

Minutes of the Motor Carrier Advisory Board Meeting

March 19, 2015

Members Present

Nichole Gavriloski

Paul Behmlander

James Burg

Joe Ballor

Randy Whitaker

Brian Hitchcock

Don Beerens

William Kotynski

Michael Rushing

Sarah Stewart

Joshua Rhodes

Members Absent

Jim Smullen

Glen Merkel

Al MeMeestor

Insp. Randy Coplin

MPSC Staff Present

Nicholas Nwabueze

Herb Fields

Kirk Forbes

Beth Schafer

Vicky Acker

William Brandon

Cindy Swix

Brenda Lampman

Others in Attendance

Sgt. Tim Burke

Lt. Susan Fries

ExOfficio Members Present

Dawn Wilson

Alfred Newell, Jr.

John Wallace

Meeting Called to Order

Dr. Nwabueze introduced himself, the newest members of the Motor Carrier staff, and then called the meeting to order at 9:30 a.m. After introductions, Dr. Nwabueze expressed his appreciation to the Board members and others in the audience for attending the meeting.

Dr. Nwabueze announced that the Governor had just signed an executive order transferring the Motor Carrier division of the Michigan Public Service Commission to the Michigan State Police effective May 18, 2015. The physical move is still being worked out with the hope that the next meeting will find us all under the same roof. Fine details still need to be worked out. With the changes taking effect there are no changes regarding enforcement by vehicle inspectors.

Dr. Nwabueze then welcomed and introduced Ms. Nicole Gavriloski as the newest member to the Motor Carrier Advisory Board.

January 15, 2015 Meeting Minutes and Today's Agenda

The agenda for today's meeting was approved and the minutes for the January 15, 2015 meeting were approved as written.

Agency Reports

State Police/Commercial Vehicle Enforcement Division

Sgt. Tim Burke, reporting for Insp. Coplin, that the ID lettering for ACT 300 motor vehicle code will be in effect on April 1, 2015 and that the old code will still be effective until April 1, 2015 and deals with vehicles over 5,000 pounds requiring ID on vehicles. As of April 1, 2015 Act 300 will be changed to all towing, for flatbed wreckers or road service vehicles in operations on the public highways. What we're looking at is vehicles that are 1,000 pounds or less are going to be

exempt from the ID lettering, except tow vehicles not exempt with PSC / UCR vehicle intra state need three inch State PSC number on both sides of the doors and the account number.

If the vehicle is in compliance with ID regulations of the Federal Rules it will be in compliance with the State. Interstate with UCR is now requested to have PSC number on both sides. They need to follow Act 390.

Human Trafficking with Lt. Fries and Officer D. Stuart have been going around the state and talking to the different officers on the road as well as putting up flyers regarding Human Trafficking. These girls are not there of their own free will. If the truckers or any of us see anything suspicious regarding this, please call 1-888-3737-888 in the US or 1-800-222-TIPS (2477) in Canada. If you would like, Lt. Fries or Officer Stuart is willing to come out to your facility and give a 30 minute to one hour presentation regarding this subject. This all started a year ago in March when Lt. Fries attended a conference and learned that Michigan was not involved in the Anti-Human Trafficking, and was embarrassed to be a representative of our State. Especially when the opening video talked about a young girl, two girls, that were kidnapped in Toledo, Ohio and rescued in Dexter, Michigan, yet Michigan did nothing about it. We're making a real push. We're reaching out to the truck stops, the service plaza workers and all of us as companies or city workers have an interest in this as well. It was a truck driver that called this in. He thought the girls looked awfully young to be working the truck stop. That call resulted in over 31 different girls being rescued in eight different states. It was a major networking ring. If you go online to TRUCKERSAGAINSTTRAFFICKING.ORG you can see an array of videos and clips done nationwide. Human Trafficking involves over 4.3 million victims in the US. This is a 4 Billion dollar industry. It's organized crime. These thieves and thugs have meetings and conferences to discuss how they can exploit these girls, boys and kidnap them. How they can pull them out of their homes, capture them when they're in a

