. Five years of cost and revenue data by class are needed.

2.0 Cost Reporting

Every county shall report the annual costs and hours of charging for every piece of classified equipment. This report shall include total utilization and total costs regardless of who paid for the services.

1. Accurate reporting of costs and hours of operation are critical to the process of developing meaningful, fair rates. Equipment costs and usage data supplied by each county are reviewed by the department prior to inclusion in the computation of rates.
2. Data may be excluded from the determination of statewide average costs, utilization, and rates based on the review of the data. Counties are given an opportunity to verify questioned data and explain causes for units which appear to be unrepresentative.
3. Counties should review any units screened from the process and reply to the department with reasons for unrepresentative costs or hours. This helps ensure rate determination is based on all valid costs and units of utilization available.

3.0 Responsibility

The Director of the Bureau of Highway Maintenance delegates the responsibility for the calculation of annual machinery rental rates, related data gathering, and analysis to the Bureau of State Highway Programs (BSHP). Should the workload of this bureau prevent accomplishment of these duties, the Bureau of Highway Maintenance may contract for such services.