

2/10/2015

Jefferson County Highway Department

Project: CTH G (2014) - 2.5 miles

Contractor Costs

Hot Mix Asphalt (Wolf Paving)	\$396,176	
Pulverize Asphalt (Payne & Dolan)	\$11,691	
Lime Rock Crushing (Bjoin)	\$7,529	
Asphalt Testing (Behnke)	\$3,887	
Tack Coat (Meigs)	\$2,751	
Pavement Marking (Dodge County)	\$2,750	
Surveying (County Surveyor)	<u>\$425</u>	
Contractor Costs	\$425,209	67.4% Contractor

County Costs

Grade Prep/Asphalt Paving	\$196,228	
Lime Rock (Hauling/Placing)	\$9,410	
Survey Materials	\$195	
Signs	<u>\$62</u>	
County Costs	\$205,895	32.6% County

Total Project Cost = \$631,104

Notes

- Approximately 67% of this project was completed by private contractors and 33% by county forces.
- County maximizes the efficiency and productivity of county labor and equipment on all projects.

Recommendation #1A:

Continue to utilize the resources available to the County in the form of the asphalt plant, crusher, paving machine and other heavy equipment. The County has already capitalized the cost of these units; therefore, the best return on investment is to utilize them for Jefferson County's benefit until they are ready for replacement. At some point in the future the real decision point will be whether to replace the crusher and asphalt mix plant or purchase these materials from the private sector. The decision point is a combination of the cost of repair, factored by the estimated length of extended useful life brought about by the repair vs the cost of replacement factored by the estimated volume of material produced on an annual basis. This form of a cost benefits analysis should result in a comparison of what a reasonable ball park cost per ton can be achieved versus the cost to purchase from the private sector. This type of analysis also applies to major construction and heavy equipment purchases. The cost benefit should prove the purchase is worthwhile and supports the core function and mission accomplishments of the Highway Department:

Action:

Operations were analyzed and the Hot Mix plant equipment and Crushing equipment were sold. Many other operational changes were also made based on the cost effective analysis.

A major challenge moving forward is the lack of private hot mix plants in the area and the monopolization of this work [There are no private hot mix plants located in Jefferson County.]

