

A Year in Review: Asphalt Hauling Optimization

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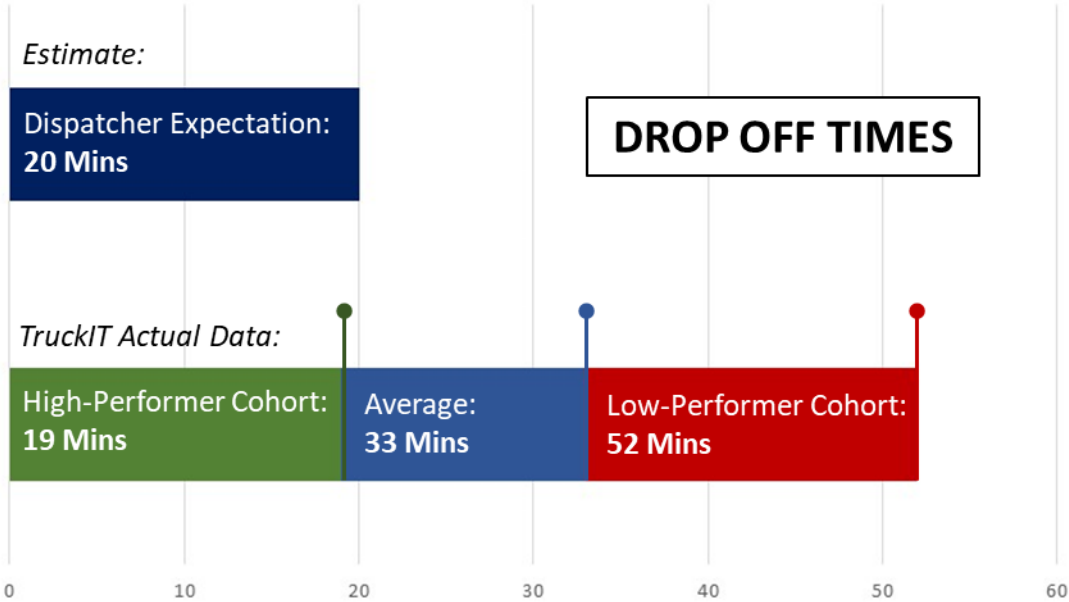
TruckIT



Actual Wait Times at Asphalt Plants and Job Sites vs. Perceived Wait Times









Expectation vs. Execution
Additional 23-minute average round trip





Company Owned vs. 3rd Party Hauler Performance

	Company Owned	VS.	3 rd Party Haulers
 Over Trucking	Typically over trucked - viewed as a sunk cost		Typically request exactly what is needed plus a small buffer
 Overall Turn Times	Expectations are known and tightly managed - Closed Loop process		Minimal incentive due to hourly pay model
 Staggered Start Times	Great at following staggered start times		Usually arrive 30-45 minutes early creating congestion – idle times
 Time at Pickup	Less time at pickup		More time in clean out area
 Transit Time	Fewer breaks during the day		5% of drivers take breaks en route or on return
 No Shows	Minimal issues		Miscommunication with dispatcher or drivers simply not showing up for work



Difference Between a Great Driver and an Average Driver

Arrives at
scheduled
time

Does not take
unscheduled
breaks

Follows
prescribed
routes

Does not fight
the foreman!

Can squeeze in one extra load

7% Increase vs. Average

18% Increase vs. Low
Performer

Driver has a Financial Incentive



Creating a Win / Win Through 3rd Party Pay Model



Contractors are focused on **PRODUCTIVITY**
(material delivered)...

...Haulers' cost basis is **TIME-BOUND**
(asset utilization, driver pay)



