



DTI INTERCHANGE

A Forum of Communication Between Dalton Trucking, Inc. and Its Customers



'Bossy' benefits from DTI's newest commodity haul. cattle feed.

DTI Expands Inter'moo'dal Commitment

On September 1, 1998, DTI acquired certain assets of California Cattle Feeders, Inc. (CCF). Located at the entrance to TXI/Riverside Cement in Crestmore, CCF specializes in transloading cattle feed and minerals. Their total monthly volume averages approximately 140 cars, with 85% of their current volume being



DTI's expansion into this business represents an additional commitment to greater involvement in intermodal work.



Modifications to reduce fugitive dust are presently underway in line with DTI's commitment to become an environmentally good neighbor. These actions will strengthen the long term competitiveness of the siding we have leased from the UPSP railroad.

Mike Young will continue managing the former CCF operation along with Gary Bruggeman. Former owner Bud Childs remains available as a consultant. For more information, CCF can be reached at (909) 686-2832. ♦

Eastside Reservoir Project Nears Completion

DTI, subhauling for Lowbed & Pipe Hauling Services (a Hispanic, woman-owned minority business), has completed its portion of hauling 900 joints of 150"



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Big Blade Efficiency

Recently, a CAT 16G motor grader was added to DTI's offroad equipment fleet. This motor grader weighs in at over 60,000 pounds and has a 16' moldboard. When compared to DTI's 12F, our operator estimates that it is up to four times more productive.

While the 16G is not as handy to move, if the available space or size of yardage involved justifies its use, it is certainly worth the tradeoff. This machine lends itself to large slag paving as well as mining/haulroad maintenance applications. It is available for rent, both bare and operated.



For more information, contact John Ratzlaff at extension 506 or call Toby Jensen's mobile at (909) 830-8661. ♦

EPA's Strange 'Logic' Costs Dearly

Andy Busby, Vice President of Administration

Do you find this strange? Last month, television news aired Environmental Protection Agency (EPA) Administrator Carol Browner brandishing the electronic control box out of a diesel engine and acting as though she had just saved the world from a sinister weapon.

She proclaimed to the masses that seven truck engine manufacturers sold engines that were deliberately designed to thwart the federal air pollution standards. She claimed that the black-box engine controls were programmed to know when the engine was being tested and when it was used in actual transport operations.

In reality, the facts are much less sinister and suggest that the EPA may be dabbling in a little extortion. Engine manufacturers are being forced to take a fall for mistakes made by the fantasy-land bureaucrats at EPA who dreamed up the current engine certification tests.

It is quite obvious that the engine manufacturers settled with the EPA rather than be sucked into a long-drawn-out court case that would ultimately burn up millions of dollars in legal fees alone. A statement from Cummins



CAT 3406E

Engine Company goes directly to that point.

"We firmly believe that Cummins has been in full compliance with both the letter and spirit of the Clean Air Act and EPA emissions regulations, and that we would prevail in court. The EPA and the California Air Resources Board have been aware of the strategies used to control emissions and, until their precipitous change in direction in late 1997, never questioned them. Nevertheless, the industry has decided to reach an agreement with the government because it removes the uncertainties of protracted and expensive litigation."



Cummins N14

Cummins was joined in the settlement by Caterpillar Inc., Detroit Diesel Corp., Mack Trucks, Renault, Navistar International Transportation Corp., and Volvo Truck Corp. These manufacturers account for 95% of the heavy-duty diesel engines sold in the U.S. They continue to deny that they did anything wrong.

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Delivery to Shank Balfour Beatty/Advanco at Arrowhead West

Eastside Reservoir
Continued from Page 1

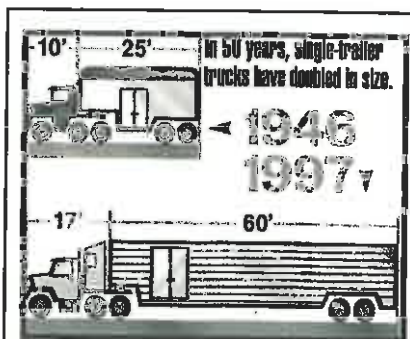
outside-diameter pipe. This is steel-jacketed pipe with 2" of concrete coating. The 40' joints weigh 66,000 pounds and are hauled on specially modified trailers. Steve P. Rados Construction was awarded this "reach" of the pipeline.

