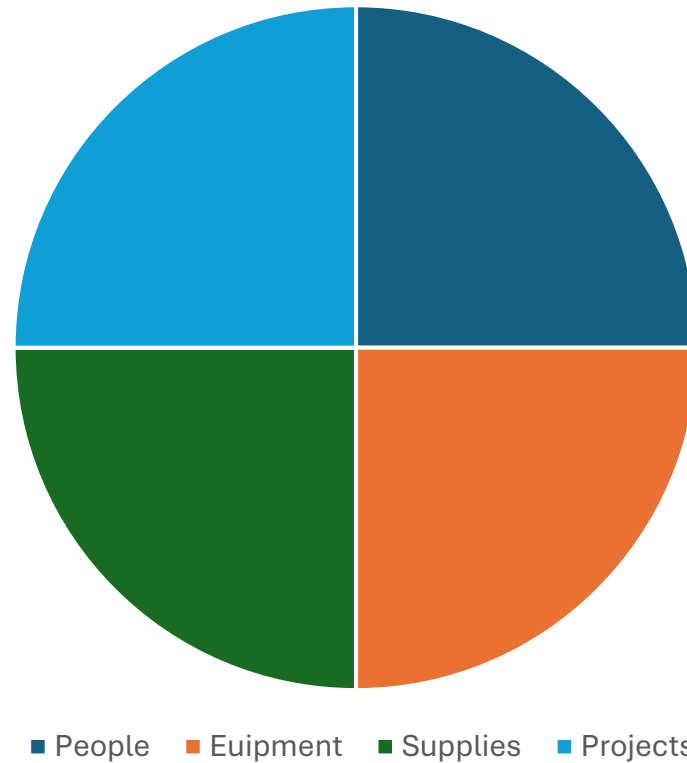


Using Life Cycle Costs to be Successful



Direct Costs (Hard Costs)

Recruitment & Selection:

- Advertising job openings
- Agency or recruiter fees
- Background checks and drug screenings
- Employment testing and physical exams
- Hiring bonuses
- Applicant travel and relocation costs

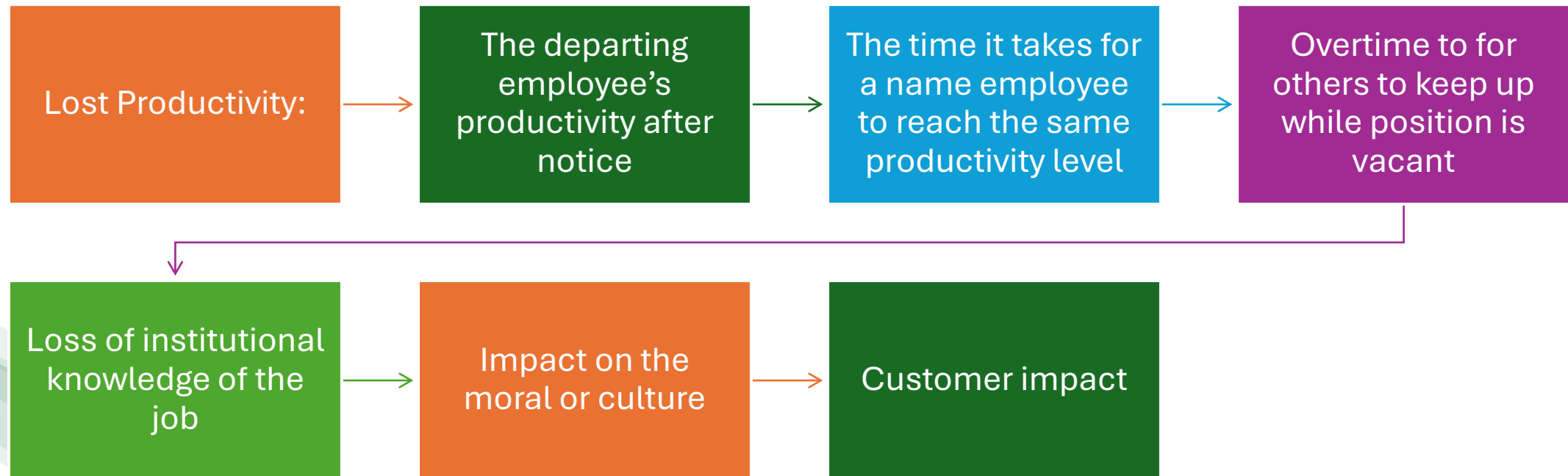
Onboarding & Training:

- Training new hires on job duties and company systems
- Supplies, equipment, and other resources for the new hire