TECHNOLOGY SOLUTIONS create
alignment between the two

Historically, the industry has used an
hourly pay model

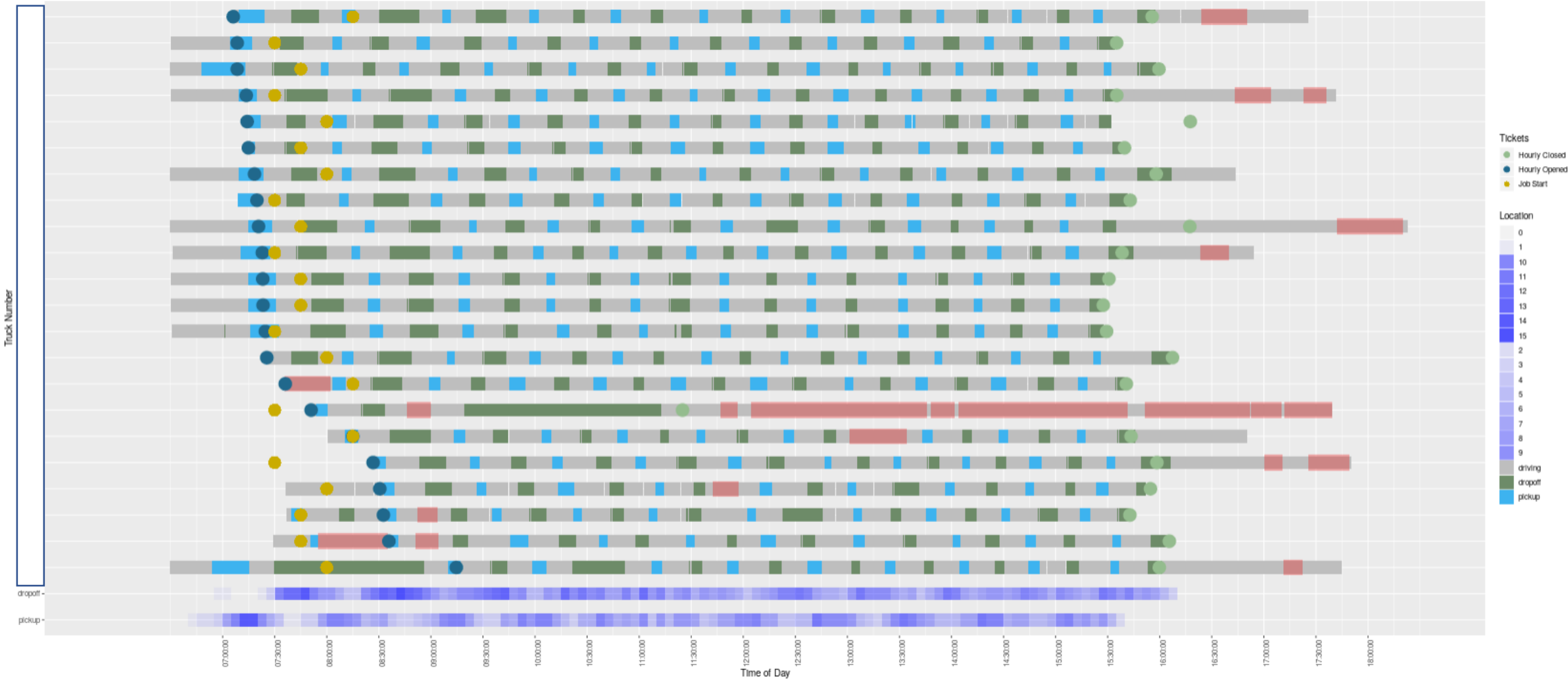
Existing model does not incentivize
haulers' **productivity**

New model builds off existing hourly model

- Detailed reporting and analysis on productivity (turns / hour) by truck
- Reporting on loss productivity (wait times) by stage
 - At **Load Site** – Assess capabilities / productivity of asphalt plant
 - **En Route** – Determine if hauler took a break, was subject to traffic, etc.
 - At **Drop Site** – Opportunities to address with paving crew
- Bring automation and accountability to staggered start times

*Opportunity to
adjust hourly
pay for hauler
productivity*

Trucks in Zones



50 minutes

Average Turn Time



7 minutes

Average Wait at Pickup



10 minutes

Average Wait at Drop Off



219

Total Loads



\$59.02

Price Per Load



\$12,924.84

Total Job Cost



Turn Times

Show 25 entries

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	Number of Loads	Average (Max) Turn Time	Average (Max) Pickup Wait Time	Average (Max) Drop Off Wait Time	Total Pick (minutes)	Total Drop (minutes)	Total Transit (minutes)
	-	-	-	-	-	-	-
	10	47 min (55)	6 min (7)	9 min (17)	55 (12%)	97 (21%)	307 (67%)
	11	48 min (59)	6 min (13)	8 min (14)	70 (14%)	94 (18%)	349 (68%)
	11	48 min (64)	7 min (17)	9 min (23)	81 (16%)	111 (21%)	326 (63%)
	11	48 min (66)	7 min (11)	10 min (24)	73 (14%)	115 (23%)	323 (63%)
	11	48 min (58)	7 min (11)	8 min (20)	78 (15%)	99 (19%)	338 (66%)
	10	51 min (69)	7 min (17)	8 min (19)	73 (14%)	93 (18%)	342 (67%)
	12	47 min (69)	7 min (25)	7 min (13)	82 (15%)	95 (17%)	374 (68%)
	11	48 min (52)	7 min (9)	7 min (15)	76 (15%)	87 (17%)	341 (68%)
	10	52 min (67)	7 min (14)	10 min (22)	71 (14%)	108 (22%)	323 (64%)
	10	51 min (69)	6 min (16)	8 min (19)	65 (13%)	90 (18%)	339 (69%)



Summary

- Expectations have to align with actuals
- Hauling Optimization can be improved for both company-owned and 3rd Parties
- Dispatchers have to shift into providing more oversight of hauler performance
- Real-time Data has to be available for Foreman/Dispatcher to make pay reconciliation and dispatch decisions
- Pay impacts Performance

Q&A?



THANK YOU!

CONTINUE THE CONVERSATION

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