Colorado Trucking Industry Overview

Opportunities and Challenges

Presented by
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Colorado Motor Carriers Association
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Facts About Trucking in Colorado

- 90% of the manufactured freight commodities are transported by truck
- 79% of the communities in the Colorado are exclusively served by truck
- Trucking has a multiplier effect of three to four times
Trucking employed almost 90,000 people in 2010
1 out of 20 workers work in trucking related businesses
Trucking pays almost $4.2 billion in wages
There are 17,330 trucking companies located in Colorado, most of them small, locally owned businesses. (most have less than 10 employees)
Trucking and Warehousing
Good Jobs for Colorado Residents and Colorado Communities

- Avg. salary for trucking jobs in Colorado was $49,500 in 2012. This is significantly higher than the state average.
- Wages are rising due to a shortage of qualified drivers, many truckdrivers earn wages of $50,000 to $100,000 annually.
- Most trucking companies provide good benefits for their employees including health insurance, disability, and retirement options.
- Trucking companies can significantly benefit economically disadvantaged areas – (Many small towns in Utah, Nebraska, and Kansas are homes to some of the nation’s largest trucking companies).
- Trucking is a base industry that helps to mitigate economic swings.
- Unlike some industries, trucking can’t be moved off-shore or out of the country.
• The 2011 truck fatality represents 73% decrease from 4.58 in 1975, the first year the USDOT began keeping records.
• Since 1982, alcohol involvement for large truck drivers in fatal crashes has declined by 85 percent.
• A recent study by Virginia Tech conducted for the USDOT found that 78% of crashes involving trucks were caused by passenger car drivers.
Truck Injury and Property Damage Statistics - 2001 through 2011

- **Injuries**: 30% Reduction
- **Property Damage**: 34% Reduction

![Bar Chart showing reductions in injuries and property damage from 2001 to 2011](chart.png)
Large Truck Crash Rate
(per 100 million VMT)
1975-2010
Trucking and the Highway User Tax Fund

- Trucking industry paid $443 million or 33% of Colorado’s federal and state roadway taxes and fees in 2011.
- Trucking only represents 8% of vehicle miles traveled in Colorado.
Trucking and the Environment
An Impressive Record of Improvement
SmartWay encourages carriers and shippers to adopt or implement actions to make ground freight more efficient and cleaner for the environment.

<table>
<thead>
<tr>
<th>Some Participating Companies</th>
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<tbody>
<tr>
<td>Westco</td>
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<tr>
<td>Waste Mgmt.</td>
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<tr>
<td>Fed Ex</td>
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<tr>
<td>JBS Carriers</td>
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<tr>
<td>American Furniture</td>
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<tr>
<td>HVH</td>
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<tr>
<td>UPS</td>
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<tr>
<td>American Armor</td>
</tr>
<tr>
<td>Wal-Mart</td>
</tr>
<tr>
<td>Denney Transport</td>
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<tr>
<td>Mile Hi Foods</td>
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<tr>
<td>Domenico Transport.</td>
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<tr>
<td>Navajo</td>
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</tbody>
</table>
SmartWay Tractors:
- Model Year 2010 or later engine
- Integrated cab-high roof fairing
- Tractor-mounted side fairing gap reducers
- Tractor fuel-tank side fairings
- No idling
- Low-rolling resistance tires (single wide or dual)

SmartWay Trailers:
- Side skirts;
- Weight-saving technologies;
- Gap reducer on the front or trailer tails (extenders);
- Low-rolling resistance tires (singe wide or dual)
Estimated CO2 Reductions through EPA SmartWay Program

SmartWay Partner Savings
2007 to 2013 Performance Trends

- 120.7 million barrels of oil
- 5 billion gallons of fuel
2014 EPA SmartWay Affiliate Honoree
Colorado Motor Carriers Association
(one of only 10 in the country)
Issues for Discussion

