

May 21, 2007

California Air Resources Board  
P.O. Box 2815  
Sacramento, CA 95812

Dear Members of the California Air Resources Board:

All of us at 4 Point Pipeline Construction, Inc. are very concerned about the proposed regulations being considered for off-road diesel engines as presently drafted. Due to the time restraints that are being imposed, the negative impact on our company would be overwhelming; to say nothing of the negative impact it would also have on the entire California construction community.

While attending several meetings and hearing on this issue, representatives from the State of California CARB staff said that in order to recover the financial impact that would be imposed on each of our companies as a result of complying with these proposed regulations, "You [the contractors] will just simply have to raise your bid prices." We will be the first to tell you: it does not work like that. We bid on a competitive basis and raising our prices would make it extremely difficult to compete since other contractors won't be spending retrofit money at the same rate. Additionally, there will be contractors who are slower to comply and consequently will be able to use lower bid rates for a longer period of time. Due to the present economic situation in this state, it is very difficult to even have your bid accepted. Our backlog is very low at the present time due to our inability to secure work even at the low numbers we use to bid jobs. We would like for you to tell us how we can survive at all if we raise our rates.

4 Point Pipeline Construction, Inc. as well as other construction contractors recognize the absolute importance of preserving our air quality and our environment in general. We are already making progress in addressing this issue. In fact, using the Carl Moyer program over the past five years in Southern California alone, the construction industry has replaced more than 1,000 high polluting engines, resulting in a reduction of more than 3,787 tons of pollution every year.

**Despite our support, we also want to be clear: In their current form, the Board's proposed regulations are not viable from an economic or technological perspective.**

When CARB first announced its intentions in 2000, their plan called for an 18-year timeline to meet the state's goals of reducing particulate matter emissions only. Due to delays in developing these rules, that timeline has been reduced to 13 years. In addition, the regulation of NOx emissions has been added to the rule – which significantly alters the kind of technology needed for companies to be in compliance.

There currently is no diesel engine that is capable of addressing both PM and NOx emissions. This lack of equipment technology and availability are serious barriers to meeting the targets under these rules. In some cases the engines and equipment necessary to meet the stringent standards in these regulations will not come to market until 2014. In addition, an estimated 165,000 pieces of machinery will have to be retrofitted, re-powered or replaced over the next 13 years to meet yearly reduction targets.

Under the annual emission reduction targets required under this proposal, many contractors will be required to first re-power or retrofit an engine, only to later turn around in a few years and replace the entire piece of equipment when the required technology to do the job right finally hits the marketplace.

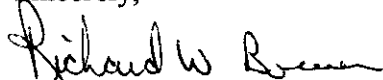
While many of California's larger construction companies have already begun the process of repowering or retrofitting its fleet in anticipation of these regulations, our company will be severely hampered by the costs of repowering or retrofitting equipment which is the major asset of our business. Additionally, our company simply does not have the resources or access to capital to do the repowering or retrofitting of our engines. Even though we have worked 11 years in building our company to what it is today, we may be forced out of business.

Those contractors that are able to comply with these regulations will naturally be required to pass on the enormous expense of replacing this equipment – in some cases more than \$1 million for each machine – to the customer. As mentioned before, not all contractors will be retrofitting their equipment at the same rate and yet another group of contractors will be forced out of business because they can no longer bid competitively. Fewer contractors and higher construction costs means fewer roads, schools, housing developments and levees: the very improvements California voters wanted when they approved \$43 billion in infrastructure bonds. Not only will the State's buying power be reduced, but the pace at which these projects can be completed will be significantly slowed.

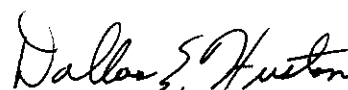
**That is why we are asking you to restore just five years to the implementation timeframe.** This will give equipment manufacturers time to catch-up and produce engines that will allow the industry to meet California's progressive air quality standards and distribute the massive expense of purchasing new equipment out over a longer period.

We look forward to working with you, CARB, environmental organizations, the Legislature and other stakeholders to find a feasible solution that achieves the state's air quality goals while keeping California's economy moving forward.

Sincerely,



Richard Bowen  
Principal / President  
4 Point Pipeline Construction, Inc.



Dallas Huston  
Principal / Secretary / CFO  
4 Point Pipeline Construction, Inc.