running situation, in foster homes. They sell them into the industry then trade them off to other users or pimps thru out the nation so they have fresh live stock (in their words). They say why sell drugs, because you can only sell those drugs once. When you kidnap a person, you can sell that person over and over and over again. This is a hideous and brutal crime. The average person in captivity is 15 years old, their average life expectancy in Human Trafficking is 7 years, and the largest killer is homicide, drug overdose or sexually transmitted diseases. The State is taking great steps. Last November the State decriminalized victims of Human Trafficking. Before, the girls would be arrested, they would be charged as criminals or prostitutes, even though they were the victims. So the State is making great effort to say let's recognize what the problem is, give them immunity so they will come forward with their story. So they're not just saving lives but how many criminals can we arrest to keep future victims from being brought into that situation. What used to happen on the streets that we would see on 8 Mile in Detroit or where ever those hot districts are, are now being done behind the scene. Back a page, adult service, that's where the money comes in. They're being done at cheap motels. Knock on the door, if you don't like that one, call the number and they'll send you to another room until you find the girl you like. Because it's done in the back streets, back ally's, or on the internet where nobody sees it, it's like it's gone away a bit but it's actually growing.

The Governor Traffic Safety Advisory Commission has announced that April 6 – 15, 2015 is distracted driving awareness week. Texting and non-hands free phones, sending or receiving text, the driver is distracted for 4.6 seconds. At 55 MPH that equals the length of a football field, so they are driving blind for 100 feet. The National highway Traffic Safety Administration did a Study that any given daylight moment in 2012 an estimate of 660,000 drivers were using handheld cellphones.

State

Dawn Wilson reported that effective January 1st, Charter buses will no longer be exempt from IRP. I will be learning more about this at the IRP meeting in May. I'll have more information for us at the July meeting. If you would like more information regarding this you can go out to the IRP Inc.

Treasury

Seth Martin reported that he wasn't at the last meeting because they were doing the motor carrier training for the new IFTA system thru out the State of Michigan. In January they had close to 770 attendees in 12 different training sessions. A little bit of success to report since they went live with the new IFTA system on December 8, 2014. They've gone from 25% of those who electronically e-filed in the past all the way up to 95% by the end of the first quarter. Electronic payments were up over 2,000% since the first of the year. Just to give you a number idea, last years fourth quarter we received about \$400,000 in electronic payments and that only reflect about 97 carriers, were this year the numbers were over \$2 million and close to 250 carriers. This was a huge increase, the nice thing about electronic payments is instantaneous and the new system is very vital to have instant gratification because it will keep you from going forward from ordering permits, decals and getting license. So far this year, we have 989 folks who haven't renewed, but we're still on track to have a little over 6,000 licensee's for 2015. The real success behind the scenes, the carrier has the ability to see their entire IFTA account from previous returns to delinquencies, past due taxes, to license and decals. They can print those licenses out right away. We've already been able to recoup in just approximately two months after go live a quarter of a million dollars just in delinquent taxes because this system allows us to do a cross check of what you owe versus whether or not you get licensed. In the past we would license people even though they owed us taxes for the last three years because there was

no way to cross match that. Imagine someone going in to get a new license and finding out that they still owed us for the fourth quarter of return from three years ago they were able to pay that up to date so they could get licensed. So the success of the new system has been drastic in just the first three months.

QA: After this went live, what additional things did you do to get more participation?

We did the trainings in January. Just to give you an idea of phone calls: in January 2014 we received 1,000 customer phone calls. This January it was over 10,000 calls. What this system does is cause the immediate communication between the motor carrier and the IFTA unit. We give self-service on a regular basis all day long, every day of teaching them about getting into the system and getting them going.

QA: Do you have a cut-off date or will you continue to push until everyone is in? We will continue to do everything that we did after the go live for anyone who's new. We will handle the calls every single day of anyone who's a new licensee or doesn't know how to use the system. We now have the luxury of emailing, because they are required to have an email address. So we can mass email instructions or information if we need to. There's no cutoff date, but I can tell you, in February I walked in one day and the phones weren't ringing. It was like turning off a water faucet. We were dealing with calls all day long for 30 to 60 days, then one day all of a sudden out of the blue it just stopped. So now I have staff members who don't have to answer the phones but can now work on other things.

