

David chidester

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Good Morning Board Members. My name is David Chidester and I am the President of Central Cal Transportation. Central Cal Transportation is a Drayage Company founded fifteen years ago and we currently operate 149 trucks. Our fleet is comprised of 100 Owner Operators and 39 Company Owned Trucks. Out of our company fleet of 39 trucks, 26 of them are 2009 and 2010 models that we purchased this year to comply with your 2010 date at an average cost of 120,000.00 per truck. We are also taking delivery this week of an additional 40 2010 trucks at an average cost of 125,000.00 per truck. This represents a total investment of \$8,120,000.00 all funded privately.

We had applied for 1B truck replacement funding almost two years ago for our 8 non compliant trucks and were approved for 5. This was later cut back to 3 and we have not received any funding as of today, although it is still pending. I researched retrofitting our fleet of non-compliant trucks and with the additional NOX retrofit looming a few years out, this option just does not pencil out. To put \$25,000.00 into a \$5,000.00 truck for a couple of years, and then to have to retrofit it again at an unknown cost in a few years, is not a prudent use of funds, either private or government subsidized. It is proving difficult to even obtain insurance to cover the retrofit devices as they do not view them as adding any dollars to the insurable value of the truck.

As a member of the trucking community, I think that putting the enforcement date on hold would be a good thing for the industry as we are in unprecedented economic times and there will be many that go out of business. As the President of Central Cal Transportation however, I want this date to happen. We have stepped up and put our private money on the line to comply with your regulations. I cannot continue to compete on a playing field that is not level. I am presently competing for freight with truckers that have done nothing, and are hauling freight for prices that I cannot compete with, due to complying with your regulations. As an example, we just gave up the GAP Distribution Center in Fresno. We had serviced this account for over 7 years, and had been their top rated trucker nationwide for each of those years. This account represented about 20 trucks per day of work for us. A nationwide trucker out of Los Angeles, who operates trucks which were purchased with subsidized funds, cut our rate by over \$150.00 per load. This is not a level playing field that we can continue to operate in.

There are quite a few truckers that plan on pulling containers out of the ports and rails to their yards and then delivering the containers to customers with their old dirty polluting trucks. This does nothing to clear the air and is not something that you should allow. I have read nothing in your regulations that would prevent this but I am hoping that I might have missed something. I cannot imagine going to my customers and telling them that my plans for the future are to try to find a way to weasel out of compliance, putting their shipments at risk of delay.

If January 1, 2010 is pushed off, I and all the truckers like me, who have stepped up, will be at an economic disadvantage as we will continue to compete for freight with truckers that have done nothing to comply with your current regulations. I do not see much room to go to my customers to demand an increase in freight rates as everyone has been hit by these economic times. Customers just will not stand for higher rates. They will start

diverting business away from California. In just a few years, the Panama Canal upgrade will be completed and we are going to lose a substantial amount of freight to the Gulf Ports as there will be more options to shippers that distribute beyond California. Please do not add fuel to this fire by allowing more indecision to occur.

If January 1, 2010 is pushed off, I expect to be made whole as it is not fair for me as I have stepped up and done what was demanded. I am on the hook for over \$8,120,000.00 in financed trucks and will be put out of business by any delay in implementation. Either let the date stand or I need to be compensated and made whole.

Thank you for this opportunity to make my feelings known.

David B. Chidester  
President  
Central Cal Transportation

PS: I just have a quick message for all of the Independent truckers who are planning demonstrations, strikes and protests in the next few weeks. In terrible economic times like these, the last thing that you want to do is to make yourselves look like this. Everyone, including both regulators and customers, is looking at our industry right now and the last thing that we need is the perception that we are dominated by a bunch of extremists, who will go to great lengths to show your disapproval on this matter. What better argument can be made in front of everyone here, to favor large companies, who will employ drivers to take away your work? I am leasing all of our new trucks to my Owner Operators, at our cost, to try to keep them working. It serves no purpose to raise your hand when there are those out there looking for targets.