



**ANNUAL COMPARISON**

August 01, 2024

The Nevada Division of Environmental Protection (NDEP), Bureau of Mining Regulation and Reclamation (BMRR) and Bureau of Land Management (BLM) cooperatively update the Standardized Reclamation Cost Estimator (SRCE) cost data file by August 1st each year. Since 2007, BMRR has used a reference Reclamation Cost Estimate (RCE) to compare the current cost data file against previous years (excluding Mob/Demob and Process Fluids Cost Estimator tools). Here are the results over the last five years:

Annual Comparison	Percent
2024 - 2019	28.8%
2024 - 2020	29.1%
2024 - 2021	31.6%
2024 - 2022	14.5%
2024 - 2023	9.1%

The 2024 cost data file reflected an overall increase of approximately 9.1% from 2023, primarily attributable to the following items:

- 5.2% increase in materials costs
- 7.9% increase in equipment costs
- 12.1% increase in labor costs

Material unit costs increased (5.2%) in 2024, which is a net gain of 1.5 % when averaged over the last couple years. Analytical costs increased by 22% for groundwater and surface water analyses, similar to 2023 adjustments. Rip-Rap and rock lining costs increased on average by 95%, based on RS Means data.

Monthly equipment rental rates increased across the board by an average of 11.7% in 2024. The “Equipment” category also includes fuel, tires, and other maintenance items. Maintenance and equipment wear increased by an average of 21%, however, diesel fuel prices decreased approximately 18.4% (from \$3.91 per gallon to \$3.19 per gallon) and tire prices decreased by an average of 5.2%. The overall result was an increase of 7.9% for equipment-related costs.

The U.S. Department of Labor updates the Davis-Bacon wage determinations on 2- to 4-year intervals. Note that approximately 68% of the job classifications changed. Davis-Bacon labor rates increased on average by 8.3% in 2024, based on a labor rate average for Clark County and Elko County. The largest labor rate increases were observed for equipment operators. The average wage increase for equipment operators in Elko County and Clark County was 23% and 10%, respectively.

Historically empirical observations have shown that reclamation costs are closely correlated to the price of fuel, however this year reclamation costs deviate from past observations and labor and equipment costs increases appear to be the driving factors. The cost data file uses an annualized average fuel price from June of 2023 through May of 2024. The attached graph shows a comparison of fuel prices and reclamation costs between 2007 and 2024.