Federal Motor Carrier Safety Administration

John Wallace reported that the FMCSA has delayed the publication of the new e-log rule until September 20, 2015. The lower court of the Appeals Court said that the new rule did not address the drivers concern of harassment, so they're going to somehow incorporate that into the new rule. Also, if you remember the 34 hour restart changed so that caused a delay also. They had to

do some modifications to the units but they are hoping to have that out by September 3, 2015.

You can still use it but it doesn't become mandatory until then, after it come in effect there's a two year process for everyone to jump on board. Everything we've heard from the industry like Swift Transport that has been using the e-log type system and has raved about it. They say about 99% of the driver's accept it and it has improved their safety. Their scores have gone down and I think they're real happy with it.

Anyone with a CDL license, they don't want them to take their knowledge test at a branch office one day, then get in the truck and drive the next day. They want to make sure they're properly trained and they can drive these trucks. What FMCSA did was create a 26 member advisory committee and it's made up of type of industry stake holders. They held their first meeting just a few weeks ago in February. Basically, so to speak what they want to do is write the rules for us. And that's the way the agency wanted to approach it, to be more transparent. Negotiations will end in May and a final report will be released in June. So stay tuned. I'll get you updates as they come out.

Acting Administrator Scott Darling's tenure will end on March 23, 2015 and the White House has not announced the nominee yet, so stay tuned on that as well.

CVSA has removed the English speaking requirement as an Out of Service Violation at roadside. It's still a violation, but they will not put the driver out of service if they feel he or she can't speak English. I guess they felt it wasn't an eminent hazard if they couldn't speak English.

QA: Can the driver read directions? I was doing an overt skills test observation at a third party CVL school a couple of weeks ago, there was this guy that took a knowledge test at the

branch office and passed the test because he could use an interpreter, but when he took the skills test, there was no interpreter and he could not understand anything that the instructor was trying to instruct him when he was taking his skills test. So it's a very delicate issue

QA: How is he able to answer questions if he's pulled over? That's a concern law enforcement feels has an impact on their safety. CVS basically says that it is no longer an Out of Service violation anymore. It is still a violation, but they're just not going to place the drivers out of service. I don't know the history anymore. Do you? Politically thinking it could be linked to NAFTA, where there is this overall requirement of French Canadians and Mexican drivers. So I think they had something to do with it and pressure from above of how we assemble three countries and three languages to make it justified. Our customers won't allow drivers who can't communicate, they look at it as a safety hazard. How do they get someone to evacuate when there's a situation? How do they communicate, GDC load pick-up? Yes is not acceptable for directions at the plants.

FMCSA have added five serious violations to the SMS and those serious violations are basically if they are not corrected immediately they could have an impact on safety. The first two pertain to Hazardous Material Carriers, and they are:

- 1) No Security Awareness Training
- 2) No in Depth Security Training
- 3) Using a driver with more than one CDL knowingly and willfully
- 4) Using a driver who violates the 11 hour rule
- 5) 30 minute – 8 hour break violations

Keep in mind that if there's a pattern of non-compliance during a compliance review that can have an impact on your SMS score. Again it's going to, not only have an impact on your over safety rating, it'll have an overall impact on your SMS score as well.

FMCSA has put out a new smart phone app that's called QCMobile. I down loaded it last night and I tell you what, it's pretty slick. QC stands for Query Central. You can put in your own DOT number or the DOT number of whomever you want to search and you can see their operating status, if they have valid insurance, their basic scores, road side out of service rates, how many crashes, and their safety ratings.

Public Service Commission

Mr. Fields reported that we just finished our renewals. We revoked a little over 200 carriers who did not renew their intrastate authority.

Michigan Center for Truck Safety

Alfred Newell reported that everything is going good. We will be at the Upper Peninsula State fair in August. There are changes to new Truck Drivers Guide books and they will be out in the next couple of months. The new book will be smaller in size, spiral bound and the index will be color coded with corresponding colored tabs.

