

Thank You for Joining Us!

- This webcast will cover ...
 - A regulatory overview
 - Best practices in compliance
 - A case study in implementation
 - Question & Answer session
- \bullet You will be muted during the event.
- Please use the Q&A feature to send in questions. We'll try to answer them during the Q&A period if they are not covered in the presentation.
- The slides and recording will be posted within 7 days at: www.jjkeller.com/nptcinfo



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Inspection, Maintenance, and Repair Regulations

Tom Bray

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The Regulations — Systematic Program

- §396.3(a)
 - Every motor carrier and intermodal equipment provider must systematically inspect, repair, and maintain, or cause to be systematically inspected, repaired, and maintained, all motor vehicles and intermodal equipment subject to its control.



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'Systematic Maintenance and Maintenance'

- Carrier must develop and then follow a systematic program based on its type of vehicle
- Think in terms of "preventive maintenance"
- Maintenance inspection and maintenance schedule and checklists based on:
 - OEM recommendations
 - Intended/actual use of the vehicle
 - History with similar vehicles





Next Regulation — Vehicle Standards

- §396.3(a)(1)
 - Parts and accessories shall be in safe and proper operating condition at all times.
 These include those specified in part 393 of this subchapter and any additional
 parts and accessories which may affect safety of operation, including but not
 limited to, frame and frame assemblies, suspension systems, axles and attaching parts, wheels and rims, and steering systems.





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The Vehicle Regulations, an Overview

- Part 393
 - $\bullet\,$ 10 Subpart (A to J) covering the entire vehicle and cargo securement Subparts cover larger area (Subpart B – Lights, Subpart C – Brakes, etc.)
 - Sections within the subparts covered specific issues/parts/components/systems
- Appendix A to Part 396
 - Standards for passing a periodic (annual) inspection
- NHTSA's FMVSS
 - Multiple FMVSSs adopted by FMCSA

 - Rather than rewrite an existing standard, FMCSA just adopted the applicable FMVSSs
 Watch out for "Must meet the requirements of FMVSS No. XXX in effect at time of manufacture" or "as required by FMVSS No. XXX"





Regulation — Required Records

- §396.3(b) and (c)
 - (b) Motor carriers, must maintain, or cause to be maintained, records for each motor vehicle they control for 30 consecutive days...

 - The records must include:

 An identification of the vehicle including company number, if so marked, make, serial number, year, and tit restee in addition, if the motor vehicle is not owned by the motor carrier, the record shall identify the name of the person furnishing the vehicle;

 A means to indicate the nature and due date of the various inspection and maintenance operations to be performed.

 A record of inspection, repairs, and maintenance indicating their date and nature; and

 - A record of tests conducted on pushout windows, emergency doors, and emergency door marking lights on buses.
 - (c) The records required by this section shall be retained where the vehicle is either housed or maintained for a period of 1 year and for 6 months after the motor vehicle leaves the motor carrier's control.





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Records

- Common questions
 - \bullet Can I have someone else keep the records for me?
 - Yes, as long as you can get them from the other party and present them during an audit.
 - Can I use an all-electronic maintenance recordkeeping system?
 - Yes, as long as all of the required maintenance inspection, maintenance, and repair records can be printed and provided during an audit.





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Regulation — Unsafe Prohibited

- §396.7
 - · A motor vehicle shall not be operated in such a condition as to likely cause an accident or a breakdown of the vehicle.
 - The exemption in paragraph (b) only has to do with stopping on the road when a defect is discovered during operation





Regulation — Periodic (Annual) Inspection • §396.17 • (a) Every commercial motor vehicle must be inspected as required by this section. The inspection must include, at a minimum, the parts and accessories set forth in Appendix A to this part. The term commercial motor vehicle includes each vehicle in a combination vehicle.

