J. J. Keller & National Private Truck Council (NPTC) Webcast

*Hours of Service*

Thursday, March 24th, 2016

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**Hours of Service**

Gary Petty  
President & CEO  
National Private Truck Council

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**Meet Your Presenters**

Gary Petty  
President & CEO  
National Private Truck Council

Tom Moore, CTP  
Senior Vice President  
National Private Truck Council

Tom Bray  
Senior Transportation Management Editor  
J. J. Keller & Associates

Jeff Smith  
Manager  
Gold Medal Bakeries

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**Regulatory Background**

Thomas Bray  
Sr. Editor, Transportation Management  
J. J. Keller & Associates, Inc.

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Hours of Service

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Hours-of-Service Regulations

- Three core areas:
  - Limits (§395.3 and §395.5)
  - Logs/recordkeeping (§395.8)
  - Exceptions (§390.3, §395.1, and Federal Register Entry)

Limits

- Property-carrying driver must stop driving once driver reaches (§395.3):
  - 8 hours since last break of 30 minute break
  - 11 hours of driving
  - 14 consecutive hours since reporting for duty
  - 60 hours in 7 days or 70 hours in 8 days
    > 34-hour restart allowed
  - 10 hour break requirement

- Passenger-carrying driver must stop driving once driver reaches:
  - 10 hours of driving
  - 15 on-duty hours
  - 60 hours in 7 days or 70 hours in 8 days
    > NO 34-hour restart
  - 8 hour break requirement
Logs/Recordkeeping

- Required to verify compliance with limits and must include specific elements
- Must be complete*, current to last duty change*, accurate*, and truthful*
- Three types:
  - Paper logs (§395.8)
  - Automatic Onboard Recording Devices, or AOBRDs (§395.15)
  - Logging software programs (§395.8)

To Print or Not to Print…

- AOBRDs do not have to be able to print
  - Officer can request the company provide records within 48 hours
- Logging software programs MUST be able to print
  - If program does not have signature protocol, log must be printed and signed at the end of the day
  - If program does have a signature protocol, printing is only required when requested by an officer

Exceptions

- Many existing:
  - 7 in §390.3(f)
  - 22 in §395.1(b) to (s)
  - 11 based on exemption applications and Federal Register entries
- Make sure you and the driver clearly understand:
  - Exactly what the exception allows
  - When the exception is applicable and what it requires (the “terms” of the exception)
  - How to indicate that an exception was used to explain excessive hours
Exception by Rule
- All HOS rules (limits and logs):
  - All limits
  - All limits delivery (§395.1(f))
  - 30-minute break

• Exception by Rule
  - All HOS rules (limits and logs):
    - Exceptions at §390.3
    - Disaster relief (§390.3)
    - Agricultural operations with 150 miles (§395.3)
    - Utility service vehicle driver (§395.1(c))
    - Railroad signalsmen (§395.1(f))
    - Drivers of covered farm vehicles (§395.11(c))
  - All limits
    - All limits delivery (§395.1(f))
    - 30-minute break

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Common Exception Example
• “Short haul” exception at §395.1(e)(1)
  - What the exception allows:
    - The driver does not have to keep a log (exempt from §395.8)
    - The driver does not need to take the 30-minute break
    - All other rules still apply (11 driving, 60/70, restart, DQ, etc.)
  - Requirements:
    - Driver must stay within 100 air-miles
    - Driver must return to, and be released from, the work reporting location
      for the day within 12 hours
    - A time record for the day showing start and ending times, and on-duty
      time, must be retained for six months

Beyond Compliance
Tom Moore CTP
Sr. Vice President
National Private Truck Council
J. J. Keller & National Private Truck Council (NPTC) Webcast

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HOS Restart
- Legislative action: DOT appropriations bill
- FMCSA report to Congress expected in April
- Coalition seeking reforms

Estimated Negative Impact on Productivity

Fleets Affected by the 34-Hour Weekly Reset

Fleets Paying for Mandatory Rest Breaks

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Most Common Driver Violations