When fully completed in 2004 the Eastside Reservoir will hold more water than Lake Havasu. The 4500-acre reservoir will be 4.5 miles long, over 2 miles wide and 160' to 260' deep, nearly doubling southern California's surface storing capacity.

A trio of dams - one of which is 10,500' long, 1200' wide at the base, 40' wide at the crest and 180' high - will retain this water. See Page 5 for more details on this huge project.

The reservoir will be filled with water from both the Colorado River and northern California. From here it will be distributed throughout California by project owner Metropolitan Water District.

If you would like to arrange to have pipe hauled or have need for specially modified trailer hauls, contact Matt Klenske at extension 560. ♦



Does Size Matter?

Is bigger better? In 50 years, single-trailer trucks have doubled in size. In 1946, a 10-foot tractor pulled a 25' trailer. By 1994, the tractor was 17' long and the trailer 50'. The Western Highway Institute says double and privileged triple trailers have the best safety record. ♦

Did You Know?

77% of U.S. communities depend exclusively on trucks to bring consumer goods, take away finished products and deliver raw material. Trucks carry billions of tons of freight billions of miles. They are absolutely vital to our lives. Without trucks, America stops.

DTI has an average of 3 1/2 trailers per tractor. This enables us to support our customers needs by loading when the goods are produced, yet not delivering until the contractor requests. ♦



Killer Trucks?

41,798 people died on our nation's highway in 1995. Most of those fatalities - 88% - did not involve trucks. Furthermore, some trucking industry leaders maintain that 72 percent of truck-related fatalities were the fault of the motorist. The fatality rate for trucks was the lowest on record. ♦

IMPORTANT Haul

This 10'x12' 65,000 pound injection molding machine was imported into Long Beach for use by ICE in Huntington Beach. DTI has years of experience working with import and stevedoring firms to secure the timely release of imported cargo. Phil Moessmer (extension 590) is the contact person to arrange imported cargo pickups. ♦



Note the use of the 15' deck extension to lower the overall length.

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DTI Assists

In Far-Reaching Project

A tunnel linking Moreno Valley with Redlands is scheduled to be the final segment of Metropolitan Water District's \$1.2 billion Inland Feeder Project that will carry water through the San Bernardino Mountains to the Domenigoni Valley reservoir.

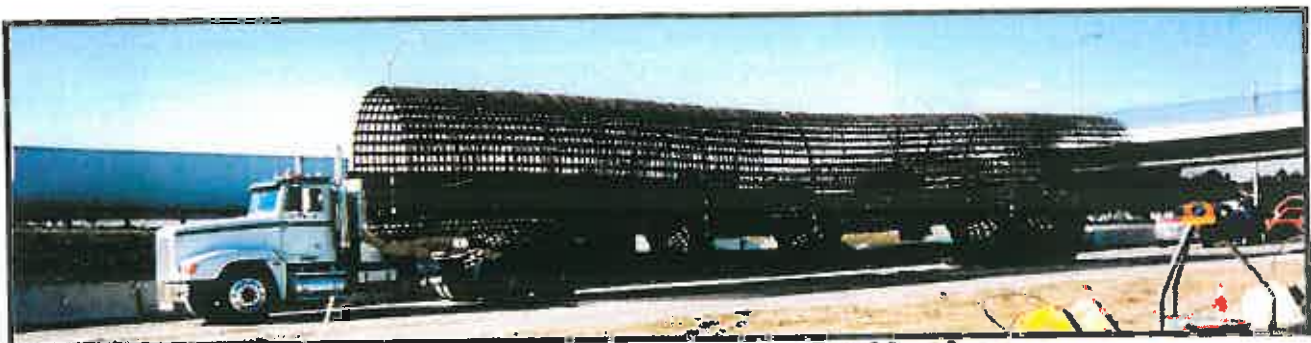
DTI recently completed delivery of over 1100 pieces of 12 1/2' diameter pipe from Ameron in Rancho Cucamonga to Steve P. Rados Construction and Advanco Constructors. The excavation extended from just east of the town of Nuevo and continued southeast to Hemet where it was connected to the first phase of pipe already in place.