Annual Inspection

- Must meet the standards in Appendix A to pass, no exceptions
 - If not listed in Appendix A, not considered in pass/fail decision
- Must use a qualified inspector (technician)
- State-mandated inspection can be done in place of doing the federal
- Proof of passing the inspection must be:
 - In the vehicle's maintenance records
 - A copy of the annual inspection report
 - On the vehicle
 - EITHER a copy of the report or a decal (see §396.17(c) for the decal details)



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Qualified Technicians

- $\bullet~\S396.19-\mbox{Must}$ meet these requirements to conduct annual inspections
- §396.25 Must meet these requirements to inspect, maintain, and repair brakes
- EPA MVAC certification Must meet these requirements if handling refrigerants (A/C systems and reefers)
- OHSA training Training/qualifications required on various topics (PPE and personal safety, HM awareness, multiple-piece rims, etc.)



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Driver Daily Inspections

- Pretrip (§392.7 and §396.13)
 - Driver cannot operate the vehicle until satisfied it is in good working order
 - No report required
- Enroute (§392.9 and §397.17)
 - Cargo securement within first 50 miles, then every 3 hours, 150 miles, or next duty change, whichever comes first
 - Tires checked whenever vehicle is parked when hauling HM
 - · No report required
- Post-trip/DVIR
 - Driver must submit a DVIR at the end of the workday if there are any defects on the vehicle



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Proposed Breakup of Vehicle BASIC in CSA

- Vehicle maintenance divided into two Safety categories, Vehicle Maintenance and Vehicle Maintenance: Driver Observed
 - Violation assigned based on whether the defect could have been discovered by the driver during a pretrip
 - · All violations will still be assigned to the carrier
- Will allow a carrier to better view violations
 - Easy to spot versus under vehicle
 - Easy to spot should have been found and reported by driver
 - Under vehicle tied to company maintenance program
- Likely to cause drivers to become more concerned with carrier maintenance and repair practices



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Is Your Program Working?

- Roadside inspections
 - · Limited or no violations
 - Any violations are corrected day of or as part of next DVIR cycle
 - CSA Vehicle Maintenance BASIC score
- Auditing
 - Records match the maintenance program as presented by the carrier
 - Records of all inspection, maintenance, and repair activity presented
 - Roadside violation repairs will be verified (all, not just OOS violations)
 Repairs for defects noted on DVIRs verified
 - Vehicle OOS rate under 34 percent during audit



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Inspection and Maintenance Statistics Tom Moore, CTP National Private Truck Council



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Raising the Bar

- Care and feeding of equipment, drivers and customers
- Shared responsibility
- Roadside and maintenance inspections are a gauge of fleet maintenance program performance
- Safety
- Retention & Recruiting
- Customer Service
- Planning for the future



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Why the Regs Aren't Followed

- Poor communication
- · Conflicting goals
- Forms and processes that lead to poor follow-through



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Extending Life Cycles

- More frequent inspections and updated PM schedules
- Parts may be harder to acquire
- Maintenance spend will increase
- Possible disruption in customer service
- Need to implement a predictive maintenance program



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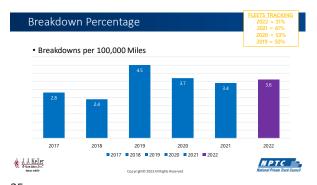


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■ 2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022





Leading Causes of Breakdowns Tires Emissions Electrical Englie Brakes 25% Uighting 21% Fuel System 17% Cooling System 6% Copyright 2021 Al Right Reserved

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More Breakdown Metrics

- Average reported cost is \$1,024 vs. \$817 last year
- \bullet Average number of miles between breakdowns is 42,600 compared to 67,600 last year
- Average time of breakdown is 8.4 hours vs. 5.9 hours last year
- \bullet An average of 3.6% of the breakdowns result in an out-of-service violation vs. 2.9% last year





Daily Inspections Best Practices • Train drivers • Ensure follow-up with all personnel • Pay a driver incentive tied to inspection performance with inspections & J. J. Keller NPTC = 28 Audit Your Inspection Practices · Out of service rates Accident rates · Roadside breakdowns • Equipment violation citations • Maintenance cost and repair Copyright® 2023 All Rights Reserved 29 Benefits of Raising the Bar • Lower overall maintenance costs (PM and in-house repairs are always

- cheaper than on-road emergency repairs due to breakdowns or OOS
- Increased fuel mileage (tire inflation and lubrication)
- Improved driver retention (drivers that are constantly broken down tend to go to work somewhere else)
- Improved on-time percentages due to less breakdowns and out-ofservice orders







A Fleet's Perspective

Brian Damon

New South Express, Inc.





