

July 1, 2022

By: \_\_\_\_\_  
FEDERAL HIGHWAY ADMINISTRATION**EQUIPMENT FOR CLAIMS, EXTRA WORK, AND FORCE ACCOUNT**

*Delete Subsection 105.16.5 Para. 2 of the Standard Specification and replace with the following:*

For purposes of computing extra equipment costs, rates used are based on the Contractor's actual costs for each piece of equipment. These rates must be supported by equipment cost records furnished by the Contractor. Equipment rates will not be allowed in excess of those in the *Rental Rate Blue Book* produced by Equipment Watch with the appropriate adjustments noted in Subsection 109.5.

Equipment standby rates will be paid at 50% of the monthly Equipment Watch rate after the regional and model year adjustment factors have been applied. Recovery of operating costs, for equipment on standby, will not be allowed. Calculate the standby rate as follows:

$$\text{Standby rate} = (\text{FHWA hourly rate} - \text{operating costs}) * 50\%$$

No more than 8 hours of standby will be paid during a 24-hour day and no more than 40 hours of standby will be paid per week.

Standby costs will not be allowed during periods when the equipment would have otherwise been idle

*Delete Subsection 109.5 Para. 1 Item C of the Standard Specification and replace with the following:*

**C. Equipment**

Only equipment authorized for use on the project by the RCE will be allowed.

Payment for equipment will include only those hours or portion of hours that the equipment was actually used in the work.

Payment will not be made for time spent in moving equipment to and from job sites or idle time.

Contractor Owned Equipment. For purposes of computing equipment costs, rates used are based on the Contractor's actual costs for each piece of equipment. These rates must be supported by equipment cost records furnished by the Contractor. Equipment rates will not be allowed in excess of those in the *Rental Rate Blue Book* produced by Equipment Watch. To develop an hourly rate, divide the monthly Equipment Watch rate by 176 after the monthly rate has been adjusted by the regional and model year adjustment factors. The time of an operator will not be included. Utilize the rates that were available during the time at which the work occurred, or the date when Force Account work was ordered. For any equipment not listed in the *Rental Rate Blue Book*, payment will be made at the

prevailing rental rates being paid for such equipment in the area in which the project is located.

Equipment Not Owned by the Contractor. For equipment rented from a third party not owned by the Contractor, or an affiliate of the Contractor, payment will be made at the invoice daily rental rate for each day the equipment is needed for the work. The Department reserves the right to limit the daily rate to comparable FHWA rental rates found in the *Rental Rate Blue Book* produced by Equipment Watch multiplied by the regional and model year adjustment factors. When the invoice specifies that the rental rate does not include fuel, lubricants, repairs, and servicing, the *Rental Rate Blue Book* hourly operating cost for each hour the equipment is operated will be added. When the invoice specifies equipment operators as a component of the equipment rental, payment will be made at the invoice rate for each operator for each day the equipment is needed for the work.