

# PRESIDENT'S MESSAGE

## 'Tis the Season

This is the best time of the year. It is a time for family. In our industry we are so busy all year long that we often do not dedicate ample time to those most important to us. As my slogan this year, "We are Family," indicates, no matter how tough things are we must take the time to appreciate the ones close to us and realize that they are what is ultimately most important. Enjoy the Holidays and your family. Best wishes to you and yours from Debby and I.

After the Holidays and the New Year is upon us we will have much work to do. If you have not registered to participate in the 2011 Annual Management Conference please do so now. Your association will be looking for your guidance on the major issues affecting our industry. It has probably been said before but I can't imagine a more important time to be close to your association as it works through the important issues that will certainly change how we do business in California and how we truck in 2011 and beyond. This work is to be done at the beautiful Four Seasons Biltmore in Santa Barbara.

The recent election results have emboldened the California agencies. Except for a few small business friendly proposition victories, these agencies have seen the election results as a mandate to move ahead with their agenda. The California Air Resources Board has announced it is full steam ahead on the provisions of AB 32, the Green House Gas measure. A similar movement is underway by the Federal Environmental Protection Agency.

Last month, my presence was required at one of my large customers for a meeting of their contractors. There were 400 of their vendors represented in two sessions. They informed us that the EPA was requiring them to "catalog" all sources of GHG. They presented us with a massive spreadsheet that we were instructed to use to list all potential sources of internal and external combustion that would be used to complete our work for them. At this point they want everything listed from big trucks and cranes to a gas powered hammer drill. Among other items we are to list is the unit number, serial number, model, fuel

type and maximum potential fuel consumption per hour. Even if the equipment is not currently used for their account, if there is a chance it might be in the future they are requiring it to be added to the "inventory" list. Any equipment that currently does



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2010 CTA President

not have an hour meter on it will be required to have one installed. My company will need to catalog over 500 pieces of equipment.

Then, beginning in 2011 the vendors will be required to report monthly the amount of hours and corresponding fuel consumption each item used in the work done for this customer. This process will be repeated for most of the industrial customers we work for. Furthermore, there is not a "standard" spreadsheet

so I envision a different format for each of the 200 industrial customers we do business with.

After complying with the federal EPA, the state of California will probably be following with a similar plan. Can you imagine the burden on business to comply with these requirements? The costs will easily be in the billions of dollars. Is anyone naive enough to think that these costs are not going to be passed on to the consumers? I believe every business in the USA will weigh the costs associated with compliance with these rules and many will determine it is cheaper to do their business off shore and ship the finished product into the United States. I predict more good U.S. jobs will be shipped away from our country, but the government can claim they reduced greenhouse gases.

When this happens to you, do not get mad at your customer for making the demands. They are simply the messengers. I have a feeling we are going to hear from a lot of messengers in the coming year. Stay tuned as we continue to bring you the 13-axle low bed of issues confronting our industry. See you soon.

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