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A Little About Us

- 183 Tractors
- 338 Trailers (Flatbeds; Open –Top Vans; Logs)
- 216 Active Drivers
- \bullet We operate primarily in the Southeast U.S.
- \bullet Commodities are Dimensional Lumber, Wood Residuals and Logs.



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NewSouth Express

A Little About Us

- We have full-service leases for 97% of our equipment.
- NewSouth Express • Having a full-service lease does not release the drivers or management from compliance with the FMCSR. The vendor, like any maintenance department must also be managed and directed.
- \bullet We are likewise not immune to the challenges facing fleets with supply chain issues affecting equipment trade cycles





New South Express, Inc.



Limited available build slots for new equipment.



Extending the life cycle of current equipment.



Supply chain issues effecting parts.



Repair shop wait times are longer than ever.





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Our Approach to Preventive Maintenance

-Recruiting-Hiring Employees With a Safety Mindset is Key to Growing a Safety Culture Such Employees Are Priceless

- · Application and Interview
 - Lack of tenure, management issues can indicate a lack of a Safety Mindset and tolerance for safety initiatives.
- Be on the lookout for hidden violations ex; NC "Equipment Speedometer" is speeding that was plead.
- Download and Evaluate the PSP on every candidate
 - Several clean inspections always good to see
 - · Minor issues with light bulbs etc. not a deal breaker
 - Multiple Violations on several inspections raises doubt
 - Seatbelt violations or mobile device violations show a lack of the Safety Mindset



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Our Approach to Preventive Maintenance

-At the Shop-

- Operations are within 5 60 miles of maintenance locations
- Encourage fueling at the shops to enable techs to inspect equipment frequently during fueling. This additional check, combined with driver pre and post trips lessens the chance of anything slipping by.
- Use of vendor apps to streamline check-in and start the clock on the Time-on-Site metric
- Tire Standards exceed Federal Requirements.
 - 6/32nds for steers
 - 4/32nds for all others



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Our Approach to Preventive Maintenance

-On New South Express Yards-

- Must Be "Right to Roll" Rule
- Driver and equipment have no violations or OOS conditions that would show in a DOT inspection.
- · Extra Equipment available to keep drivers moving
 - Captive subs
 - Captive subs
 Maintenance subs
- After Hours Road Call Service
 - Tire calls that can't wait
 - Road-side tire failures



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Our Approach to Preventive Maintenance

-With the Drivers-

- Provide Regular Video-on-Demand Training Monthly
 - Typically, one or two videos each driver must complete to qualify for monthly safety incentive
 - Selection varies based on fleet metrics and inspection items
- Boots on the Ground
 - \bullet Perform "Mock" DOT inspections randomly and weekly
 - \$200 Safety Award for no violations whether mock or roadside
 Drivers enjoy the challenge, especially when awarded a Clean Inspection
 - Audit driver behavior for actual PTI activity
 - Includes documentation, i.e., Annual Inspections; Insurance; Registration, etc.
 - Mandatory inspection for any observation of unsafe activity



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NSE MOCK CVSA CHECKLIST

- Includes items that pertain to our company policy and not necessarily part of a CVSA inspection.
- We train our drivers to follow the CVSA standard inspection order.
- Drivers that pass with no violations awarded \$200.



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Our Approach to Preventive Maintenance

-By the Staff-

- Must Be "Right to Roll" Rule Followed Fleet-Wide
- Follow-up with vendor on completeness of repairs
- Arrange for substitute power for scheduled PM's
- Incentivize and reward good behavior by means of bonus and training rewards
- Fully support drivers with reporting and arranging repair of equipment
 - \bullet Backup drivers when techs tell them to "ease it to the shop"
 - No-Fault for late deliveries due to safety issues
- Meet with vendor weekly to review scorecard



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More Questions?



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