- Critical Shortage of Drivers and Mechanics
- I-70 West – Update and Discussion on Problems Related to Traction Issues and Passenger Vehicles
- Concerns over Independent Contractor Issue and Dept. of Labor
- Oversize/Overweight Permitting – Proliferation of Local Permits
- 3Ps – Concerns related to Transparency and Oversight
Growing Truckdriver Shortage

Tractor-Trailer Drivers Demanded and Supplied

See [www.trucking.org](http://www.trucking.org) for white-paper

Source: ATA
Average Number of New Drivers Needed Per Year Over the Next 10 Years: 96,178

Source: ATA Benchmarking Guide for Driver Recruitment & Retention
I-70 West
Truck Data for Past Ski Season

• Truck accidents and incidents appear to be down which appear to reflect higher compliance with chain law, better traveler information by CDOT, CDOT’s improved snow maintenance efforts and the effectiveness of efforts such as the wave-by program
• Many fleets, that could, have sought to shift trucks to off-peak periods. Truck Traffic as a percentage of all traffic is lower than prior year – down from 3.1% to 2.6%
• Number of single axle tractors with double trailers has decreased significantly and so have traction problems with those configurations
• Enforcement officials anecdotally indicated that chain law compliance appeared to be greater than 90%. That is highest ever.

Conclusion – Incidents and compliance results have improved but more needs to be done. CMCA is committed to further improving this situation.
Major Concern - I-70 West
Traction Problems Related to
Automobiles and Light Vehicles

- Colorado has the highest penalties in the country for trucks violating the chain law but the lowest penalty for passenger vehicles with inadequate tires for traction – $15 (+ $7 for Victim Assist. Fund) - viewed as scoff law
- Over the last year the Quick Clearance recorded 121 lane closures associated with passenger vehicles
- CA, OR and WA have more stringent requirements and enforcement for chains/traction devices for automobiles
- “Of 22 (non-comm.) vehicles causing lane closures - 19 had bald tires and 18 had in-state plates”. CDOT comment on 2-13 storm.

Result – Growing problem and no real penalty for failing to comply.

Proposed Action – Tougher State law and enforcement needed. Need to levy increased penalty for vehicles with inadequate tires and enhanced fine if it leads to a lane or road closure.
ICY ROADS SHUT DOWN I-70

I-70 IS CLOSED FROM THE WESTBOUND US 40/BERTHOUD PASS INTERSECTION AND EASTBOUND FROM SILVERTHORNE TO THE EISENHOWER TUNNEL.
Sampling of Public Comments on Facebook after March 7th Storm

Ken Lord Are we not allowed to say that it's closed due to bald tires, dumb drivers, and people who can't be bothered to slow down for bad weather?

Jordan Ambron At what point will we make I-70 from Idaho Springs to Glenwood like Cottonwood Canyon in Utah (during/after snow storms): Mandatory 4WD and/or chains on your vehicle. 2WD cars are a major problem on I-70, they simply don't have the traction or HP to make it up hills and on ramps safely.

Alan Simons Snow and icy roads or people with bald tires and people that don't know how to drive in it?

Darcie Nicholas Unfortunately, there are MORE Colorado drivers than there are out of state drivers that don't take the right precautions for the bad/snowy weather, you would think that after living here, you would be prepared...ppl are just plain idiots!!

Deb Packard No doubt due to idiots with bald tires.

Patricia Eynouf Colorado should bring back the car inspection, so we can get bald tires off the street, cracked windshields are so bad you wonder if the windshield is going to fall out if one more rock hits it, no dam turn singles, you wonder if the brakes work as you are driving down from the mountains.

