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DATS Trucking tractor hauling the No-Zone trailer

THE NMTA ANNUAL GENERAL MEETING

****Make Your Reservations Now****

Mark your calendar and register to attend the Nevada Motor Transport Association Annual General Meeting, December 13, 2006, 0800 AM to 12 Noon, at John Ascuaga's Nugget in Sparks. NMTA will have speakers including: Nevada Highway Patrol; Bill Bensmiller, Nevada Administrator for Federal Motor Carrier Safety Administration; and Edgar Roberts, Administrator of Nevada DMV's Motor Carrier Division. As well as Robert Pitcher with American Transport Association, discussing national highway issues. These speakers will present current information you need to know to be a motor carrier in and through the State of Nevada.

NMTA will also be hosting a panel discussion on future Nevada highway funding, and the potential \$3.8 billion funding shortfall by the year 2015. Panelists will include Jeff Fontaine, Director of Nevada Department of Transportation; Carole Vilardo, President of the Nevada Taxpayers Association; and Tom Skancke of the Skancke Company in Las Vegas. Come with your ideas, and be part of the solution.

A luncheon will follow the general meeting, and will include a guest speaker, as well as the announcement of the Nevada Driver of the Year and award presentation. Call Jamie at NMTA, (775) 673-6111, with any questions, or fax your registration form to (775) 673-1700.

Managing Editor, Amy Levine, Special Programs Manager Nevada Motor Transport Association, Inc.

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You can access a registration form at www.nmta.com, under the upcoming events tab.



NEVADA MOTOR TRANSPORT ASSOCIATION MEMBERS' CORNER

NMTA Members' Corner is a new feature designed to showcase our association member companies and the services they provide:

DATS TRUCKING was founded in 1988 by CEO Don Ipson and Vice President Stan Snow. DATS' major operational players include Senior VP Scott Kelsey; CFO Danny Ipson; VP of Safety & Compliance Dale Ipson; VP of Maintenance Dax Snow; VP of Petroleum Marketing Darrin Snow; and VP of Operations David Ipson, who is also NMTA's current President.

Dats Trucking runs over 500 power units and 1025 trailers, and handles regional less-than-truckload (LTL) cargo, truckload cargo and tank load petroleum products throughout the eleven western states. DATS



DATS Trucking Management Team 1

offers a special load-to-go LTL service through its owner/operator division MST Trucking. DATS has been an NMTA member for 12 years.

The focus at DATS is on providing superior quality motor freight service, and its company promise is to work harder and smarter to remain “Your Quality Service Carrier.”



REEVE TRUCKING was founded in 1976 by owner Donald Reeve. Reeve’s major operational players are President/Operations Manager Don Reeve; Dispatch/Operations Manager Terry Hartley; Dispatch/Permit Specialist Jerry Miranda; Dispatch Manager Mark Teske; California Sales Manager Mike Fulton; and Nevada Sales Manager Frank Roach, who also serves on the NMTA Board of Directors.

Reeve Trucking runs 100 power units and 350 trailers, providing flatbed and heavy haul services. Reeve has been an NMTA member for over three years, and a CTA member for over 18 years.

The company philosophy at Reeve is to offer superior people and equipment to customers, enabling its team to out perform competitors in regards to safety and timely delivery of some of the most difficult to transport construction products.

Reeve Trucking - Heavy Haul Truck



THERE ARE NO FREE LUNCHES

By: Greg Fulton, President, Colorado Motor Carriers Association

When I was young, whenever I saw a deal that appeared too good to be true, my father would advise me, “Son, there are no free lunches.” Watching the rush by many states to allow investment groups to build private toll roads or acquire existing turnpikes, I am often reminded of this phrase.

Frequently, I hear public officials talk about how privately owned highways or toll facilities provide an opportunity to build a new roadway or add more capacity to an existing one at no cost to the taxpayers. This is particularly appealing to many elected officials because it seemingly provides a painless way to address a serious deficit in transportation funding. While we hear of the many benefits private investment in toll roads and acquisition of state turnpikes offer, there has been little discussion as to the risks.

Over the past several years, we have seen a number of private groups promote various toll roads and privatization projects. These parties produce glossy reports and conduct impressive presentations, which may provide overly optimistic traffic and revenue projections. In some instances, the consultant groups that developed the traffic projections and engineering reports receive attractive contracts if the project moves forward. At the same time, bond houses generate reports showing a solid return on investment. They, like the consultant firms, stand to make a substantial profit if the project is approved.

A recent series in the Denver Post highlighted some of the problems associated with these rosy projections. The story reviewed 23 toll roads across the country. Of that number, 86% failed to meet their traffic and revenue projections in the first year. For the 20 toll roads that had been open for three years or more, 15 fell short of their targets- many by more than 25%.

According to the Denver Post, one toll road in South Carolina, which opened in 2001, is only collecting 36% of its projected revenues.

Unfortunately, few of the studies discuss what may occur if traffic and revenue projections fall short and the toll authority faces a possible default on the bonds. There is no fallback plan if the toll authority fails. Conventional wisdom is that the liability for such a failure rests solely with the investors and bondholders, and that the general public assumes no risk. While this may be true in some instances, the reality is probably much different in other situations.

To begin with, the assumption that the developers and investors who poured millions of dollars into these facilities will go quietly and allow their investments to spiral downward is probably false. One can easily guess that the toll authority, along with its investors, will aggressively lobby public officials for assistance to avoid defaulting on the bonds or declaring bankruptcy.

To some extent, investors may feel they have a good case for a bailout, because state transportation departments and legislators have actively promoted these projects. In some cases, government staff even has been part of the review process, so investors could contend that they made their investment based upon the state's de facto approval of the facility's projections of revenues.

