

1 Q. **Reference: Application Rev. 1, Volume 1, Section E: Projects Over \$50,000 but less than**
2 **\$200,000, Purchase Backhoe, pages E-8 to E-10**

3 The economic analysis is based on rental costs for the period October 2018 to September 2019.
4 How does this compare to rental costs in previous periods? Please provide rental costs by year
5 for the past five years.

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8 A. In the five years prior to 2020, a total of \$525,924 was incurred for backhoe services. An
9 additional \$26,426 was incurred for forklift rentals, for a total of \$552,350 in rental charges.
10 Both categories of rental charges would be eliminated through the purchase of a backhoe.

11 Table 1 shows rental costs by year.

Table 1: Backhoe and Forklift Rental Costs 2015–2019 (\$)

| | 2015 | 2016 | 2017 | 2018 | 2019 | Total |
|--------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Backhoe | 84,844 | 98,730 | 97,162 | 136,109 | 109,080 | 525,924 |
| Forklift | 5,097 | 3,513 | 5,434 | 7,525 | 4,857 | 26,426 |
| Total | 89,941 | 102,243 | 102,596 | 143,634 | 113,937 | 552,350 |