The Center doesn't have anything to do with the Michigan Center Decision for driving other than the fact the center helped subsidize the driver's ability to go down. Does anyone not know what I'm talking about, the Skid Pad? MTA was informed about a month ago that Eaton Corp., where the skid pad is, wants their land back and so unless MTA can find an alternative site by the end of July, we will no longer be offering the Michigan Center for Decision Driving. So if anyone knows where there's a skid pad lying around or has space in a company's big 10 acre parking lot, please get with the Michigan Trucking Associations. They are really scrambling to find a place to relocate. That is probably the most talked about and beneficial program product that the Center is involved in. Umtree did a U of M study and statistician that was one that cognitively

showed that there is a benefit to sending a driver to decrease the likelihood that the driver would get in a crash. So if anyone knows of anything just get with the MTA on that, please.

We have gotten really busy since the State has put up the spring restrictions. We have a link right to MDOT's restrictions right on our facebook page.

Comment: Spring weight laws come every year and it's a challenge for us all the time to know what roads we should be driving on at any time. Years ago local district courts upheld the city's rights rather than to put a sign up on restricted roads, or to post on their web sites which roads are restricted. When you look at a city or counties web site for which roads are in restriction they don't give you a map showing you where you can or cannot drive. They list the roads from this point to this point. I know what I was looking for and it took me a half hour to find the road and route by pouring over information. How can we get municipalities engaged in the discussion that roads could be posted year round so you could put up a sign with a round circle that has red, yellow or green on it and that way the driver would know at all times what the level of restrictions are when the frost laws are in place? Then they will know at that point that the roads or routes that they are on are restricted and to what level. We're trying to understand the laws so we can preserve our infrastructure.

QA: How do we do this? This is a very, very tough question to answer. To address this you'll need representation from the munis, the cities and there are financial implications for them as you rightly pointed out. Just to let the commission know, whenever we're answering a question like that we make sure we're advising them that they no longer have to actually post the road. That you have to go on their web site to find this out and there hasn't been one happy camper. There is no answer for you but it's a point that we still need to talk about. Maybe the police may be involved at some point. I don't know what means you have to get information out but let's take that under advisement and do some more talking. I'll report on that the next time

we meet. The counties have what they call a CRAM site that you can go on but maybe someone from the CRAM site could bring this out. They do list all the counties in the state and they show them coming on and off, some of them have maps and some don't. If you can get to that CRAM site because they are designated somehow with all these counties to get these dates. This involves more than one party. To get a resolution, we need to get proper representation in the same room and maybe work out something that we can live with. I know we have to look at the organizations like there's the Michigan Chief of Police Associations which would handle it but there's got to be some type of Organization that represents the transportation department or the County Road Commission would have a part in that. The MSP has a traffic safety division that works hand in hand with them you have MDOT that would also need to get on board. The real problem is how to get all these people under the same roof in one room to work out an acceptable approach. If anyone's counting there are 533 villages and cities in Michigan and 83 counties, each of them with jurisdiction over the local roads within their boundaries. So it's something that would need to be made into a law. The organization for the cities is the Michigan Municipal League and County Road Association for the counties is the lobbying voice for the local government. Send someone from the MC to talk to these groups and see if they are willing to talk or to offer a solution then we'll go from there.

Transportation

Aarne Fromb reported that MDOT will announce that they're getting ready for this year's construction season and that the weight restrictions now apply to the trunk line.

QA: Do you have a bridge? Yes, they're making steady progress and getting rid of the last obstacles to get the new bridge to Windsor. As you've probably read in the news the Canadians have agreed to finance what some of us always thought should have been the job of the US Federal Government, which is the construction of the customs center. They've rolled that

in to the toll financing for the bridge itself. The completion date is somewhere around 2020.

Which some people think is too close to be realistic. I don't think it's unreasonable at all to expect the bridge engineers and the contractors to pull that off if nothing intervenes and for once it looks as if nothing is intervening right now.