Next, if there is any significant level of traffic on the toll road, even if the numbers fall far below projections, the state may have little choice but to bail out the toll facility. With the advent of noncompete provisions in many contracts between toll authorities and local and state governments, it is likely that no capacity improvements have been made to adjacent highways. The lack of such enhancements means that these roadways may not be able to absorb significantly more traffic without causing gridlock on them.

Why should the trucking industry be concerned? First, the search for a bailout may take some strange turns. To save a toll facility, we may see lawmakers try to shore up revenues through some creative forms, such as seeking to bar trucks from adjacent highways, effectively forcing them to use the toll road. While efforts of this nature would be opposed by transporters and shippers, they might be very appealing to state decision makers when faced with the choice of dipping into a state's general fund.

Second, if other funds are transferred to support the bonds for a toll facility, they may come at the expense of more critical transportation projects. Third, if a state

is forced to assume the bond debt, it may have a negative effect on the state's bond rating and increase borrowing costs- not just for roads, but also for schools, sewer systems, etc. Finally, rather than reducing a shortfall in funding, the failure of several toll projects in a particular state could actually increase it, as a state takes on the higher debt for these private facilities.

Privately funded toll facilities and highway acquisitions play a part in meeting our future transportation needs, but state and local governments must be cautious, recognizing that risks exist for the state and for taxpayers in such transactions. States need to scrutinize more closely the traffic and revenue projections for these facilities.

Furthermore, states should bar firms that develop these projections from participating in the funding, design, or construction of a facility after it has been approved. Having a firewall of this nature would better ensure that estimates are unbiased and, we hope, more realistic. It would also further protect the state, investors and, ultimately, the taxpayers from those who would promise us a "free lunch."



ULTRA LOW SULFUR DIESEL FUEL

On October 11, 2006, NMTA member company McCandless International Trucks hosted a news conference to celebrate the regulatory introduction of cleaner burning ultra low sulfur diesel (ULSD) fuel. The ULSD fuel limits sulfur content to 15 parts per million (PPM), versus 500 PPM in regular diesel fuel. ULSD allows newer diesel engines to cut emissions by up to 90%, as well as older diesel engines to lower emissions significantly.

U.S. Environmental Protection Agency (EPA) Regional Administrator Wayne Nastri; Dennis Ransel of Clark County Department of Air Quality and Environmental Management; and Tupper Hull of the Western States Petroleum Association; all spoke at the news conference held at McCandless International Trucks on Losee Road in North Las Vegas.

The official mandate for U.S. Service stations to provide ULSD began October 15, 2006, although

Las Vegas’ reliance on pipeline fuel from California had put the Valley on the receiving end of ULSD months earlier. When fully implemented, the EPA’s new ULSD fuel requirements and new highway diesel engine standards will prevent an estimated 8300 premature deaths and tens of thousands of annual cases of respiratory ailments such as bronchitis and asthma.



Speaker Wayne Nastri, EPA Regional Administrator, and at left Dennis Ransel, Clark County Air Quality.



DIESEL RETROFIT BOOT CAMP

Emissions Advantage, LLC presented a Diesel Retrofit Boot Camp on October 3rd and 4th, in Las Vegas, Nevada. The boot Camp program is a comprehensive, interactive training session for those involved in planning, implementing, and evaluating retrofit programs, and using retrofit products. The program is structured into two parts. Part One provides a good understanding of all of the elements needed to achieve a successful program, including program planning, funding, outreach and partnering, implementation, and evaluation.

Part Two describes the various retrofit technologies and other strategies for reducing emissions from existing diesel engines, focusing on applications and strategies that are likely to be most successful. Boot Camp instructors have extensive, hands-on experience in planning and implementing diesel retrofit programs, and in selecting and using retrofit technologies.

Emissions Advantage covered six basic retrofit strategies at the Las Vegas Boot Camp:

***Retrofit-** Exhaust emission control technology, crankcase emission control, and engine control modules.

***Refuel** – ULSD, biodiesel, emulsions, additives, electrification, and alternative fuels.

***Repair/ Rebuild-** Maintenance, repair, and engine component upgrade.

***Repower** – Install new engine in existing vehicle/ off road equipment.

***Replace** – Replace existing vehicle/ off road equipment.

***Reduce** – Limit idling, and other operational changes.

Other covered subject matter included the retrofit program development process; retrofit program experience and lessons learned; identifying and acquiring funding; developing retrofit program partners and constituents; fundamentals of diesel engine operation; technology, fuel and operational applications; acquiring emission reduction products and implementing programs; and an interactive program planning session.

Anyone interested in pursuing strategies to reduce emissions from existing diesel engines, or wishing to learn more about future Emissions Advantage programs should visit the web site:

www.dieselfretrofitbootcamp.com.



NEW U.S. SECRETARY OF TRANSPORTATION

Mary Peters has been unanimously approved by the U.S. Senate to become the new Secretary of the Department of Transportation (DOT). President Bush stated that Peters is “an innovative thinker who will work with state and local leaders to confront challenges and solve problems.”

Peters will take over the Department of Transportation from current Deputy Secretary Maria Cino, who had served as acting secretary in the interim period since former secretary Norman Mineta’s resignation in July.

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- ✓ Vehicle Inspections (AD-901-DVD/AD-901-VT)

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or visit

www.jjkeller.com/master



A portion of the revenue from your purchase supports NMTA.

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- Nevada Water Sweep (dba Living Water)
- Dust Down Water Truck & Sweeper Service

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