Shank/Balfour Beatty was awarded a separate \$112.8 million contract to dig the 8-mile tunnel which will be connected with the Eastside Reservoir, then buried and landscaped.

Continued on Page 7



A 15' deck extension allows this 55-60,000 pound pipe joint to sit low on the deck and forward enough to avoid overloading the 16-tire trailer group.



Future Freeway Support In Motion

This large rebar structure was manufactured by Fontana Steel in Rancho Cucamonga for a CalTrans project at the Highway 57/91 Interchange.

While not visible from the photograph, the stretch step deck trailer used for this move is especially unique. It has 16 tires on the trailer which increases the maximum permitted payload to 60,000 pounds on the group.

If you have specialized dropdeck, flatbed or stretch trailer loads to move, call Scott Johnson at extension 563. ♦

Still, they agreed last month to pay record fines of \$83.4 million and \$109 million on projects to reduce pollution to settle claims by the EPA. An additional \$850 million will go toward improving emissions in new engines and replacing control units in 1.1 million trucks. While a recall is not required, manufacturers will have to retrofit any engines they rebuild.

By all indications, truck engine makers have been hit with the largest penalties ever levied under an environmental law just for complying with the EPA guidelines. The EPA certification test measures emissions at engine speeds of only 35 to 40 miles an hour and not the faster, steady-state speeds where nitrous oxide (NOx) emissions are at their worst.

The current limits set by EPA bureaucrats allow emissions of four grams of NOx per brake-horse-power-hour. Under new limits agreed to in the settlement, emissions will have to be reduced to 2.5 grams by October 1, 2002.

In addition, new test procedures will incorporate aspects of the Euro-III system. Certification tests will be conducted at a wider range of speeds under conditions that are more representative of actual city and highway driving conditions.

All this means higher costs to truck buyers and users. Emissions will be reduced, but fuel efficiency may be trimmed by as much as 10%. Plus, some industry experts predict the engine modifications are likely to result in a greater amount of wear and will require shorter maintenance intervals and more frequent oil changes. This all adds up to more expense.

Ultimately, this settlement will have far-reaching implications on the economy. ❖



Detroit Series 60

Truck & Pups At Their Best

Each year TXI/Riverside Cement moves 15-20,000 tons of low-iron kaolin clay from Hot Creek, near Mammoth Mountain, to their Crestmore facility on the edge of Riverside County near Bloomington. Truck-and-pups are assigned the task for a number of reasons.

*** 3-axle trucks offer the traction required to navigate 7 miles of unpaved mountain road into the quarry site.**

*** The aluminum pup trailer when combined with an aluminum truck box allows this equipment to net nearly 27 tons of payload.**

This allows TXI/Riverside Cement to receive a freight rate based on the most efficient truck available.

For more truck & pup fleet information, contact our Adelanto manager Bill Cole at (760) 246-4141. ❖



Truck body recently built in DTI's Adelanto Shop. Note the form-fitting tarp for dust control.



DTI's dozer digs in against the tide.

Shifting Sands

DTI's battle against Mother Nature continues raging at Seal Beach. Another 50,000 tons of sand railed-in by the Union Pacific Southern Pacific (UPSP) railroad from Palmdale is being laid between the Seal Beach Naval Weapons Station and the Seal Beach pier.

The reason the City of Seal Beach and the Army Corps of Engineers is refurbishing the beach is the result of the construction of a jetty to provide a safe harbor in which naval vessels can load/unload munitions. The construction of the jetty disrupted the beach's normal sand migration, resulting in an erosion deficit at every high tide.

The use of 100-ton railcad cars eliminates four trucks from the highways and makes this project economically viable. Several of the homes

that the sand berms protect along the beach front are valued up to \$1 million dollars. The Palmdale sand not only reduces the chance of beach front flooding, it has also turned out to be more erosion resistant due to its slightly larger than true beach sand grain size.

The City of Seal Beach is considering expanding this project to include nearby Surfside Beach, which lies just to the south of Seal Beach. Currently DTI is capable of unloading up to 25 railcars a day, including placing the sand on the beach using two CAT 637D scrapers.

John Raizlaff can be contacted at extension 506 for more information on heavy equipment use. ♦

Capo Clay to Colton

California Portland Cement (CPC) has contracted DTI to rip, push and load 150,000 tons of clay annually for the next several years. The clay is part of an abandoned stockpile dating back to the days when Gladding McBean operated on the O'Neal Ranch in the 1950s.

