



MEETING SUMMARY

MOTOR CARRIER DIVISION

INTERMODAL ASSOCIATION OF NORTH AMERICA

SATURDAY, NOVEMBER 10, 2007

1:00 p.m. – 3:00 p.m.

ROOM A411

GEORGIA WORLD CONGRESS CENTER

ATLANTA, GEORGIA

Dick Coleman of ContainerPort Group and IANA Motor Carrier Board member welcomed Division members and opened the meeting at 1:07 p.m., noting how far the Expo had evolved since the first convention, whose registration was done at an aluminum folding table. John Bagileo, IANA general counsel, outlined the Association's antitrust guidelines that would govern the meeting.

Program and Services Updates

IANA Fuel Card Program

Larry Daly of T-Chek Systems provided a progress report on the member-supported fuel card program. The program allows members to benefit from T-Chek's buying power leverage, with savings at 1,300 locations and no transaction fees. He said T-Chek is prepared to add locations as purchases and volume grow. On average, savings are 4 cents per gallon versus national retail prices over recent measuring periods. The program offers operational flexibility, such as purchase limit controls that can be applied on individual cards, drivers and tractors. It also can function in debit card format, can be used to pay for repairs, and can be integrated with automated dispatching systems. Related services such as auditing, permits, taxes and licensing are offered.

Division members' questions followed. Among the questioners was Dan Gatchet of West Coast Trucking, who asked whether price comparisons for particular stations or regions could be done. He was told yes. Mike Palendat of CSX was told in response to his questions that settlements can be done through T-Check and that there is no cost to load additional money on the card. Daly observed that out-of-network fees, where they apply, are \$1.25 per transaction.

Following this presentation, Division meeting attendees were asked to introduce themselves (as this was inadvertently omitted from the opening meeting remarks).

IANA Motor Carrier Service Directory

IANA Staff member Tom Malloy described the development of the Motor Carrier Service Directory, which is designed to provide additional information for members and the industry regarding trucking service options at approximately 230 terminals. During his presentation, he noted that the Directory was the direct result of initial efforts by the Operations Committee. Using an online demonstration, Malloy showed how the directory will function, using links with the Rail Intermodal Terminal Directory that is resident on IANA's Web site. Malloy noted that some carriers' data had been loaded on a test basis for specific terminals to insure functionality. The current intent is to solicit information from all division members that provide drayage service in order to have a directory that is as complete and as useful as possible.

Several questions followed. One member asked about whether the directory would be of assistance if there are difficulties reaching terminals during late night hours, and another wanted to know whether the directory might help to insure that drivers aren't turned away from terminals because of questions about their insurance documents. In response, Malloy said the directory wasn't intended to serve those purposes.

Global Intermodal Equipment Registry

Catherine Tiersten of Trans Tech Partners presented the Committee with an update on the Global Intermodal Equipment Registry project. The project is based on an industry consensus to centralize intermodal chassis and trailer identification information in a single database that would facilitate compliance with FMCSA's final roadability rules. The GIER will contain key data elements for use by all parties, including a cross reference between the Intermodal Equipment Provider's (IEP) six-digit, Department of Transportation number and the trailing equipment for which the IEP has care and custody, with the purpose of enabling law enforcement to identify the proper responsible party. She said IANA's goal is to have the GIER ready at least two months before the first possible effective date, which could be as early as October, 2008. **(Subsequently at a November 10 meeting, IANA's board approved the development of an RFP for design of the GIER and the filing of a request with the FMCSA to conduct a pilot of the GIER that would result in a "proof of concept" of the equipment registry as a means to match the IEP with its specific equipment. The pilot program application will be jointly filed by IANA and the Commercial Vehicle Safety Alliance (CVSA), the association representing the state enforcement organizations).**

After Tiersten's presentation ended, questions followed. Ron Guss of Intermodal West asked for more details about the program. Greg Stefflre of Rail Delivery Services and an IANA Motor Carrier Board member said the GIER will provide savings for equipment providers and has the potential to become an expandable database for other information and equipment.