<table>
<thead>
<tr>
<th>Violation Description</th>
<th># of Violations</th>
<th>CSA Severity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log Violation (General/Form and Manner)</td>
<td>163,653</td>
<td>1</td>
</tr>
<tr>
<td>Non-English Speaking Driver</td>
<td>101,664</td>
<td>4</td>
</tr>
<tr>
<td>Driving beyond 8 hour limit since the end of last off duty or sleeper period of at least 30 minutes</td>
<td>95,540</td>
<td>7</td>
</tr>
<tr>
<td>Drivers Record of Duty Status Not Current</td>
<td>92,437</td>
<td>5</td>
</tr>
<tr>
<td>Driving beyond 14 hour duty period (Property Carrying Vehicle)</td>
<td>49,051</td>
<td>7</td>
</tr>
<tr>
<td>State/Local Laws - Speeding 6-10 Miles Per Hour Over The Speed Limit</td>
<td>65,560</td>
<td>4</td>
</tr>
<tr>
<td>Failing To Use Seat Belt While Operating CMV</td>
<td>53,694</td>
<td>7</td>
</tr>
<tr>
<td>Driving beyond 11 hour driving limit in a 14 hour period. (Property Carrying Vehicle)</td>
<td>26,076</td>
<td>7</td>
</tr>
<tr>
<td>Operating a property carrying vehicle without possessing a valid medical certificate</td>
<td>41,368</td>
<td>1</td>
</tr>
<tr>
<td>False Report Of Driver Record Of Duty Status</td>
<td>36,975</td>
<td>7</td>
</tr>
<tr>
<td>Driver Not In Possession Of Medical Certificate</td>
<td>33,855</td>
<td>1</td>
</tr>
<tr>
<td>Driver Failing To Retain Previous 7 Days' Logs</td>
<td>28,252</td>
<td>5</td>
</tr>
<tr>
<td>No Driver Record Of Duty Status</td>
<td>27,958</td>
<td>5</td>
</tr>
<tr>
<td>Driving beyond 11 hour driving limit in a 14 hour period. (Non-Property Carrying Vehicle)</td>
<td>26,076</td>
<td>7</td>
</tr>
</tbody>
</table>

Jeff Smith
Director of Transportation
Gold Medal Bakery
Jeff Smith - Director of Transportation

- Over 20 years in the baking industry
- Sales Operations experience
  - District Manager
  - Account Manager
- Logistics / Transportation
  - Distribution analyst
  - Fleet Manager
  - Military Logistics & Air Cargo

History of Gold Medal Bakery

- Auguste LeComte founded Gold Medal Bakery in 1912
- We now have over 400,000 square feet of production and warehousing space
- We currently ship over 2 million units of fresh bread, rolls and english muffins a week
- Gold Medal delivers to over 700 locations serving most locations 5 days per week

Gold Medal Bakery Operations

- Our delivery area is all 6 New England states, New York City, Long Island, the Hudson Valley of NY, most of NJ
- We have depots in Milford, CT, Brooklyn, NY, Ronkonkoma, NY, Newark, NJ
- Due to baking schedules and customer requirements the Operation is truly 24 hours a day, 7 days a week, 364 days a year
Gold Medal Bakery Fleet

- GMB owns and operates (class 7 & 8)
  - 76 Single axle day cab tractors
  - 4 Tandem axle day cab tractors
  - 6 Straight trucks CDL
  - 4 Bulk tank trailers
  - 86 Dry Van trailers
- GMB leases (class 6)
  - 8 Straight Trucks Non CDL

Gold Medal Bakery Driver Population

- Fleet Manager
- Loss Prevention Manager
- Dispatch Supervisor
- 6 Driver Supervisors
- 85 Full Time Drivers
- 7 Part Time Drivers
- Average age is 50
- Average Years of Service is over 9

Operations

- Paid by the hour OT after 40
- Local / Regional deliveries - Home every night
- Direct Store Delivery
- Average 12 stops per run
- Runs average 10 to 12 hours per day
- Most runs start between 12 noon and 5 PM
- A majority of drivers work 5 days per week
- Off on Tuesdays and Saturdays
- Start as a vacation relief driver
Hours of Service

• Most runs are the same every week
  • Hours do not vary very much
  • Days do not vary
  • Hours of service are the same most weeks
• Issue occur when
  • Runs leave late productions issues
  • Vehicle breakdowns
  • Weather
  • Holidays
  • Traffic

New Hours of Service Regulations

Breaks
• We always paid the drivers for two 15 minute breaks. The driver took them at their convenience
• New regulation stop for 30 minutes before 8 hour
  • Problems with meeting time windows
  • Getting ahead of other vendors at the back door
  • Safe locations to park for 30 Minutes
  • Violations
• Overcoming the issues
  • Routing for break
    • Location
    • Time
  • Violation monitoring with onboard device
  • Training

Restart Provisions

• Restart primarily on the week before a holiday
  • We deliver to our customers up to 10 days in a row
  • Volume increase and routes become longer
  • Old Rule worked
    • Plan 34 hours off one out of the 10 days
  • New rule two Periods between 1 and 5 AM (prior to suspension)
    • Was not practical – most driver are working at some time between 1-5 AM
    • Required our drivers to take up to 50 hours off to reset
• Overcoming the issue
  • We used more rental drivers
  • We had violations
Exceptions

• Short Haul Operations
  • 100 Air Mile
    ▪ We do not use as most of our drivers as they hit the 12 limit at least once per week.
  • Non-CDL 150 Air mile
    ▪ We do take advantage of this exception for qualifying drivers
• Adverse Driving Conditions
  • We do take advantage of both
    ▪ Adverse weather
    ▪ Emergency conditions

Driving with in the Regulations

• We train the drivers that:
  • They own their hours of service
  • Captain of the Ship Policy
  • Review the regulations at semiannual meetings
  • How to use the our on board system
• We use
  • Our on board system reporting to find violations
  • Coach driver when they violate the regulations
  • Document coaching and training

Question & Answer Session

Please continue to submit your questions.
Thank you for participating in today’s webcast!

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