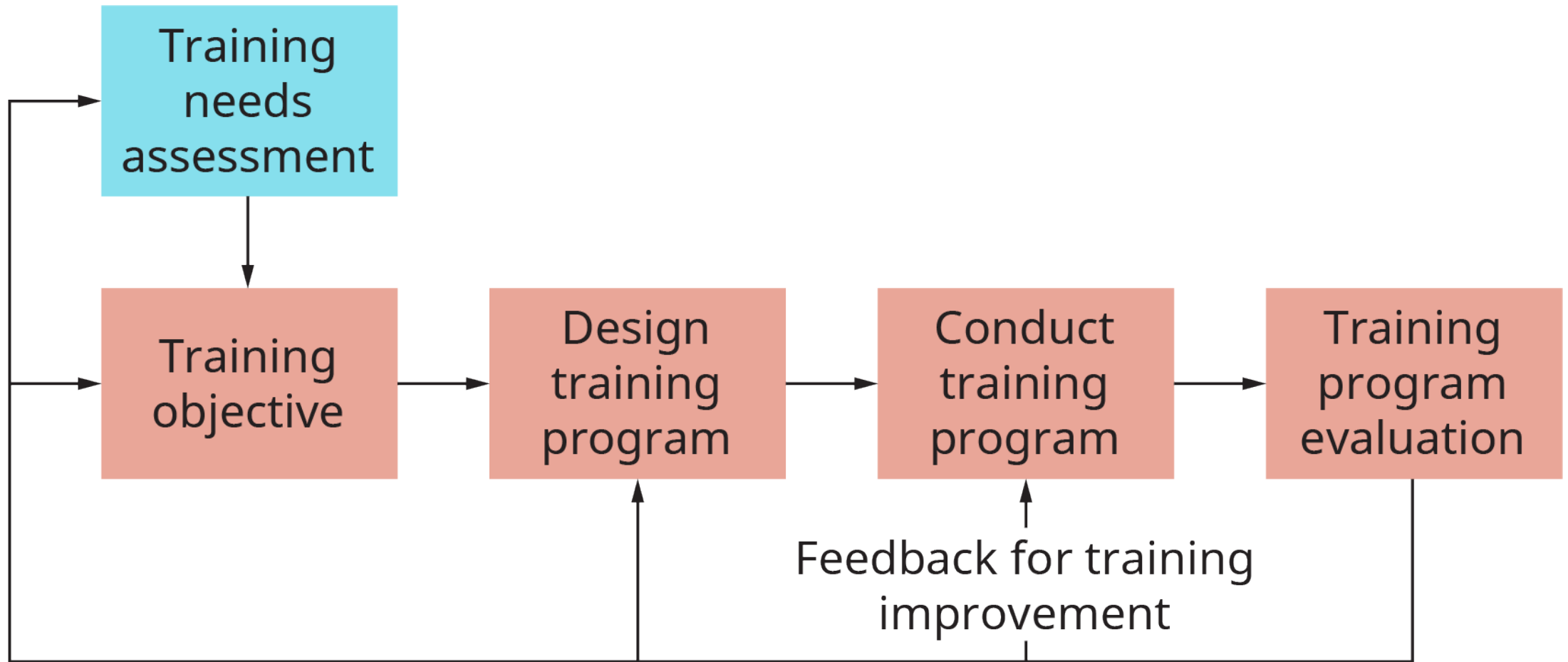
Exit Costs:

- Severance pay

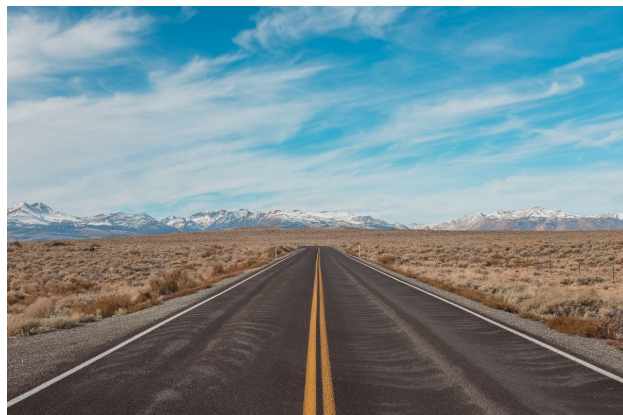
Indirect Costs (Soft Costs)



Your Cost of Replacing Employees



Cost Comparison Over Time



Pavement over 20 years Including an overlay at the start 400ADT



Overlay	\$200,000
Year 2 chipseal	\$40,000
Year 6 crack seal	\$10,000
Year 7 chip seal	\$45,000
Year 13 crack seal	\$12,000
Year 14 chip seal	\$50,000
Striping X4	\$5,200
Total	\$362,200 (20 years) = \$18,110 Annually

Treated Base with Double Chip Seal 400ADT



Gravel Add	\$45,000
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Reshape	\$6,000
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Base Stabilizer	\$12,740
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Base Injection	\$38,658
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Prime – Double Chip	\$57,595
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Year 7 Chip Seal	\$45,000
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Year 14 Chip Seal	\$53,000
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Striping	\$2,500
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Total \$260,493	(20 Years)=\$13,024 Annually
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Treated Gravel over 20 years with 400 ADT



Re-gravel 1 mile of 24" roadway with 3" of material
\$18,000

Annual maintenance \$100 X 2 cycles X 20 years
\$4,000

Annual Dust Treatment $\$7,500 \times 20 = \$150,000$

Year 10 Re-gravel N/A

Year 10 & 19 shoulder pull N/A

Total $\$172,000 (20 \text{ years}) = \$8,500 \text{ Annually}$

Gravel Roadway over 20 years with 400 ADT



Re-gravel 1 mile of 24" roadway with 3" of material
\$18,000

Annual maintenance $\$100 \times 12 \text{ cycles} \times 20 \text{ years}$
\$24,000

Year 9 Pull shoulders per mile
\$3,000

Year 10 Re-gravel
\$27,000

Year 19 Pull shoulders
\$4,500

Total $\$76,500 (20 \text{ years}) = \$3,825 \text{ Annually}$

Equipment Planned Purchases



NUMBER 1



When to buy



When to Sell



When to Trade



Market Value



Available Budget



Equipment Plan

Life Cycle of Products

Cutting Edges Standard vs Carbide vs non-conventional

Culverts Choosing the right material vs lining

Rip Rap vs Field Stone

Tires

Filters

Lubricants

It is just about everything we use on a day-to-day basis

Understanding Budget

When do we budget for capital outlay

When is the time right to apply cash

Is waiting the best option

General fund allocation

Road and Bridge Levy

Where does the money go

Thank you for your time!!!!

Think twice about what you
can do better tomorrow
because you can't change
yesterday. Don't be afraid of
change!!