Steve Schade Nothing like navigating the mountains in a snow storm with baloney skin tires.
# Passenger Traction Penalties

<table>
<thead>
<tr>
<th>State</th>
<th>Violation</th>
<th>Minimum Fine</th>
<th>Maximum Fine</th>
</tr>
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<tbody>
<tr>
<td>Oregon</td>
<td>Class C Violation</td>
<td>$80</td>
<td>$500</td>
</tr>
<tr>
<td>Washington</td>
<td></td>
<td>$70</td>
<td></td>
</tr>
<tr>
<td>California</td>
<td></td>
<td>$100 (est.)</td>
<td></td>
</tr>
<tr>
<td>Colorado</td>
<td>Class 2 Minor Infraction</td>
<td>$15 +$7</td>
<td>$15 +$7</td>
</tr>
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</table>

(ATA - TRUCKING Moves America Forward)
Proposed Legislation to Address Passenger Traction Problems

- Raise fine from $15 level to $75 for inadequate tires for autos and light duty vehicles
- Provide an enhanced penalty of $250 if the lack of adequate tires or traction devices leads to a lane or road closure

Goal of Increased Fines is to Reflect Importance, Garner Greater Public Attention, and Encourage Greater Compliance
I-70 West
CMCA Recommendations to Improve Winter Safety and Operations

- CMCA is seeking to work directly with carriers who have greatest number of incidents related to lane closures – encourage them to adopt CMCA Best Practices Strategies and Provide Tech. Assistance
- Seek working group to focus on improving accident response and clearance efforts on off-peak periods (significantly high)
- Improve snow clearance on Loveland Pass to prevent long delays for hazmat operators
- Implement standards for heavy vehicle rotation in off-peaks and monitor performance – provide incentives for quick clearance
- Extend CDOT Heavy Tow Quick Clearance to more periods of extreme weather
- Work with WYDOT for similar program to Quick Clearance for I-80 (to prevent trucks from dropping down on to I-70 due to closure on I-80)
- Work with CDOT and others on outreach to out of state and in-state truckers to encourage chain law compliance and encourage them to avoid peak periods.
- Focus on in-cab communication to truckdrivers for real-time roadway and weather information
- Encourage Pitkin and Eagle County Airports to add more on-site fuel storage to alleviate need to transport jet fuel on certain peak weekends to those sites.
Independent Contractor Issue

- Colorado has over 5,000 owner-operator/independent contractors (ICs) in trucking.
- Concerns over Department of Labor investigations related to misclassification – failure by auditors to recognize federal regulations and rules nor understand how ICs work within industry
- Net effect - Discourages new businesses coming to Colorado, current companies concerned about contracting for services, and Colorado owner-operators forced to seek opportunities outside of the state.
  - **Action Needed** – Reasonable Guidelines from CDLE that are appropriate for trucking industry and recognize federal regulations
Oversize/Overweight Permitting Issue

State law authorizes CDOT to issue oversize/overweight permits for State Highway System. State law also allows counties and cities to issue permits for their local roadways.

- **Problem** – Over 30 communities and counties issue permits for their local roads. That number increases annually. Fleets working in different areas of the state may be required to obtain a number of permits. Process is confusing, time-consuming, and costly.

- **Status** – TLRC requested that CDOT bring the parties together to identify a potential solution. CDOT is doing this and will report back to the TLRC this summer.

- **CMCA Desired Solution** – “One Stop Shop” concept where a fleet can obtain one permit at the state level and pay one fee of which a portion of that fee is distributed to counties and cities that the carrier operates.
Public Private Partnerships (3Ps)
Concerns Regarding Transparency and Oversight

- CMCA Expressed Concerns about 3P Processes during Discussions on FASTER
- CMCA Supports Safeguards Related to the Agreements:
  - Greater Transparency for these Agreements in regard to contracts and terms of these contracts that commit the public
  - Reasonable Oversight by Elected Officials – the Legislature is the body responsible for the State Budget and any financial problems that may result in the future will become their responsibility
  - Reasonable Length for Agreements – Committing to contracts extending over great lengths of time is problematic as conditions may substantially change. >50 year agreements are far too long.
- CMCA Supported SB 197 as a practical and workable means to provide reasonable safeguards for the public.
If you got it, a truck brought it.

JUST ABOUT THE ONLY THING NOT DELIVERED BY A TRUCK.