Roadability Rules Recap

Paul Tamburelli of Safe Guard Fleet Services described the activities of the CVSA and provided an update on the FMCSA roadability rules. He said that the regulations were nearly complete and were scheduled to be sent to the DOT secretary's office in mid-December, over to the Office of Management and Budget in January and released in April 2008. As a sidebar, Tamburelli noted that 3.3 million roadside inspections were conducted during 2006, covering 76 jurisdictions. Drivers will

still be required to document equipment condition and Division members were advised that record-keeping will continue to be very important when the final rules are issued. Division members also were advised to monitor Safestat scores in the FMCSA database as an indicator of performance on safety-related issues.

Uniform Intermodal Interchange & Facilities Access Agreement Update

Stefflre and IANA Staff member Debbie Sasko outlined recent developments relating to the Uniform Intermodal Interchange & Facilities Access Agreement (UIIA), as well as the effect on the UIIA of technological advancements at some rail terminals. Sasko described changes to the Agreement adopted by the Intermodal Interchange Executive Committee (IIEC) this year, including provisions for the use of reasonable and customary charges in damage disputes by both providers and motor carriers. In addition, the Committee authorized a \$50 minimum for damage bills. The specific documentation that is required when billing motor carriers for repairs was discussed and is supposed to be a copy of the In-gate Equipment Interchange Receipt (EIR) and an invoice that shows the actual, rather than estimated, repair cost. Stefflre then discussed changes that are resulting as railroads adopt automated gate systems. Where those systems are introduced, the J-1 damage reports are eliminated and no “outgate” inspections are done. That change requires motor carriers to exercise extra care in their own inspections to provide details and document equipment condition on the outgate EIR.

Sasko also described the pilot Dispute Resolution Program in California, which to date had not been used. In an effort to gain participation in this program, it has been expanded to the Northeast region that covers all states north of Maryland for a six-month period starting December 1, 2007.

M&R Committee - Tire Task Force Report

Dave Manning of Tennessee Express updated attendees about the Tire Issues Task Force of the Maintenance & Repair Committee. He said there are not yet any formal recommendations, though a field study had been done of a small sample of tires that raised concerns about low air pressure that was found in 64 percent of tires, inadequate tread depth and consequent failures. Low air pressure can lead to failures when the casings become “overheated.” Tread separations also were a key cause of the failures, he said. Manning said the field study will lead to recommendations that will be made to the Maintenance & Repair Committee.

California Trucking Issues

Stefflre presented the Division with an update of California trucking issues, transitioning into that subject by observing that underinflated tires increase drag, which reduces fuel efficiency. Because of concern about fuel efficiency, Stefflre said tire condition is a concern for state regulators that is certain to be addressed as new operational rules and air quality standards are developed and implemented. The Ports of Los Angeles and Long Beach have been actively developing new air quality steps at a faster pace than federal or state regulators. The ports’ plan will affect all modes of transportation, and particularly have an impact on motor carriers by forcing faster retirements of older trucks. The ports are creating a licensing program that would penalize older trucks with a fee each time they enter the port. Initially, the ports also proposed conversion of owner-operators into company drivers.

Stefflre said the effect on the estimated 16,000 owner-operators in Southern California could be very severe, with the potential need to come up with as much \$2 billion to pay for fleet modernization through purchase of new equipment or retrofits of later model trucks. Additional complications have developed since Los Angeles and Long Beach Port Commissioners have different views on some issues, such as requiring drivers to become company employees. He said legal action is a certainty from one or more of the following groups: environmental interests, carriers, shippers, if the ports' plan is finalized and implemented. Federal action because of concerns that the ports' plan interferes with interstate commerce also is possible. If suits are filed, he noted that nothing will happen to make necessary air quality improvements. He said there has been some progress in private sector efforts to address the issue by creating an affordable program for fleet modernization, perhaps in the form of grants or institutional funding.

Other Issues

The IANA Motor Carrier Board members then opened the floor for discussion of any other issues that attendees cared to raise. There being none, the meeting was adjourned.