Equipment Costs and Sources of Equipment Cost
PURCHASED EQUIPMENT

- A Contractor does not pay for construction equipment, the equipment must pay for itself.
- Estimate Must Include costs of Owning and Operating Equipment which include:
  1. Depreciation
     (function of purchase price, salvage price and time)
  2. Investment
     (function of interest, insurance, taxes, and storage)
  3. Maintenance and Repair
     (function of condition of use)
  4. Fuel, Oil, and Lubrication
     (function of site efficiency and operating conditions)
Sources of Equipment Costs

  - Provide hourly ownership and operating costs
- Rental Rates Blue Book, Dataquest Inc.
- Local rental agency data