QA: So all the lands have been purchased that's needed? That'll take a while but that's well under way. There will probably be condemnation lawsuits but that's nothing that's insurmountable. So that's why I don't expect any hold ups from that court.

QA: Have you had to condemn so far? I don't know. All I know so far is some of the property is owned by Central Transport. So, not everyone would be a willing seller.

QA: I noticed that when I do permits and I punch them in for weights, there are a lot of structures around for Michigan that you can keep playing with the computer, bring the weights down and it still won't let you go over that structure. Now I'm at 80,000 – 100,000 pounds. These structures aren't marked, yet the daily Michigan truck at 160,000 pounds runs all the time. But I'm trying to pull a permit, and just because it's a permit it won't let me cross that structure but I'm just curious about all of these structures that are listed like this. Are these truck line structures? It is really that bad out there? I'll ask our permits people why the system behaves that way. Obviously or not that may be restricting a onetime permitting road. There aren't that many restricted trunk line structures. Well, on I-75 near 12 Mile that's been under for three years, you can't go over that bridge. Not with any type of oversized load. I'm just bringing this to you attention. I'll have to talk to the permits people because I don't have an answer. We'll discuss this further and have an answer at the next meeting.

Legislation Update

Aarne Frobom reported that the new legislature has been in business for about two months and most of what is on the list are things you've seen before. The one at the top regarding

Commercial Vehicle Rules, Learner's permit is the one that will probably pass sometime today. It was due to pass at the end of last year's session, but after they did the road finance scene, the Commercial Vehicle Rules, Learner's permit bill was next up on the list and they decided to tackle it, at 6 AM they said lets go home. So they took it up in a hurry in this session. What that'll do is bring logs covering drivers training and commercial learner's permits into compliance with the Federal Motor Carrier Safety Act. What I call "the annoys" is about restricting vehicle weight which isn't letting up. I don't expect those bills to go anywhere that would limit gross weight to 80,000 pounds but they have even more co-sponsors than last time.

QA: So you're thinking number 42 on the Senate will pass today? Yes

There's also a bill to change the schedule for fines for individual axles that are overweight by varying amounts provided that the gross vehicle weight is not over the allowable GVW, but that bill hasn't attracted any attention yet, there have been no hearings. Nothing too much has come up other than the Commercial Vehicle Rule.

On the back of this page is my summary of the package that was passed on the last day of the last session which won't take effect unless the sales tax amendment is enacted by the popular vote on May 5th. This is a packet of bills that would change both the diesel gasoline tax and the truck registration taxes. To sum up, the parts that count the most is if the tax increase is approved to change the sales tax from 6 to 7 percent the sales tax would come off of diesel fuel and gasoline, then the diesel tax would rise from 15 cents to 46.4 cents a gallon beginning October 1st. If retail prices are at the level they are right, diesel would probably go up around 12 to 14 cents a gallon if this takes effect. The operation of this is almost incredibly hard to describe. There are a lot of complicated brakes and dampers on the way the fuel tax would behave in the future. The

way I think it would perform is the fuel tax would increase with wholesale prices by roughly the same as the rate of inflation in the consumers goods, about 2 percent per year. So the 46 cent number might go up by 2 percent on January 1 hereafter. There are times if the wholesale price shoots up it could go up by as much as 5 cents a gallon per year but thereafter it would lag.

There would be new impositions on state and local road agencies.

QA: Is there a flaw? Wholesale prices tend to swing over time, if it does increase by 2 percent and then there is a sudden reduction in wholesale prices, is there a flow or will it correspondently drop? Once it rises to 46 cents a gallon for diesel or about 40 cents for gasoline will it never go down below those numbers? It could theoretically rise then fall in future years. The October 1 price would become the new floor and also the wholesale price would be calculated on an average of the period from October 1 to September 30. So it would go speedily up and down but it would be averaged on a 12 month period.

QA: What are the expectations on the vote on that? I haven't seen any polls since some were taken immediately after the passage, which if I remember right, showed roughly 40 percent voted in favor and opposed has a slight edge against the in favor group, but with a big undecided chair.