The hauls require strict dust and truck tire-tracking measures, per the City of San Juan Capistrano, in order to meet permit conditions. As a result, ratable trucking is spread over the season, reducing the impact a concentrated, high volume movement would have on local roads. DTI's responsibility includes maintaining the haul road (using its blade and water truck), ripping, dozing and blending the stratified clay types into a homogenous mix, and then loading and trucking it to Colton.

By the time the CPC clay, which is high in alumina, has exited the kiln, it has become an integral part of the cement particle matrix.

The contact person for similar moves is Dennis Parham at 550. ♦

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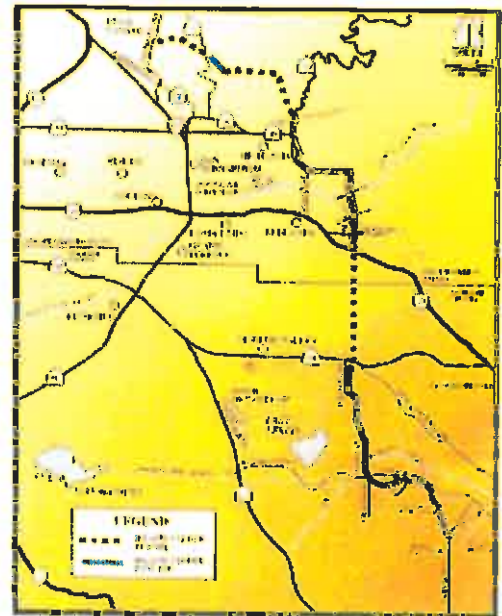


DTI's D8 efficiently pushing downhill.

Inland Feeder Project Continued from Page 4

When completed in 2004, the Inland Feeder will enable Metropolitan to bring as much as 650 million gallons a year of additional water from Northern California through the state water project into its service area. Those additional supplies will flow into Metropolitan reservoirs, including the new Eastside Reservoir Project, and be stored for future use or delivered directly to consumers in Los Angeles, Orange, Riverside, San Bernardino and San Diego counties. The Inland Feeder also will help in the replenishment of local groundwater basins.

Passing unseen under rivers and mountains and across broad valleys, the 43.7 mile tunnel-and-pipeline system is one of the largest water projects underway in California. It will be constructed in nine segments, called "reaches" in engineer-speak. Construction start dates and schedules are staggered for the reaches, but several already are underway in Riverside and San Bernardino counties.



The Inland Feeder's route begins at Lake Silverwood. It ends south of the town of Winchester, near the city of San Jacinto in Riverside County. At the height of construction, more than 500 full-time workers are expected to be on the job. ♦

Dalton Scores at Staples Center

The Staples Center (yes, the office supply people) being constructed at the L.A. Convention Center will be a joint home to the L.A. Lakers and L.A. Clippers basketball teams, as well as the L.A. Kings hockey team. The new state-of-the-art sports arena promises an increase in premium seating. A special deck will cover the ice for use by the basketball teams.



Sequenced delivery speeds efficient 'lay-up.'

DTI has been selected to supply over 2,000 loads of precast concrete sections for this facility. Intended to be ready for the start of the 1999 seasons, DTI Outside-Sales Representative Chris Bowman, working with Flatbed Asset Manager Scott Johnson, arranged and coordinated scheduled deliveries to meet PCL Contractor's erection deadlines. In order to accomplish such requirements, fifteen 44' flatbed trailers were purchased and placed in dedicated service.

For more information on scheduled moves, contact Chris Bowman at extension 590. ♦



DTI truck "center court" inside the future arena.



The Sky's The Limit In Reno

Josh Klenske and his S1A Pitts moved up to the Silver race category this year at the Reno National Championship Air Races. Flying the Dalton Special, Josh placed sixth in a field of 9 racers. Cool Transport's Silver Slipper came in first at over 200 mph.

This year, two new classes of racers were added: Sports and Bear Cats. The Unlimiteds turned in speeds in excess of 470 mph. Pretty fast for piston-driven propellers!

Great attendance and better race management increased prize purses and Josh figures that by next year racing might actually begin to pay for itself! ♦



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"Dependable Service Since 1963"
Dalton

F)

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