2019 capital justification

For the 2019 year we are planning to bring up to 20 miles of dirt roads to pave. Therefore there is a great need for lease truck haulers. The average haul rate is going to be around $85 per hour. For the quantity of material we will have to haul and the time frame we have, we are estimating the cost to be $500,000.

Equipment that will be needed, we are in need to replace our oldest rock quarry truck. The one we are using now is out of date becoming hard to find replacement parts. We plan to find a used truck to replace it in the $100,000 range.

Also we are looking at upgrades at the marrow quarry to add in a trummel screen to increase the quality of our 1\2 chips for chip seal. We have been looking around at used plants looks like $250,000 is what we will need to get set up.

We also are looking at upgrading our power situation, around $200,000 is what it looks like it will take to upgrade to a solar field. This will help us with power usage and down time due to surges taking out our electric motors on the plant.

We need to buy a farm tractor with 1000 pto and front end loader for our new construction for erosion control and grass seeding. Estimating cost for used tractor $50,000.

We are in great need of replacing 4 of our pickups state bid purchase looks like average $30,000 per truck. We are asking for $130,000 to cover this purchase.

Gravel dirt and sand, increased project load, anticipating the need for more material.

Parts and repairs, we have seen a jump in repair cost this past year, there for anticipating the need for funding.

Fuel, we are anticipating a jump in fuel and oil cost next year.

Fleet liability, we have already seen an increase in liability insurance, just trying to balance.

Utilities water, we are anticipating the need for using rural water on upcoming projects.

Other professional services, this increase is due to our need for using lease hauler trucks to move material for our paving plan.