The Governor was on WKAR one morning and that was one of the first topics that Paul W asked. There was some increase with the new ads "Safe roads Yes" campaign to encourage voters to vote yes and the momentum seems to be going that way. I think the larger issues that are not being communicated, aside from the pot-hole issues, is the congestion issue. A Texas University annually tracks the cost of congestion throughout the United States. It's always a couple of years in arrears but the last number was \$90 billion a year and that's due to excess energy costs and time wasted due to inefficient operations. So that number in over five years has gone up from \$80 billion to \$90 billion dollars, and that's something I'm hoping that we'll get as a benefit as this industry so that we won't have that steady a decline of efficiency because of

poor roads and not just pot-holes but structures that need to be redone or even interchanges that need to be redone so that we're not going from 60 to 30 then back to 60 just to change roads.

Future Meeting Topics

1) Weight restrictions and Aarnie will come back with the information regarding what is going on with the over-passes with the permits system and bridge limits.

I guess this comes from the inspection of bridges from MDOT, that's all I know about it. I know there are inspections going on and doing this to bridges, but then the first one to hear about it is the ones with oversized loads. Well he will go and come back with a more complete story.

In respect to weight restrictions from muni's and cities, and that we need to work with the Michigan Municipal League and the County Road associations. Please do not expect a quick turn around on this. I'll need to consult with the Michigan State Police and make sure I have a definite idea of how they want me to work with this. But this is something I will definitely put on the table and if I get all the okays I'll engage these two organizations. It's early 2015, let's hope by the end of this year there is some clarity on where we go, process and maybe some kind of conclusion that we will achieve.

2) Further discussion regarding tow trucks being called out in bad weather. Invite Sgt. Jill Bennett, Lt. Gary May or Lt. Jim Flegel from the Traffic Safety Services of the Michigan State Police to answer the outstanding questions at the next meeting.

Public Comment

None

New Business

Wreckers called out in bad weather. A lot of times the police department insists on the towing company to be out there in bad weather and it creates a hazard. There are tow truck drivers with tow truck sites with Tow It Down, you see it thru out the United States with "Tow It Down" that means he's gone, they got hit or whatever. We've got a problem in both directions there between how important is it to get the car towed that quick or you take the people to safety and worry about it later. My son is the president of the Michigan Towing Association and he brought this up at his last meeting, because I mentioned this to him from our last meeting. They all kind of agreed but there might be another case when you're out there and a white out starts. You've got different scenarios that could happen.

QA: You hear on the radio while you're driving that there has been a wreck someplace and the police are heading there or that they are already on site and trying to clear the road. If there has been a wreck the police have the responsibility to ensure that the traffic continues. Are we more concerned with the police doing their job clearing the roads or are we more concerned with the cars in the ditch? I guess I'm not concerned with the car in the ditch but the one on the road. In bad weather, there needs to be a balance between the two. At Ryder we have a policy called Captain of the Ship. We have technicians that go on road calls and at any time the technician, before they even get the call or after they leave the shop, if the roads are bad they can say "Captain of the Ship" call a wrecker or call a cab, but they're not going out to the side of the road because it's too dangerous. The State Police because they have a middle of the roadway action going on and there's got to be some kind of balance here. Now what would happen if a Tow Truck Company said it's in the ditch but get that driver to a safe place until the weather clears no matter what the thing is. Would that be acceptable to the local police department for the tow truck operator to do that? The tow truck operator could do that but on the other hand, depending on the department, you might be getting pressure from the department but that's where the fine

lines got to be taken care of. If it's in the road, obviously it's got to be taken care of. Some of the individual that are in the ditch may be calling the tow trucks themselves, so the tow trucks would be coming out because they are being paid privately and not called by the police department.

Next Meeting Date and Adjournment

The next meeting is scheduled for **May 28, 2015 at 9:30 a.m. in a conference room located at MDOT Construction Field Services Building, 8885 Ricks Road, Dimondale, MI 48821.**

The meeting was adjourned at 11:08 a.m.

Respectfully submitted,

Nicholas I. Nwabueze Ph.D., Chairman
Motor Carrier Advisory Board