**Blue Book Supplemental Information**

After discussions with the staff at Equipment Watch, the following guidelines have been prepared to provide additional assistance with using the Blue Book for force account billings:

If a particular equipment category, make, and model number is known, rather than using all of the information to drill down through the categories, simply type in the model number in the search feature and click on search. The categories assigned by Blue Book are sometimes difficult to determine.

Contractors are to be paid the FHWA Hourly Rate. When the rate is not given, it can be calculated as follows:

The FHWA Hourly Rate = [(monthly rate/176) x (model year adj.) x (Illinois adj.)] + EOC Where: EOC = Estimated Operating Costs per hour (from the Blue Book)

Authorized idle (standby) time payment will be made at the following hourly rate:

0.5 x (FHWA hourly rate - EOC).

Equipment Watch updates the Rental Rate Blue Book twice per year, once in January, and once in July. Only half of the Book is updated each period, so in effect, a particular equipment rate stays valid for one year. All forms of the Rental Rate Blue Book (print, CD and on-line) are updated simultaneously, so the rates are consistent regardless of format. Also, most, if not all reports list the revision date for each rate (1st Half 2007,

2nd Half 2007, etc.), so it can be traced back to the proper time period for auditing purposes should it become an issue.

The Blue Book is a guide and if there are any units which a contractor feels is not represented in the guide, Equipment Watch will determine a custom rate based on the contractor completing a survey. When using a custom rate, check to ensure the “Illinois” and “Model Year” adjustments have been properly applied.

The “Model Year” adjustment is not available for pieces of equipment that are more than

20 years old. There are contractors that have older pieces of equipment. Most state DOT's accept the rate adjusted to the earliest published year (currently 1987), and IDOT has decided to accept this methodology as well. There are many ways to justify this

treatment. Equipment Watch feels that large capital investments for major rebuilds must

be made, in order to extend the economic life of these older pieces of equipment; additionally the operating cost may be higher. Thus you get a smaller ownership cost and a larger operating cost. Both of these factors tend to extend the validity of the published Blue Book rate.

For older pieces of equipment, greater than 20 years, that have a discontinued model number, most states use rates for the closest model (horsepower, capacity, etc.) published. IDOT has decided to adopt this practice. If a close match cannot be located, Equipment Watch can be contacted for a custom rate.

For new models of existing equipment (i.e. 2008 light-duty trucks) that won't be incorporated into the Blue Book until the July 1, 2008 update, other states accept the closest model year published, in this case the 2007 models. IDOT has accepted this practice. Equipment Watch feels that they are conservative on their rates, and in the case of a truck, contractors will find that the acquisition cost of their trucks regardless of the GVW, is usually covered by the closest published model.

Until more Material Transfer Devices (MTD's) are incorporated into the Blue Book, custom rates will need to be requested. A few MTDs are located under the category "Asphalt pickup machines". Equipment Watch will be including more makes and models into future updates of the Blue Book.

The main purpose of the Buckets section is to allow for attachments. The best example is a hydraulic breaker for an excavator. The rate for the unit is determined by subtracting the rate for the standard bucket (or closest listed) from that of the Excavator (which includes the bucket) and adding in the rate for the appropriate hammer.

Most states avoid allowing rate changes for daily or hourly bucket changes, because it is not only an administrative nightmare but it brings the whole standby rate question to bear. The duty of the buckets (general purpose, heavy duty or severe duty) is a reflection of manufacturer nomenclature and not discrete wall thickness ranges. Model year of a bucket may be impossible to determine. Therefore, when determining a rate

for equipment with bucket attachments, use the rate given for the manufacturer’s standard size bucket and the same model as the equipment.

Construction Memorandum 07-09 - Section 4a) 1) covers rates obtained from the Blue Book; 4a) 2) covers equipment rates not listed in the Blue Book but available upon request from Equipment Watch and; 4a) 3) covers equipment not available in the Blue Book nor upon request from Equipment Watch, but is listed in Attachment 1 of the memorandum. This is primarily Traffic Control items.

Changeable Message Signs - Although the rates for Changeable Message Signs are now being provided by Blue Book, the maximum number of hours per month remains

176. This is consistent with our previous policy when the Schedule of Average Annual

Equipment Ownership Expense guide was used for equipment rates.

Due to the variability in equipment rates provided by Equipment Watch for the same piece of equipment based solely on differing annual usage hours per year provided by the contractor, when requesting a “custom” rate from Equipment Watch for a piece of equipment not available in the Rental Rate Blue Book, request “standard annual usage hours”. Widely variable annual usage hours provided by the contractor greater than

2080 hours or less than 176 hours tend to create anomalies with Blue Book methodology and can significantly impact a given equipment rate. Standard annual usage hours are typically 800 to 1500 hours per year depending on the type of equipment in question. If Equipment Watch catches reported annual usage hours on a custom rate request that are out of the range of normal equipment use, they may question the requesting party.

Pile leads are listed under Pile Drivers, and one needs to "build" the required length of the lead based on dimensions and section type (top, mid, swivel, etc.) to get to the required length for either the fixed or swinging type leads. The fixed leads are listed in increments from 10 to 40 ft.; the swinging leads are listed in increments of 5 to 40 ft.

Because of the many variations on the cabs, conventional, crew, extended, extra-cab,

**etc**., and the different doors, half doors, full rear seats, fold down rear seats, when Equipment Watch does their averaging, they include as “crew cab” any of the crew/extended cab/rear seating options. In other words, if it’s larger than a “conventional cab” then it would be included in the “crew cab” averages.

Equipment Watch publishes rates for some equipment in the Shop Tools, Miscellaneous, and Air tools sections that are based on list prices less than $1000. We are continuing the policy of not giving equipment rates for small tools with a replacement value of under

$1000. Therefore no payment will be made for their use on the work.

Some listings in the Blue Book give different rates for ROPS and EROPS versions of the equipment. ROPS/ OROPS- "Roll Over Protective System", "Rollover Protective Structures" or "Open Roll Over Protective System" are different than EROPS-

"**Enclosed** Roll Over Protective Structure". ROPS is a cab or frame that provides a safe environment for the tractor operator in the event of a rollover. The ROPS frame must pass a series of static and dynamic crush tests. These tests examine the ability of the ROPS to withstand various loads to see if the protective zone around the operator

station remains intact in an overturn. A homemade bar attached to the tractor axle, or simple sun shades, cannot protect the operator if the tractor overturns. The ROPS must meet standards, such as those set forth by the American Society of Agricultural Engineers, which certify they provide adequate protection in a tractor upset. If the

ROPS is certified, there will be a certification label on the unit.